

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 First Amendment to Agreement for Medical Director, Plastic and Reconstructive Surgery Services and Medical Director, Wound Care Program Services with William E. Starr, M.D., a Professional Corporation, Effective January 1, 2023, Increasing Current Agreement by \$54,925 for a New Maximum Amount of \$551,175 for Current Fiscal Year 2022-23 and by \$115,750 for a New Maximum Amount of \$612,000 for Fiscal Year 2023-24 and up to One Additional Fiscal Year Thereafter; Approval of, and Authorization for the Health Care Agency (HCA) Director or Designee to Sign, the Second Amendment to Agreement for Medical Director, Breast Reconstructive Surgery and Gender Care Program Services with Arthur Flynn, M.D., Effective January 1, 2023, Increasing The Current Agreement by \$84,300 for a New Maximum Amount of \$556,600 for Fiscal Year 2022-23 and by \$171,780 for a New Maximum Amount of \$647,880, for Fiscal Year 2023-24 and up to One Additional Fiscal Year Thereafter; Ratification of HCA's Authorization for Both Contractors to Provide Additional Services in Anticipation of Your Board's Approval of These Two Amendments.**

**Recommendations:**

1. That your Board approve, and authorize the Health Care Agency (HCA) Director or designee to sign, the first amendment to agreement for Medical Director, Plastic and Reconstructive Surgery Services and Medical Director, Wound Care Program Services with William E. Starr, M.D., APC, effective January 1, 2023, increasing the current agreement by \$54,925 for a new maximum amount of \$551,175 for fiscal year 2022-23 and by \$115,750, for a new maximum amount of \$612,000, for fiscal year 2023-24 and for up to one additional fiscal year thereafter.
2. That your Board approve, and authorize the Health Care Agency (HCA) Director or designee to sign, the second amendment to agreement for Medical

Director, Breast Reconstructive Surgery and Gender Care Program services with Arthur Flynn, M.D., effective January 1, 2023, increasing the current agreement by \$84,300 for a new maximum amount of \$556,600 for fiscal year 2022-23 and by \$171,780, for a new maximum amount of \$647,880, for fiscal year 2023-24 and up to one additional fiscal year thereafter.

3. Ratify HCA's authorization of both contractors to provide additional call services commencing January 1, 2023, in anticipation of your Board's approval of these two amendments.

**Reason for Ratification:** We were delayed in bringing these amendments to your Board due to additional time required to complete negotiations.

**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:	\$139,225	\$1,259,880
DIRECT COSTS:	\$139,225	\$1,259,880
INDIRECT COSTS:	Minor	Minor
Net revenue <cost>	\$0	\$0

Current FY 2022-23 Budget Projections for Ventura County Medical Center #3300				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
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>
William E. Starr, M.D., APC	1/1/2023	\$496,250	\$551,175	\$54,925	\$0
William E. Starr, M.D., APC	07/01/2023	\$496,250	\$612,000	\$0	\$115,750
Arthur Flynn, M.D.	1/1/2023	\$472,300	\$556,600	\$84,300	\$0
Arthur Flynn, M.D.	07/1/2023	\$476,100	\$647,880	\$0	\$171,780
Total				\$139,225	\$287,530

**Discussion:**

The proposed amendments before your Board are for William E. Starr, M.D., APC and Arthur Flynn, M.D. These amendments increase Drs. Starr's and Flynn's call coverage from 122 days to 183 days per fiscal year to accommodate for the departure of Dr. Robin Evans who left the Plastic Surgery Department on December 31, 2022. In addition, the compensation is being increased from \$600 to \$1,000 per day adjusting more closely to current fair market value. The call coverage covers the Emergency Room and the Trauma Center 365 days per year, 7 days per week, 24 hours per day.

Furthermore, the dollar amount per Work Relative Value Unit (WRVU) has been increased from \$30 to \$40, the threshold has been decreased from 750 WRVUs to 650 WRVUs per quarter and the total expectation of productivity has been increased to allow for 5000 WRVUs per fiscal year per physician.

Finally, a second Physician Assistant has been added to Dr. Flynn's amendment, establishing a total of 504 hours per fiscal year for both PA's at a value of \$95/hourly. With this new addition, an increase in the productivity of Dr. Flynn's surgeries is expected. The cost of this contract is included in the current budget for Fiscal Year 2022-23.

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

Attachments:

- Exhibit 1 – First Amendment to Agreement for Medical Director, Plastic and Reconstructive Surgery Services and Medical Director, Wound Care Program Services with William E. Starr, M.D.
- Exhibit 2 – Second Amendment to Agreement for Medical Director, Breast Reconstructive Surgery and Gender Care Services with Arthur Flynn, M.D.