

*Setting the Standard in Health Care Excellence*

February 28, 2023

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, California 93009

**Subject: Approval of, and Authorization for the Health Care Agency (HCA) Director or Designee to Sign, the Third Amendment to Agreement for Director, Associate Director, and Attending Physicians, Obstetrics and Gynecology Services, Director, Perinatology Services, Certified Nurse Midwives Services And Additional Obstetrics and Gynecology On-Call Physician Services with Ventura County Women's Health Specialists Medical Group, Modifying the Compensation Structure within the Current Contract Maximum Amount of \$3,604,732 for Fiscal Year 2022-23, and Within the Current Contract Maximum Amount of \$4,094,553 for Fiscal Year 2023-24 and thereafter; Ratification of HCA's Authorization for the Contractor to Modify Compensation Structure in Anticipation of Your Board's Approval of the Amendment.**

**Recommendations:**

1. Approve, and authorize the Health Care Agency (HCA) Director or designee to sign, the third amendment to agreement for director, associate director, and attending physicians, obstetrics and gynecology services, director, perinatology services, certified nurse midwives services and additional obstetrics and gynecology on-call physician services with Ventura County Women's Health Specialists Medical Group, modifying the compensation structure within the current contract maximum amount of \$3,604,732 for fiscal year 2022-23, and within the current maximum of \$4,094,553 for fiscal year 2023-24 and thereafter.
2. Ratification of HCA's authorization for the contractor to modify compensation structure in anticipation of your Board's approval of the amendment.

**Reason for Ratification:** We were delayed in identifying the administrative issue.

**Fiscal Impact:**

Mandatory: No  
Source of Funding: VCMC Operating Revenues/Collections  
Funding Match Required: None  
Impact on Other Departments: N/A  
Summary of Annual Revenues and Costs under this agreement.

	<u>FY 2022-23</u>	<u>FY 2023-24</u>
REVENUE:	\$0	\$4,094,553
DIRECT COSTS:	\$0	\$4,094,553
INDIRECT COSTS:	Minor	Minor
Net revenue <cost>	\$0	\$0

**Current Fiscal Year Budget Projections:**

<b>Current FY 2022-23 Budget Projections for Ventura County Medical Center #3300</b>				
	<b>Adopted Budget</b>	<b>Adjusted Budget</b>	<b>Projected Actual</b>	<b>Estimated Savings/(Deficit)</b>
Expenditures	\$597,277,305	\$627,489,238	\$620,091,297	\$7,397,941
Revenue	\$597,588,755	\$604,063,467	\$612,518,590	\$8,455,123
Operational Income/(Loss)	\$311,450	(\$23,425,771)	(\$7,572,707)	\$15,853,064

\*The operational income includes "Operating Transfers In" that is primarily attributed to County contributions.

**Table 1 below summarizes the net financial impacts of the VCMC contract:**

Provider	Eff. Date	Current Contract Annual Maximum	Proposed Contract Annual Maximum	FY 22-23 Inc/<Decr>	FY 23-24 Inc/<Decr>
Women's Health Specialists Medical Group	1/1/2023	\$3,604,732	\$3,604,732	\$0	\$0
Women's Health Specialists Medical Group	7/1/2023	\$4,094,553	\$4,094,553	\$0	\$0
Total				\$0	\$0

**Discussion:**

The proposed amendment before your Board is for Ventura County Women's Health Specialists Medical Group, a California general partnership among Frederick J. Kelley,

M.D., Inc., Ira J. Silverman, M.D., Inc., Juan S. Vega, M.D., Inc., Emily Scibetta, M. D., Inc. and Valerie L. Yuan, M.D., Inc.

The amendment modifies the payment structure for on-call perinatologist physician services from a monthly base of \$1430 to a daily rate of \$286. The total amount for call remains at 60 days per fiscal year up to the existing maximum of \$17,160 per fiscal year, pro-rated for fiscal year 2022-23 to 30 days and \$8580. The cost of these modifications are budget neutral and the services are included in the Fiscal Year 2022-23 budget.

This letter has been reviewed by County Counsel, the Auditor-Controller's Office, and the County Executive Office. If you have any questions regarding this item, please call John Fankhauser, M.D., Chief Executive Officer, County Hospitals, at 805-652-6058.



JOHN FANKHAUSER, M.D.  
Chief Executive Officer, County Hospitals



BARRY ZIMMERMAN  
Health Care Agency Director

Attachment:

Exhibit 1 – Third Amendment to Agreement for Director, Associate Director, and Attending Physicians, Obstetrics and Gynecology Services, Director, Perinatology Services, Certified Nurse Midwives Services and Additional Obstetrics and Gynecology On-Call Physician Services, with Ventura County Women's Health Specialists Medical Group.