



VENTURA COUNTY
HEALTH CARE AGENCY

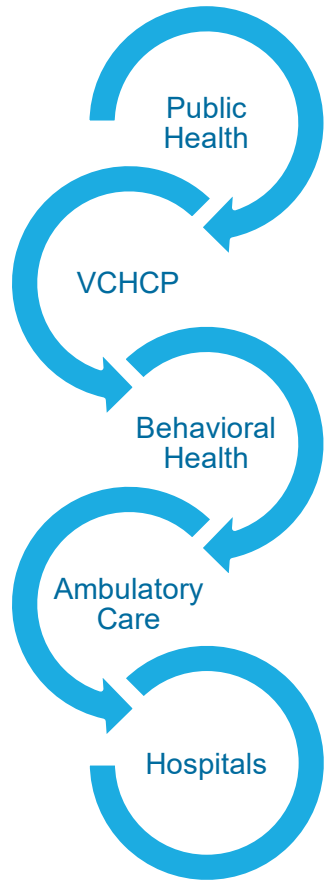
May 23, 2023

FY 2023-24 BUDGET PRESENTATION

Board of Supervisors

Barry L. Zimmerman
Director

Ventura County Health Care Agency



Mission

Provide comprehensive, cost-effective, compassionate health care for our diverse community, especially those facing barriers, through an exceptional workforce, education and forward-thinking leadership.

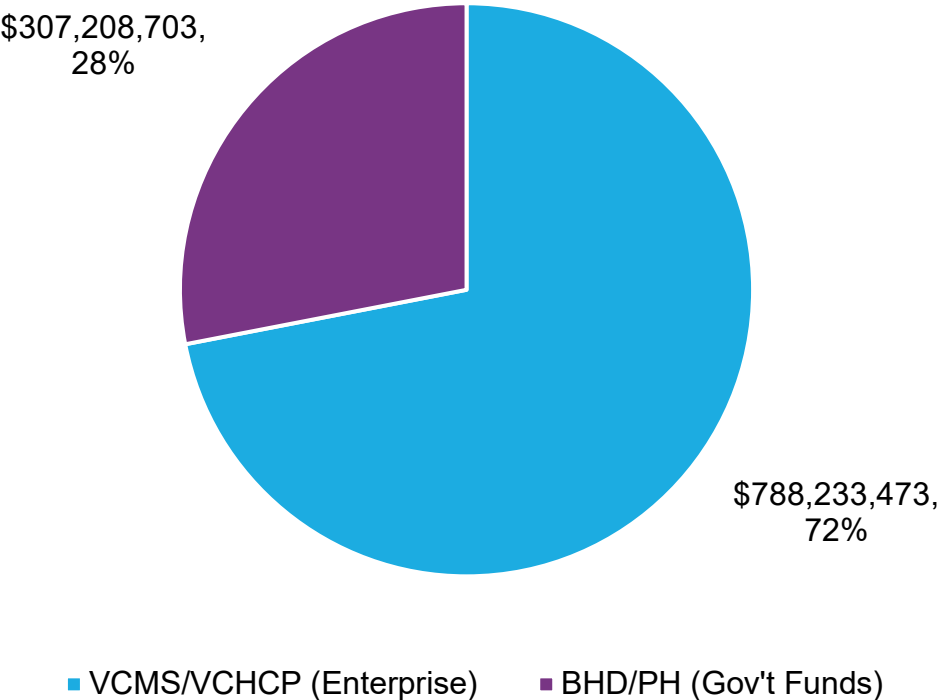
Vision

Setting the standard in health care excellence
Healthy people in healthy communities throughout
Ventura County.

Health Care Agency Total Budget

HCA Agency Budget

Total Appropriations/Expenditures: \$1,095,442,176*



Enterprise Funds (Proprietary Funds)

(Ventura County Medical System & Health Care Plan)

- Account for ongoing operations or activities.
- Fund focuses on the determination of operating income, changes in net position, financial position, and cash flows.
- Board of Supervisors approves an annual operating plan.

Governmental Funds

(Behavioral Health & Public Health)

- Most governmental operations
- Fund focuses primarily on the sources, uses, and balances of current financial resources.

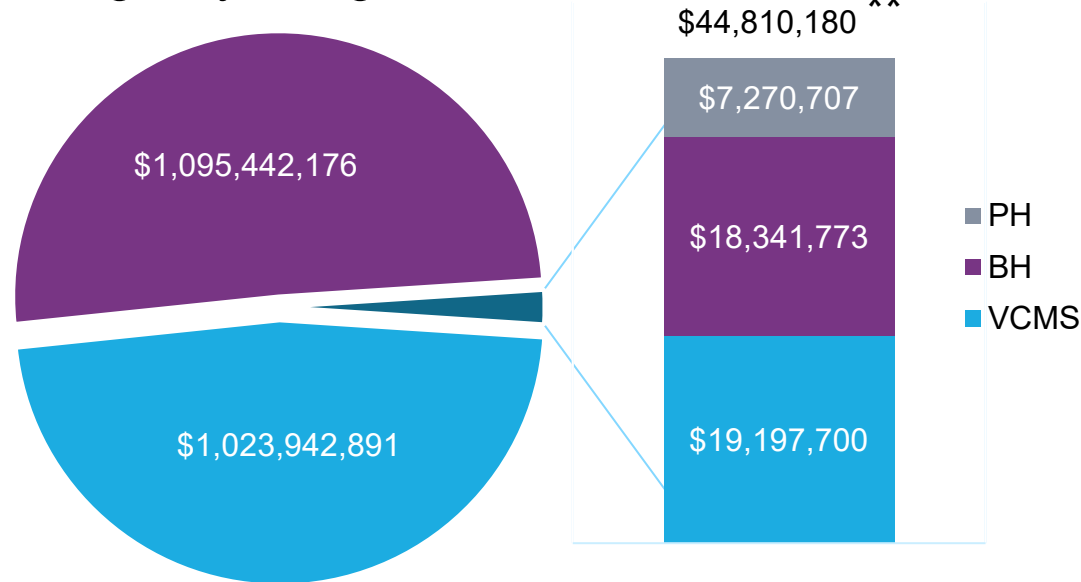
	VCMS	Public Health	Behavioral Health	Health Care Plan	Total Agency
FTEs	2,418	423	800	56	3,697

*-includes capital expenditures

Health Care Agency Total Budget

General Fund Contribution

Agency Budget*



■ Total Revenue ■ Total Expenses ■ General Fund

HCA Agency Budget

Total Appropriations/Expenditures:	\$ 1,095,442,176
Total General Fund allocated:	\$ 44,810,180 (4.1%)
FTE - Positions:	3,697

General Fund Contribution

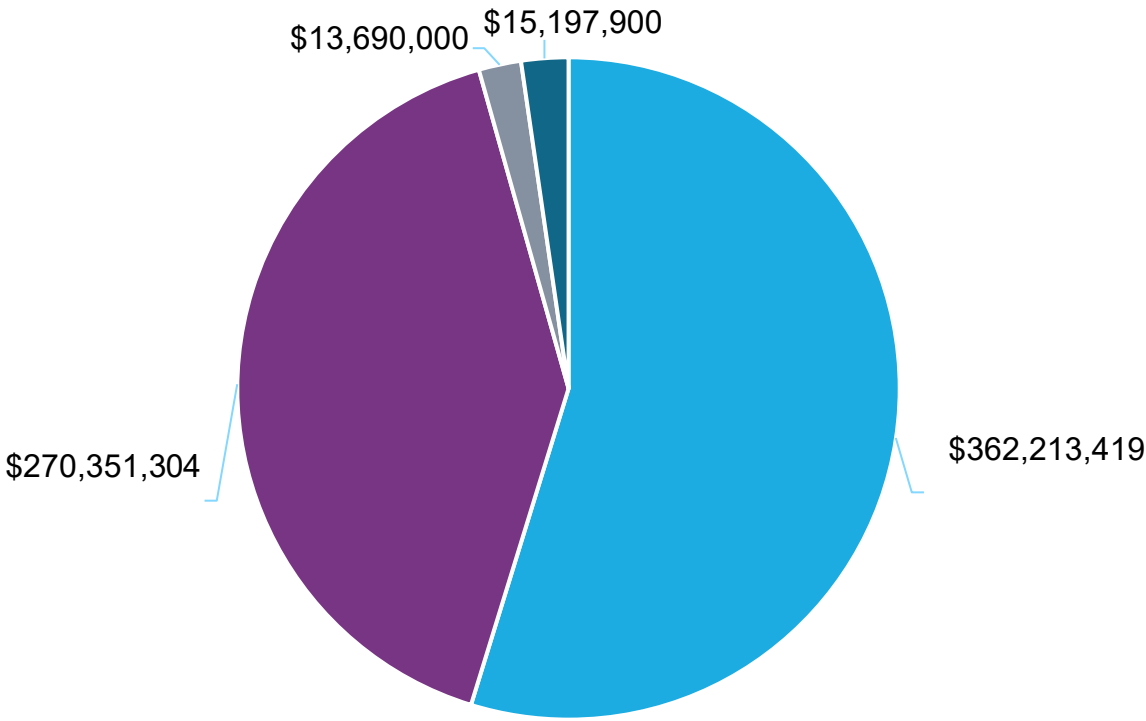
VCMC:	\$19,197,700 (2.8%)
BHD:	\$18,341,773 (7.3%) [1.9% w/o IPU]
PH:	\$ 7,270,707 (10.8%)
VCHCP:	No Contribution

* - Total Expenditures and Total Revenues do not equate to total General Fund illustrated due to the treatment of capital expenditures within the Enterprise Funds.

** - Represents total General Fund = Net County Costs and Contributions to the VCMS Enterprise Fund.

Ventura County Medical System

Revenue Profile FY 2023-24



■ Net Patient Revenue ■ Supplemental/Other
■ IPU Contribution ■ County Contribution

Cost Drivers	% Growth from Prior Year	Cost Impact
Labor Costs	11.0%	\$ 33,622,700
Registry Costs	7%	of total labor costs
Medical Supplies	9%	\$ 3,417,746
Pharmacy Costs	13%	\$ 4,062,922
Medical Profesional Services	9%	\$ 6,790,207
Indirect County Costs	17%	\$ 4,754,216
Revenue Growth	8%	48,934,034

Net Patient Revenue: (55%)

Supplemental Funding and Other Funding: (41%)

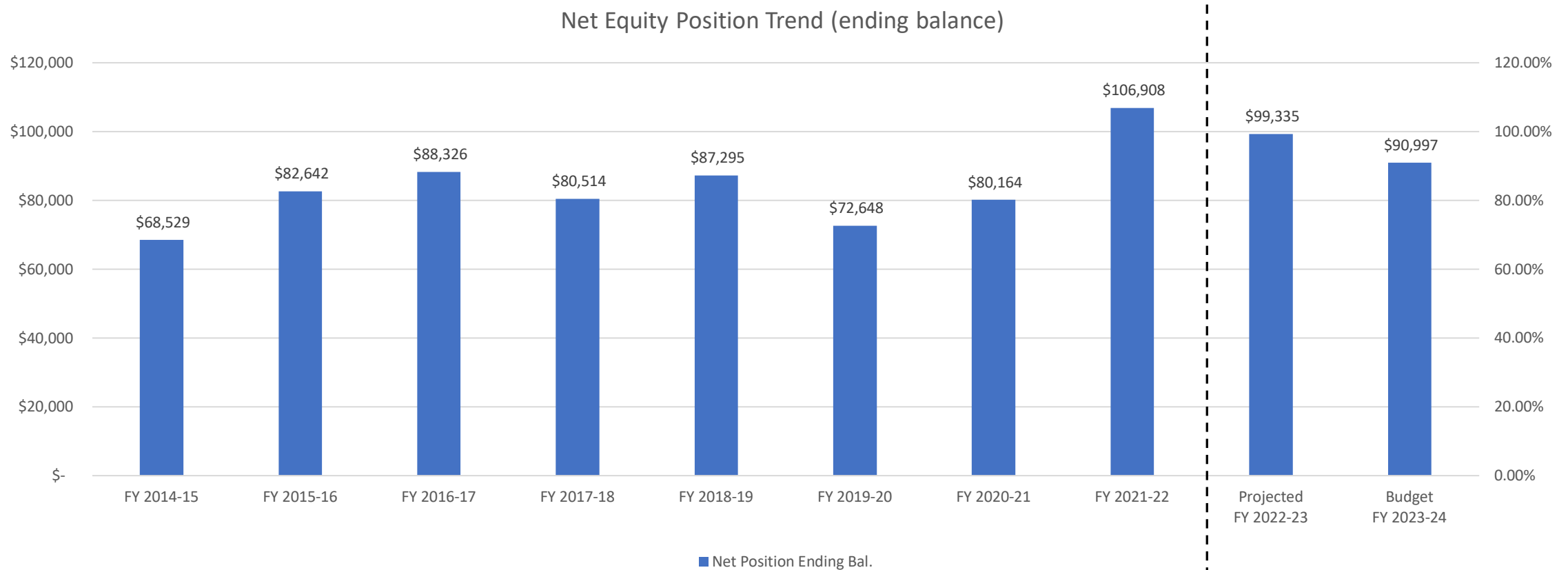
Ventura County Medical System

Financial Budget FY 2023-24

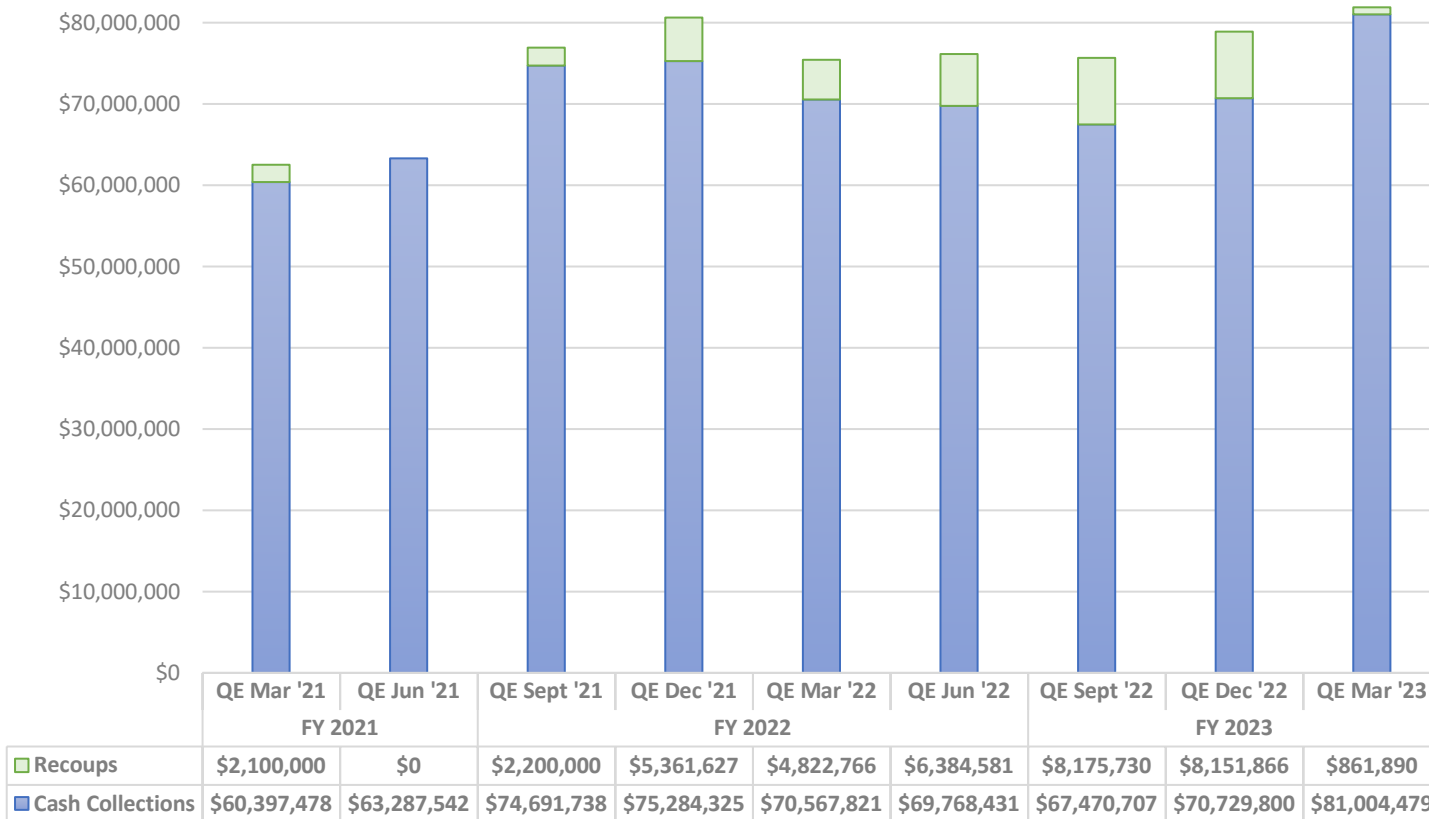
	FY 2023-24 Budget compared to FY 2022-23 YE Proj				FY 2022-23 Budget	<u>Notes</u>
	FY 2022-23 Proj	FY 2023-24 Budget	incr (decr)	%		
Net Patient Serv Revenue	315,069,265	364,213,420	49,144,155	16%	335,491,754	<ul style="list-style-type: none"> County Contribution Increase: \$4.0m Higher Labor Costs Psychiatric Inpatient Unit Loss <ul style="list-style-type: none"> Higher Labor Costs COVID Impact Lower Acute Days
Supplemntl Fund & Other Op Rev	268,561,425	268,351,304	(210,121)	0%	233,210,741	
IPU Contribution	13,690,000	13,690,000	-		13,689,000	
County Contribution	15,197,900	19,197,900	4,000,000		15,197,900	
TOT OPERATING REVENUE	612,518,590	665,452,624	52,934,034	9%	597,589,395	
Salaries, Benefits & Registry	306,996,927	344,619,627	37,622,700		328,966,407	
Prof Fees - Medical & Clinic Exp	79,287,033	86,289,914	7,002,881		72,855,008	
Sal, Ben, Pro Fees, Clinic Exp coml	386,283,960	430,909,541	44,625,581	12%	401,821,415	
Supplies, Purch Serv & other	201,543,693	210,986,835	9,443,142	5%	163,341,638	
Interest Expense	7,720,648	7,494,250	(226,398)	-3%	7,574,557	
Depreciation & Amort	24,542,991	24,400,271	(142,720)	-1%	24,540,335	
TOT OPERATING EXPENSES	620,091,292	673,790,897	53,699,605	9%	597,277,945	
Net Income	(7,572,702)	(8,338,273)			311,450	
EBIDA	24,690,937	23,556,248			32,426,342	

Ventura County Medical System

Net Equity Position Trend



VCMS Cash Management



General Fund Cashflow Loan Projections

- Balance ending FY 2021-22: \$124m
- Budget Projection FY 2022-23: \$118m
- Supplemental A/R Outstanding: \$150m+

Notes

1. Medicare COVID Advance of 20.3M received end of Sept 2020. Medicare recoupment began QE Dec 2021 at approx.2.5M per qtr. recoupment increased to nearly 5M /qtr. QE Dec 2022. Fully recovered as of March 2023.
2. Medi-Cal recoupments of FQHC overpayments (from FY18) also included in recoupment amounts.
3. Data Source: Cerner LightsOn Reporting



VENTURA COUNTY
MEDICAL CENTER

BUDGET PRESENTATION

FY 2023-24

John Fankhauser, MD
CEO – VCMC/SP Hospital

Ventura County Medical System

Awards– VCMC/SPH

Surgery

- Nat'l Surgery Quality Improvement Program (NSQIP) All Cases Meritorious (top 10%) for 5th straight year.

Obstetrics

- BETA-HEART Quest for Zero: Excellence in Obstetrical Care
- California Maternal Quality Care Collaborative (CMQCC) Quality and Engagement Award for 7th straight year (achieved by 32 of 211 CA Hospitals)

Emergency Department

- BETA-HEART Quest for Zero: Excellence in Emergency Department

Stroke

- American Heart Assoc. Gold Plus Award with Honor Roll Elite for Diabetes Care

Addiction Medicine

- Cal Hospital Opioid Care Honor Roll – Superior Performance

Ventura County Medical System

Awards– VCMC/SPH

Trauma Center

- Largest volume of Trauma patients since established in 2010 (1,592 patients)
- Trauma Director, Dr. Duncan, awarded President's Distinguished Service Award by Eastern Association of Surgical Trauma

Family Medicine Residency

- Expanded Addiction Medicine Fellowship Program
- Residency Director, Dr. Araujo, awarded Nikitas Zervanos Award awarded to one program director in U.S. for outstanding contributions

Ventura County Medical System

Operational Achievements– VCMC/SPH

Pharmacy

- Expanded 340B contract pharmacy network

Staff Development

- Initiated Ventura County's first Nurse Residency Program

Facilities

- 16-bed Pediatric Unit Construction underway.
- Construction on Fainer 3rd and 4th floor and Helipad nearing completion

OR Efficiency

- Implemented Cerner Surginet Anesthesia Module leading to significant pharmacy savings

Psychiatry Access

- Expanded the Inpatient Psychiatry Unit to maximum capacity - 43 Beds

Ventura County Medical System

Quality Initiatives & Partnership– VCMC/SPH

Quality Initiatives

- Early Mobility Program in the ICU
- Substance Use Resource Navigators added in the Emergency Department

Diversity, Equity, and Inclusion

- Joined CAPH/SNI's Racial Equity Community of Practice program
- Identified Maternity Care for Indigenous patients as focused equity project
- Celebrated Race and Ethnicity Heritage Months and Pride Month

Patient Access

- Implemented Q-Less system for outpatient services including wait time updates and text messaging

Ventura County Medical System

Opportunities– VCMC/SPH

OR Volumes

- Sustain current increased volumes
- Expand utilization of technology – i.e. AI scheduling tool, electronic preference cards, surgical tray barcoding and electronic tracking board

Pediatrics

- Increase inpatient pediatric volumes through partnership with CHLA and community outreach.
- Continue to grow Pediatric ICU, Pediatric Surgery, and Procedural Sedation volumes

Addiction Medicine

- Expand Addiction Fellowship
- Develop inpatient detox treatment, including Alcohol and Drug Counselor and Addiction Medicine Specialists

Santa Paula Hospital Volumes

- Expand utilization of Santa Paula OR
- Local Physician engagement
- Community Outreach and Engagement



VENTURA COUNTY
AMBULATORY CARE

BUDGET PRESENTATION

FY 2023-24

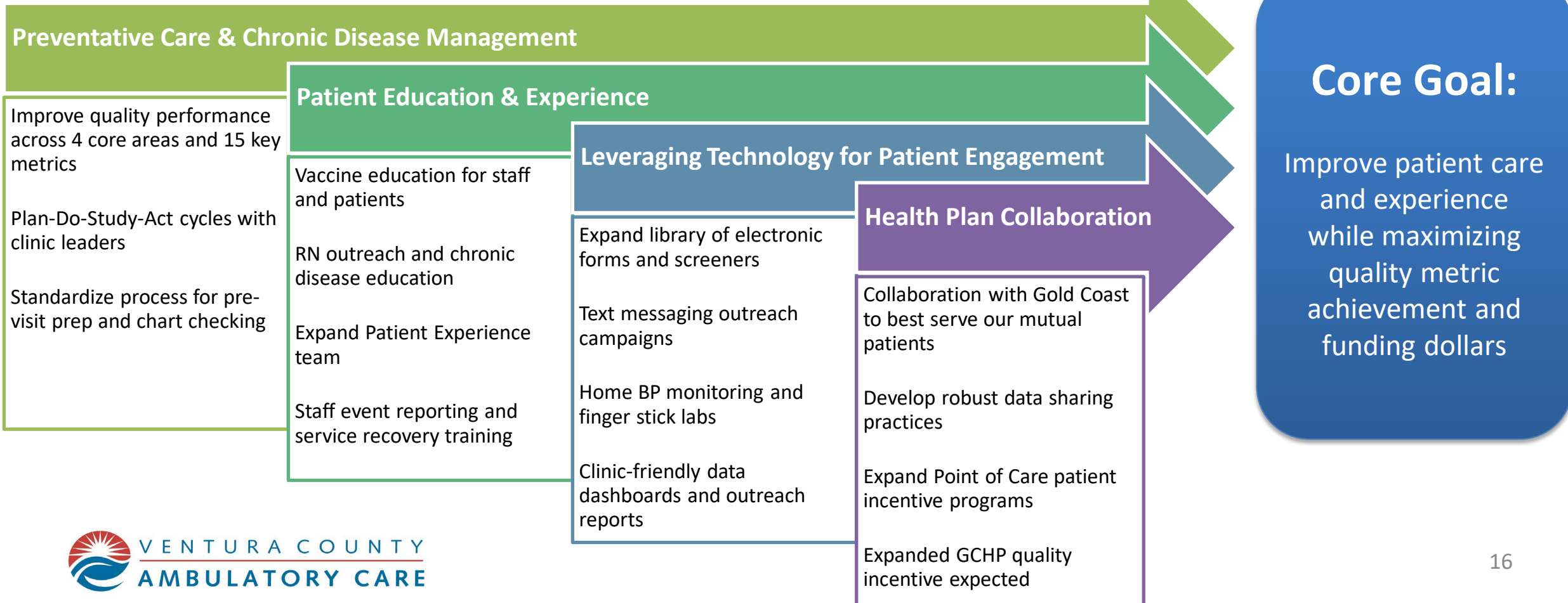
Theresa Cho, MD
CEO – Ambulatory Care

Ventura County Health Care Agency Ambulatory Care Initiatives

Quality

95% quality metrics achieved and 100% funding achievement in CY2022

~\$85,000,000 System-wide



Ventura County Health Care Agency Ambulatory Care Initiatives

Access

Artera Text Messaging

- Improvement in no-show rate by an average of 5% per clinic
- Rescheduling options addressed in real time
- Improved appointment slot utilization by an average of 3% per clinic

Ambulatory Care Call Center Centralization

- Goal implementation by FY 2023
- Continued hiring efforts to staff call center
- 2nd phase of move-in by early FY 22-23
- Goal to have average speed of answer that meets insurance industry standards
- West Ventura Clinic able to achieve an average speed of answer of below 3 minutes by adding 2 staff members and modifying current workflow

Referral Center Optimization

- Improvements in ordering and processing referrals to ensure full life cycle completion
- Future workflows to be introduced and implemented by end of Q2 2023

Cerner Practice Management

- Improvements in registration, authorization, messaging, and scheduling
- CPM Workshop One completed
- Workshop Two scheduled for 05/15/2023

Ventura County Health Care Agency Ambulatory Care Initiatives

Whole Person Care/CalAIM

CalAIM Implementation

- AC is the **Interagency hub** to support implementation of CalAIM Enhanced Care Management (ECM) and Community Supports (CS) worth \$18 million
- Address the needs of **high- complexity/high-needs patients** across agencies and connect them with needed services
- **Rollout of new ECM Populations:**
 - ✓ Aging/LTC January 2023
 - ✓ Children/Youth July 2023
 - ✓ Birth Equity January 2024

Child/Youth Populations Launching July, 2023

- Collaborate across County Agencies and community organizations to support high-needs children

Recuperative care expansion

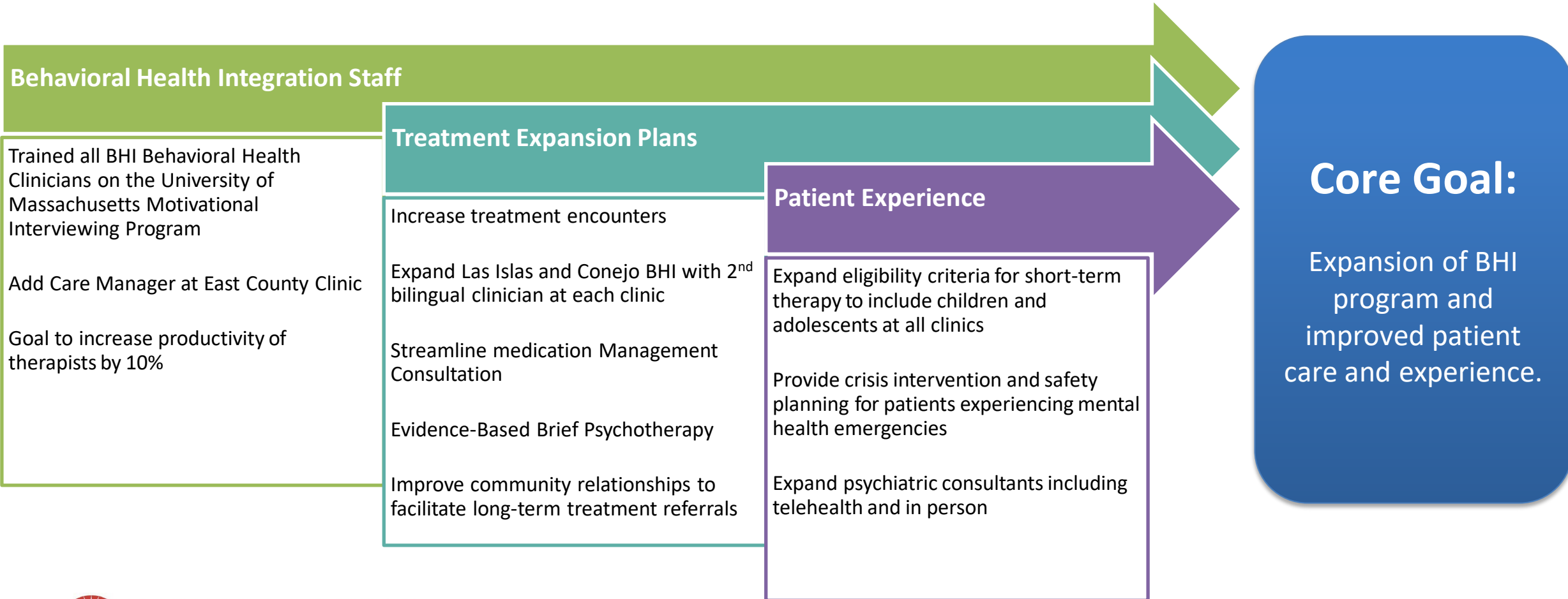
- Increase from 26 to 50 beds in FY23-24
- Construction planning underway for 2 new sites

Backpack medicine expansion

- GCHP-funded street medicine expansion to launch in FY23-24
- Will allow for more consistent BPM presence across the county.

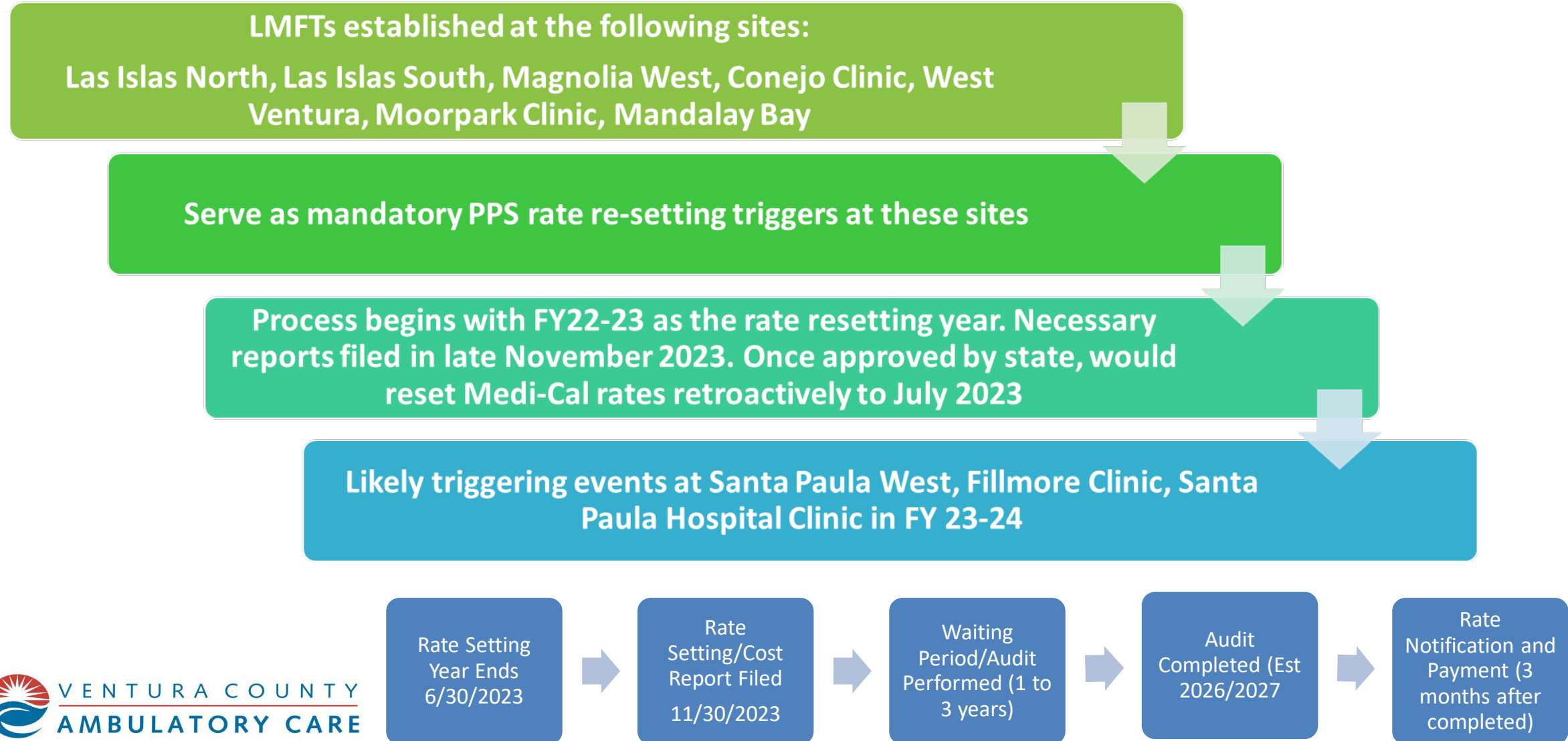
Ventura County Health Care Agency Ambulatory Care Initiatives

Behavioral Health Integration



Ventura County Health Care Agency Ambulatory Care Initiatives

FQHC Funding Optimization



Ventura County Health Care Agency Ambulatory Care Initiatives

Grant-supported Work

Test-to-Treat (T2T) Initiative

- \$460K
- AC was a pilot site for T2T when Paxlovid was first approved
- T2T increases access to COVID treatments at clinics
- Focus on farm workers and indigenous language speakers

Vaccine Program

- \$950K
- HRSA funding to improve community vaccination rates for COVID, influenza, and childhood immunizations

CHARMED

- \$2.6M, 5 year federal grant
- Collaboration with UCSF
- Supports home blood pressure monitoring
- Includes multilingual patient education, staff training, BP cuffs





VENTURA COUNTY
HEALTH CARE PLAN

BUDGET PRESENTATION

FY 2023-24

Dee Pupa

HCA Deputy Director – Managed Care CEO

Ventura County Health Care Plan Overview

Ventura County Health Care Plan (VCHCP) is a fully licensed Health Maintenance Organization (HMO). The Plan offers health care services County employees and their covered dependents. The primary network of physicians and facilities are with the Ventura County Medical System (VCMS). The Plan also provides insurance coverage for employees for other entities associated with the VCMS.

Plan Profile 2023

- Total Membership: 11,121
- Total Network of Primary Physicians and Practitioners: 542
- Total Network of Specialty Care Providers: 240
- Total Number of Contracted Hospitals and Facilities: 5

Category	Activity FY 2020-21	Activity FY 2021-22	Change from prior year
Specialty and Primary Care	46,176	45,207	(969)
Behavioral Health	20,538	19,924	(614)
Emergency Room	1,658	2,315	657
Inpatient Days	2,281	2,358	77
Prescriptions	139,627	143,027	3,400

Ventura County Health Care Plan

Performance & Goals

FY 22-23 Accomplishments

- TNE 300%, Increase of 173% points over the last five years
- HEDIS Quality Scores, Improvement in 14 measurements or 61%
- As of 3/31/23, 265 providers and 643 members have accounts in our Member and Provider Portals

Challenges

- Increased Behavioral Health Costs and Use
- Increased Medical Costs
- Increased Rx costs and specialty drugs
- Potential Managed Care Organization Tax
- Unfunded mandates

Goals for FY 23-24

- Be the Plan of choice.
- Improve access challenges.
- Grow pharmacy programs with Express Scripts.
- Targeted diabetes initiative to improve member A1c testing compliance, decrease A1c and risk level, through health coaching and Case Management acceptance.
- Implement additional HEDIS quality monitoring and interventions and collaborate with VCHCA administration on improvements to shared quality measures.
- Meet or exceed customer service goals.

Financial Position and Budget FY 2023-24

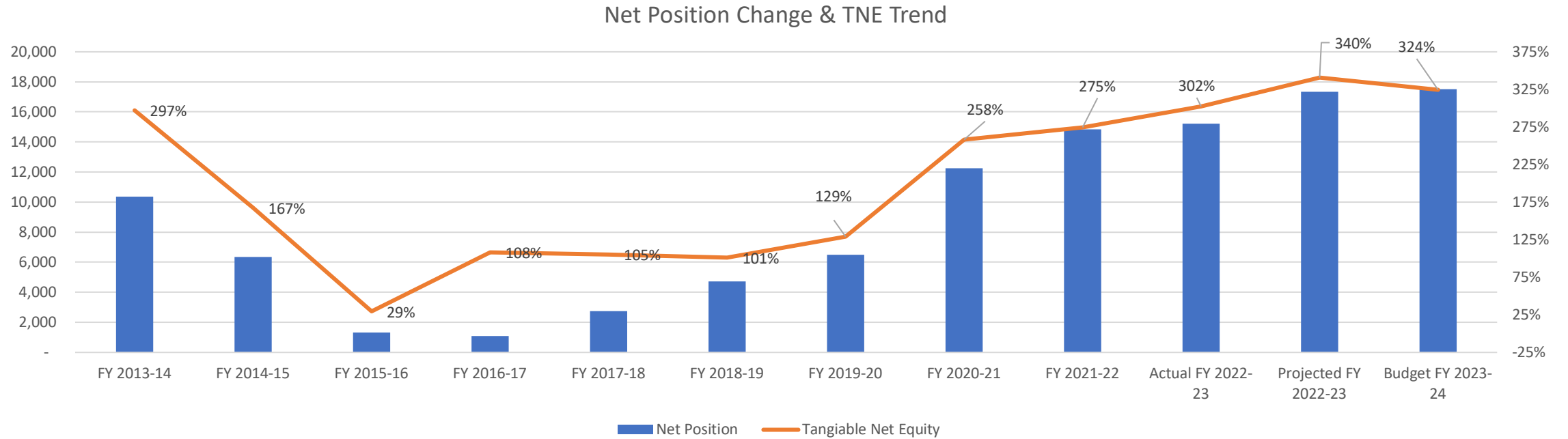
	<u>FY 2022-23 Adopted Budget</u>	<u>FY 2023-24 Preliminary Budget</u>	<u>Change from FY 2023-24 Adopted Budget</u>	<u>FY 2022-23 Estimated Actuals</u>
Revenue:				
Charges for Services	\$85,393,531	\$83,270,439	\$ (2,123,092)	\$ 80,676,984
Use of Money/Property	64,000	840,000	776,000	600,618
Misc. Revenue	80,000	60,000	(20,000)	49,986
Total Revenue	85,537,531	84,170,439	(1,367,092)	81,327,588
Expenses:				
Salaries and Benefits	6,262,291	7,368,116	1,105,825	6,247,033
Services and Supplies	78,748,501	76,117,120	(2,631,381)	72,077,158
Other Charges	340,855	352,470	11,615	512,670
Capital Assets	140,000	144,250	4,250	-
Total Expenses	85,491,647	83,981,956	(1,509,691)	78,836,861
Net Income	\$ 45,884	\$ 188,483	\$ 142,599	\$ 2,490,727
Total Enrollment	11,381	10,501	(880)	

Summary: Revenue and costs are projected to be consistent with current year experience with no significant changes. Significant pressures continue with rising costs of medical services and increased demand in utilization for all service lines. FY 2023-24 budget does not include the potential future Managed Care Organization (MCO) tax.

Notes:

- (a) Change in revenue related to decrease in total lives enrolled into the Plan.
- (b) Change in total expenses are consistent with projected costs for the estimated lives enrolled in the plan and NCQA accreditation.

Net Position Change & TNE Trend



Summary

- FY 2023-24 Maintain positive income by controlling the pace of increased medical costs and utilization management of services. Including working to find additional savings within pharmaceutical costs and utilization.
- Current TNE remains strong at 300% with a continued long-term goal of 300% to 350% for the plan.
- Projected TNE FY 2022-23 is higher than prior year due to decreased reserve for medical costs and a positive pension adjustment.
- Due to variability of costs, budgeted TNE for 2023-24 is expected to be in the range 300% to 324%.

BUDGET PRESENTATION

FY 2023-24

Scott Gilman
Behavioral Health Director

Behavioral Health

Preliminary Budget FY 2023-24

	FY22-23 <u>Adopted</u>	FY23-24 <u>Proposed</u>	Increase/ <u>(Decrease)</u>
Total Expenditures	\$254,115,766	\$239,796,743	(\$14,319,023)
Total Revenue	<u>\$235,008,658</u>	<u>\$221,454,970</u>	<u>(\$13,553,688)</u>
Net County Cost	\$ 19,107,108	\$ 18,341,773	(\$ 765,335)
 FTE	 810.6	 799.6	 (11.0)

Expenditure Variance

- Cost of Living and Flexible Benefit Increases.
- Significant staff vacancies impacting expenditures and revenue.
- Expected increased costs for IMD Placements; Community Based Organizations and new programs not included but will be addressed mid-year.

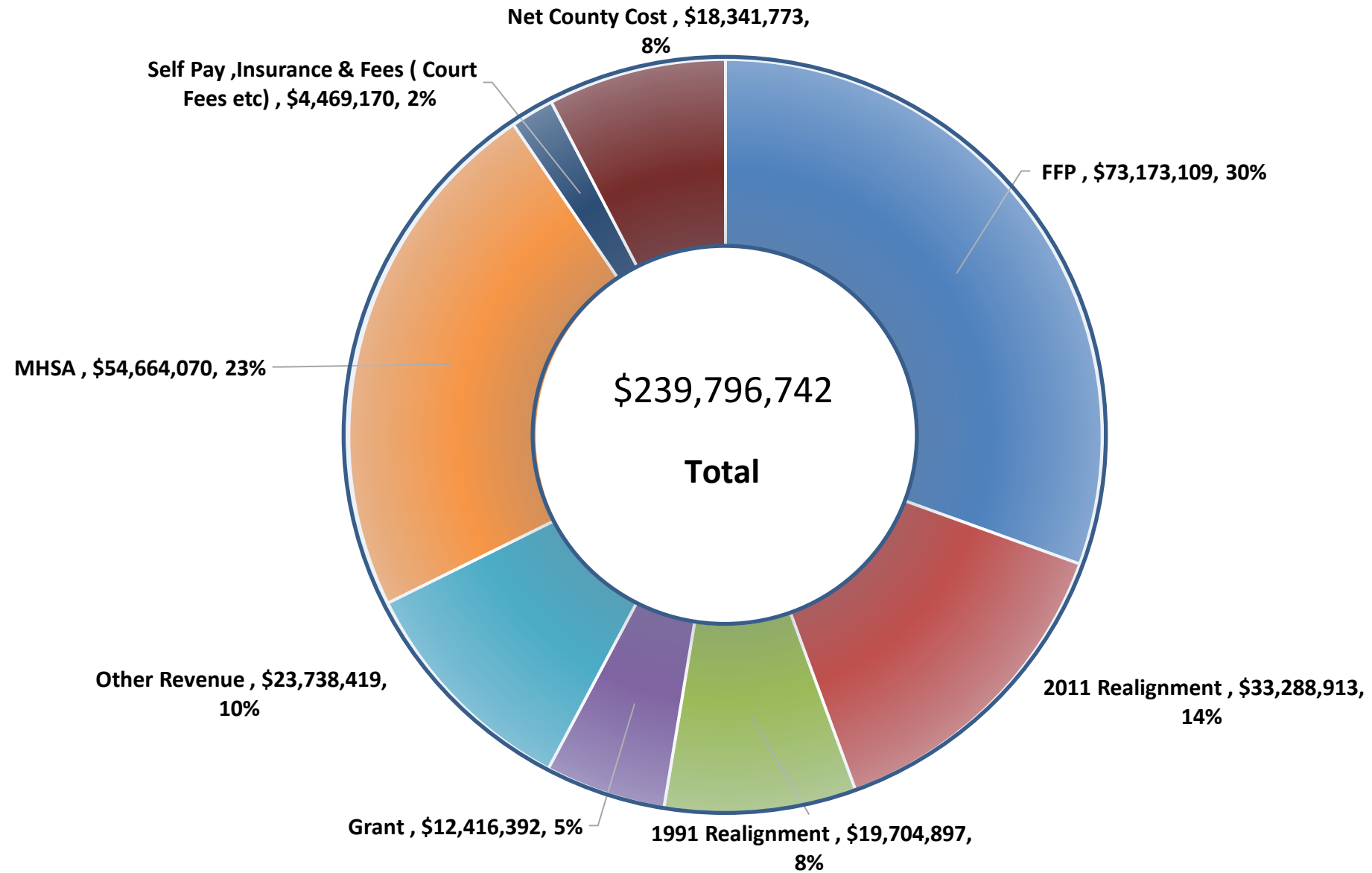
Revenue Variance

- Sources of revenue are maximized (MHSA, Insurance, grants, etc.)
- Major change in Medi-Cal Revenue due to Cal-AIM.

General Fund Contribution

- GF is leveraged to access Federal funding for Medi-Cal and non-mandated programs.
- \$13.7 million is dedicated to the operations of the IPU.

VCBH Funding Summary

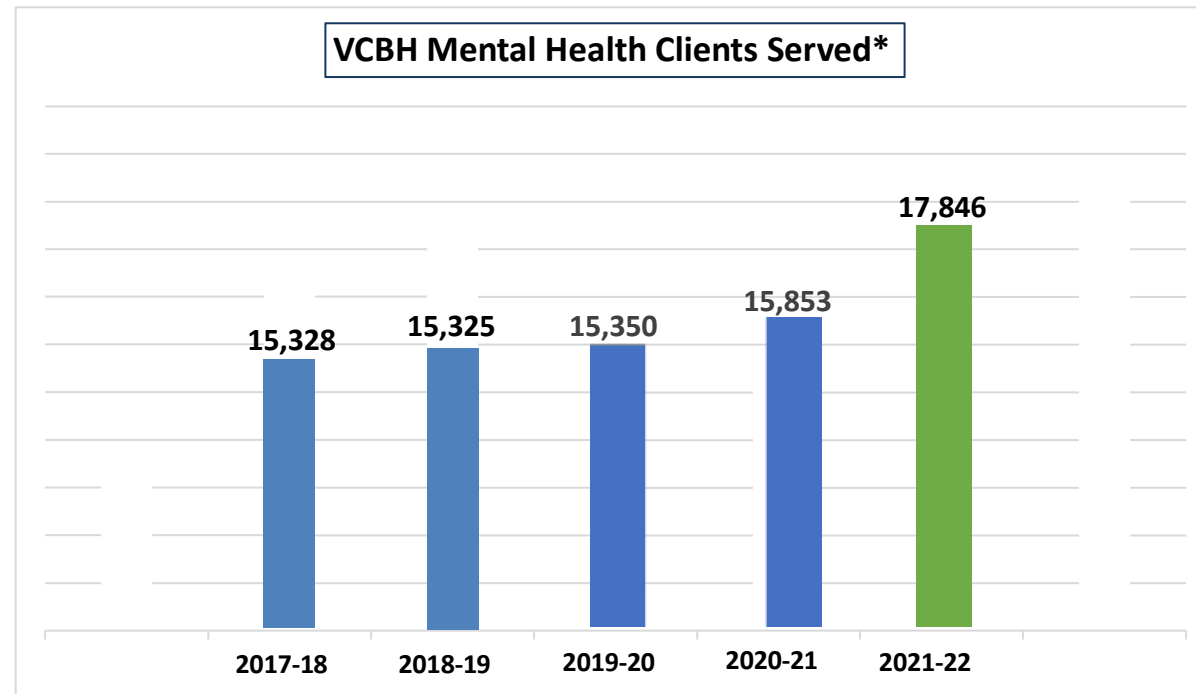


Mental Health Clinic System Overview

7 Youth and Family Clinics

6 Adult Services Clinics

36 Contracted Providers - Mental Health
18 Youth Contractors, 18 Adult Contractors



* The data above represents an unduplicated count of all clients served by VCBH programs and contracted providers.

Substance Use Services Clinic System Overview

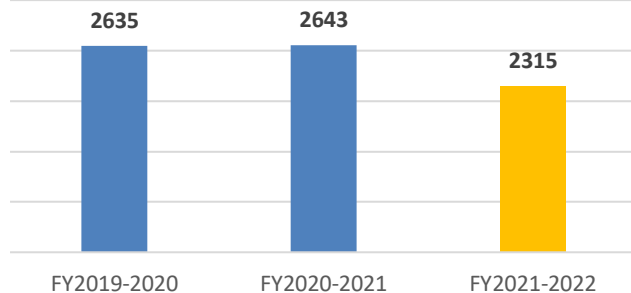
5 Driving Under the Influence (DUI) Clinics

6 Substance Use Services Clinics

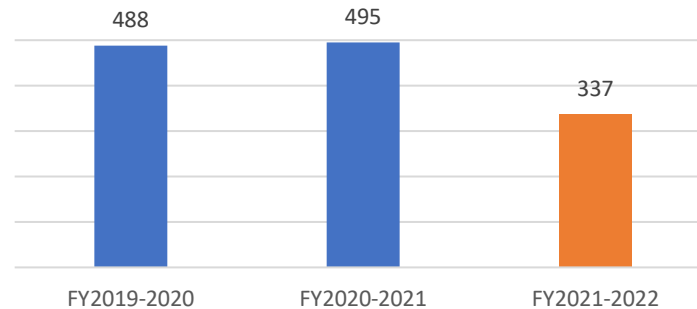
10 Contracted Providers - Substance Use Services

Outpatient, NTP, and Residential

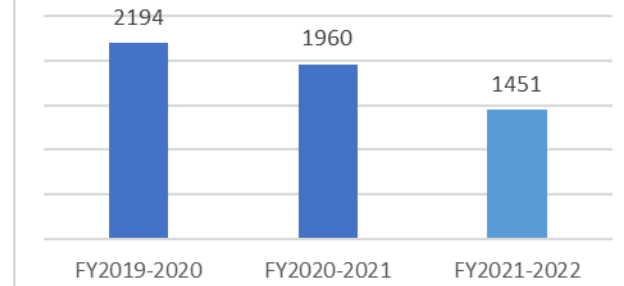
Unduplicated Client Count, SUS
(Outpatient Only)



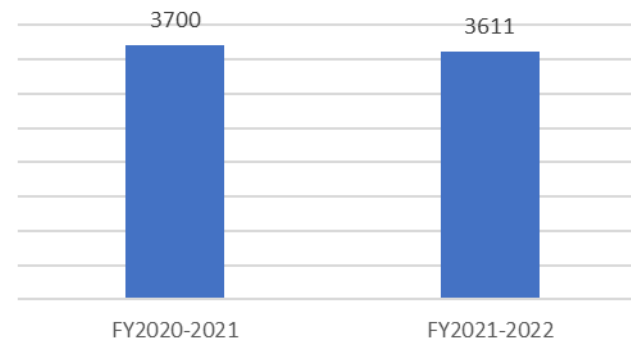
Unduplicated Client Count, SUS
(Residential Only)



Unduplicated Client Count, SUS
(NTP Only)



Unduplicated Client Count, SUS
(DUI Only)



FY 2022-23 Performance

Mental Health Services

Accomplishments

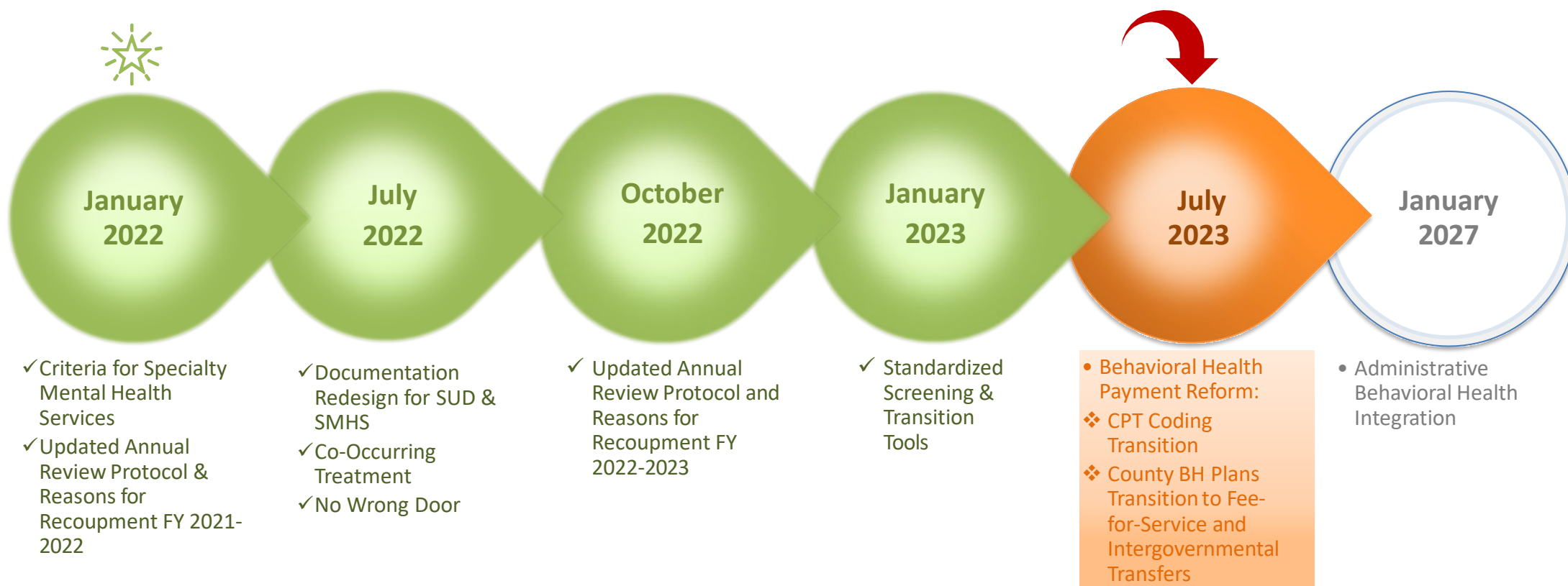
- Awarded \$6,431,032 Infrastructure grant for non-school based Wellness Center for youth and families.
- Awarded \$60,000 incentive funds for meeting all new Cal-AIM quality milestones.
- Awarded \$2,096,756 grant to improve our licensed board and care homes

Substance Use Services

Accomplishments

- In response to the opioid crisis in Ventura County, VCBH expanded clinic-based access to medication for addiction treatment (MAT) and increased distribution of naloxone. In FY 22/23, 2076 overdose kits were distributed, contributing to 618 overdose reversals.
- Implemented a new perinatal-specific peer services and clinician support for pregnant and parenting persons with a substance use disorder.

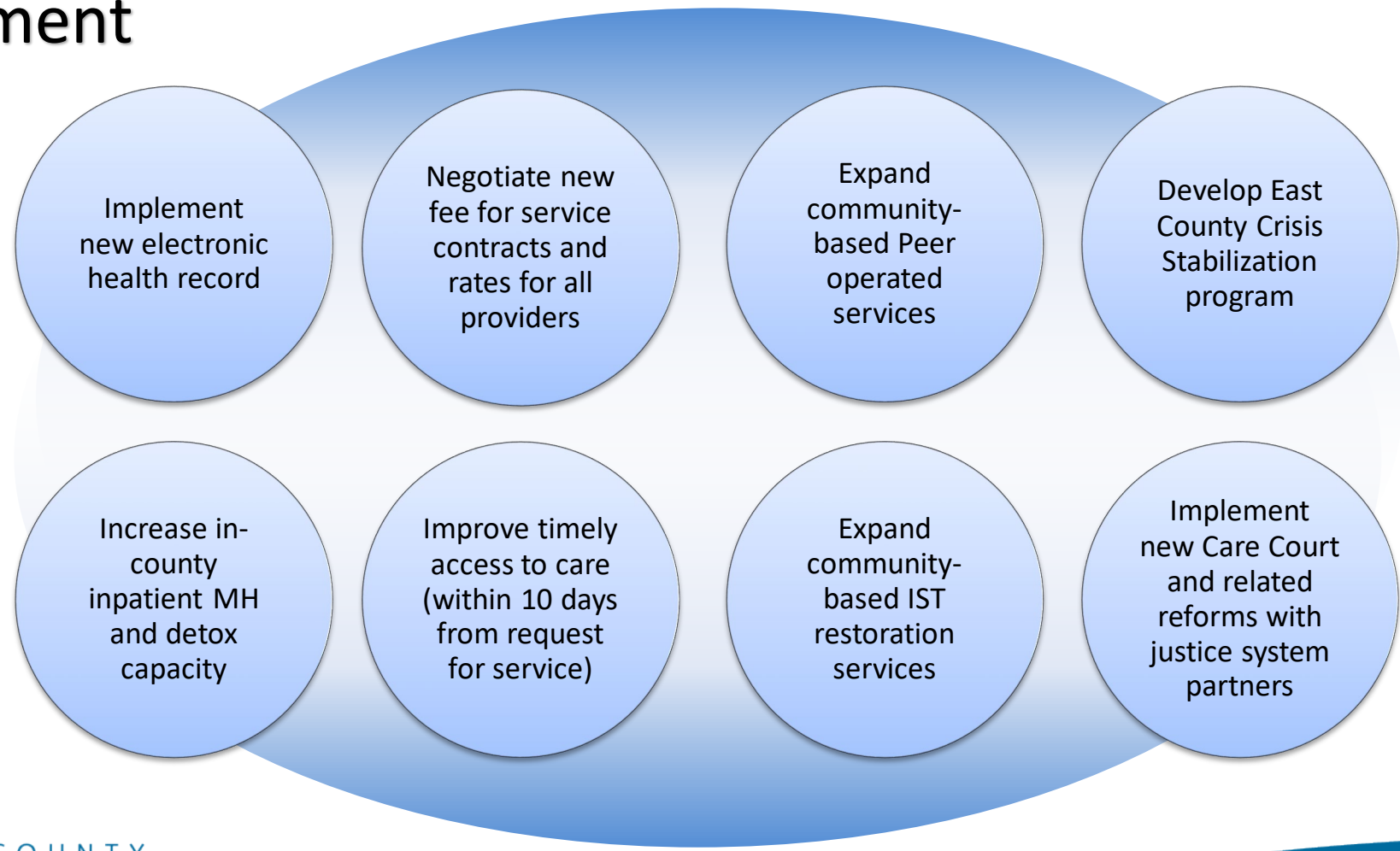
CalAIM Behavioral Health Initiatives Timeline Update





FY 2023-24 Goals

Department Goals



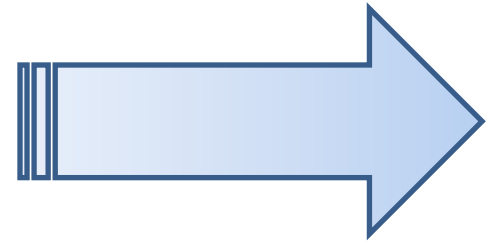


Department Challenges

- Proposed Mental Health Service Act reforms may significantly impact funding for prevention programs.
- Contracted providers must transform business operation to meet payment reform requirements.
- The state-wide staffing crisis within behavioral health has impacted our ability to expand services.
- We must develop systems to track and respond to the new felony Incompetent to Stand Trial (IST) penalty for exceeding the new growth cap with our Justice partners.
- There is significant legislative activity focusing on reforming the legal process to conservatorship.

Where is Behavioral Health Headed...

- Continue to develop robust network of community treatment providers.
- Develop county wide plan for coordinated mobile crisis response services.
- Continue to increase workforce diversity to reflect our community.
- Increase housing options for individuals with mental illness or substance use issues.
- Respond to opioid epidemic by expanding opioid and fentanyl prevention efforts.
- Prepare for the next phase of Medi-CAL reform by fully developing our required mental health plan (insurance company) functions.
- Expand community-based treatment and support services that will reduce the need for crisis and inpatient services.





VENTURA COUNTY
PUBLIC HEALTH

BUDGET PRESENTATION

FY 2023-24

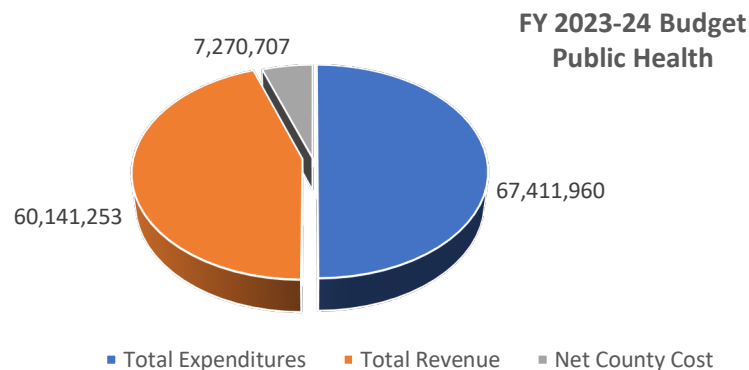
Rigoberto Vargas, MPH
Director



Public Health

Budget FY 2023-24

	FY 2022-23 Adopted	FY 2023-24 Proposed	Increase/ (Decrease)
Total Appropriations	\$ 78,344,998	\$ 67,411,960	\$ (10,933,038)
Total Revenue	71,094,928	60,141,253	(10,953,675)
Net County Cost	\$ 7,250,070	\$ 7,270,707	\$ 20,637
FTE's	420	423	3



Expenditure Variance:

- Decrease due to FY22-23 Year-end Projections trending lower due to delays in filling some positions
- Lower staffing and services/supplies expenditure in COVID response

Revenue Variance:

- Decrease due to change in budgeting based on actuals
- Decrease in COVID expenditure directly affecting drawdown of state and federal COVID-19 revenue

FTE Variance:

- 3 additional grant-funded staff



Public Health

Budget FY 2023-24

	Emergency Medical Services	Public Health	Women, Infant and Children	Children's Medical Services	Total Public Health
Total Appropriations	\$ 5,952,292	\$ 41,790,369	\$ 5,106,544	\$ 14,562,755	\$ 67,411,960
Total Revenue	\$ 4,859,228	\$ 38,078,241	\$ 4,501,829	\$ 12,701,955	\$ 60,141,253
Net County Cost	\$ 1,093,064	\$ 3,712,128	\$ 604,715	\$ 1,860,800	\$ 7,270,707
% of NCC	18.4%	8.9%	11.8%	12.8%	10.8%
FTE's	19	279	44	81	423

Challenges

- Majority of the budget comes from Grants and Contracts, and Realignment
- Grants and contracts are categorical funding for specific program areas

Key Initiatives and Priority Areas

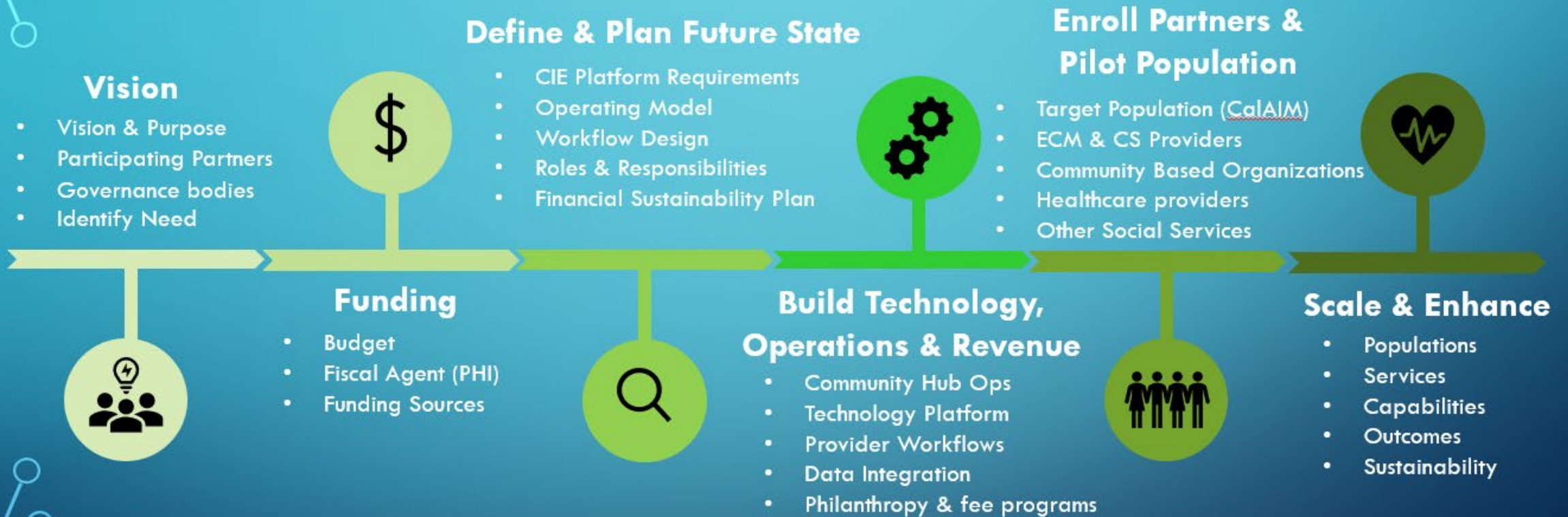
- Workforce and Infrastructure:
 - Workforce Development and Training Plan
 - Lab Renovation and Expansion
- Re-accreditation Readiness & Community Health Planning
- Social Determinants of Health & Health Equity
- Community Information Exchange
- Healthiest County by 2030 Initiative
- National County Health Ranking



Reaccreditation Readiness & Community Health Planning

2022	2023	2024	2025
	Strategic Plan (SP) 2023 - 2025		
Community Health Needs Assessment (CHNA) 2022			Release Next CHNA
Community Health Implementation Strategy (CHIS) 2022			Release Next CHIS
	Workforce Development Plan (WDP) 2023 - 2025		

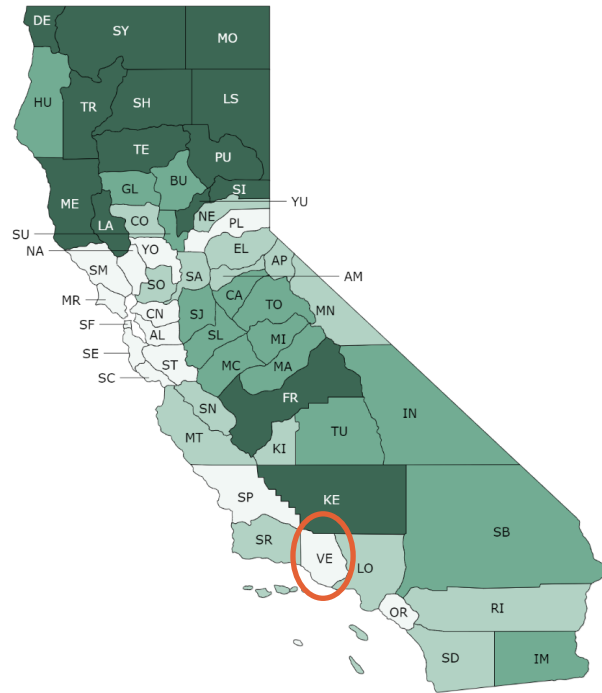
VC Community Information Exchange (VCCIE)



We are here!

County Health Rankings 2022

2023 Health Outcomes - California



Health Outcome Ranks

1 to 14	15 to 29	30 to 44	45 to 58
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Health Outcomes ranking trend:

- 8th place ranking out of 58 counties (top quartile)
- Improved from 12th in 2021 and 9th in 2022

Health Outcomes measures include:

- Low Birthweight
- Premature Death
- Poor Health/Mental Health Days

Health Factors ranking trend:

- 16th ranking; improved from 17th in 2022

Health Factors measures include:

- Adult Obesity
- Food Environment Index
- Access to Exercise Opportunities



VENTURA COUNTY
HEALTH CARE AGENCY

THANK YOU FOR YOUR SUPPORT



VENTURA COUNTY
MEDICAL CENTER



VENTURA COUNTY
AMBULATORY CARE



VENTURA COUNTY
PUBLIC HEALTH



VENTURA COUNTY
BEHAVIORAL HEALTH



VENTURA COUNTY
HEALTH CARE PLAN