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Setting the Standard in Health Care Excellence

June 23, 2020

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93003

**SUBJECT**

**Approval of, and Authorization for the Health Care Agency Director or Designee to Sign, the Agreement with ECG Management Consultants, LLC to Provide Consulting Services, Effective July 1, 2020.**

**RECOMMENDATION**

Approval of, and authorization for the Health Care Agency (HCA) Director or designee to sign, the agreement with ECG Management Consultants, LLC (ECG) (Exhibit 1) to provide consulting services, in the amount of \$552,000, effective July 1, 2020.

**VCMC FISCAL IMPACT**

Mandatory: No  
Source of Funding: VCMC Operating Revenues/Collections/General Fund  
Funding Match Required: None  
Impact on Other Departments: NA

Summary of Annual Revenues and Costs:

	<u>FY 2019-20</u>	<u>FY 2020-21</u>
REVENUE:	\$0	\$552,000
DIRECT COSTS:	\$0	\$552,000
INDIRECT COSTS:	Minor	Minor
Net Revenue <cost>	\$0	\$0

**CURRENT FISCAL YEAR BUDGET**

<b>Current FY 2019-20 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	\$503,988,972	\$517,311,898	\$503,501,128	\$13,810,770
Revenue	\$501,052,444	\$507,443,936	\$498,285,827	(\$9,158,109)
Operational Income/ (Loss)	(\$2,936,528)	(\$9,867,962)	(\$5,215,301)	\$4,652,661

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

**DISCUSSION:**

Amidst the immediacy of the current pandemic crisis, it is important for HCA to continue to consider the less-urgent-but-still-critical question of what the future of HCA looks like to ensure all citizens in Ventura County have access to medical care. Over the past few years, the evolution of the U.S. healthcare market toward value-based care has been creating unprecedented change in clinical services, payment reforms, organizational structures and leadership, technology enablers and disruptors, and patient expectations. With the COVID-19 pandemic, changes to several arcane regulations, most notably, the future of telemedicine services, have added to the complexity of designing HCA's future.

HCA needs to ensure the HCA Ambulatory Care (HCAAC) clinic business model, as well as provider contract structure, works to support its future success. Given the scope of HCAAC, HCA has determined it is in the best interest of the County to seek consulting assistance.

ECG is well qualified to assist HCA with planning efforts related to HCAAC's future state through the development of an integrated, efficient, and accountable structure to further improve financial performance and support better patient access. Through its support of HCA's efforts in 2018 and 2019, ECG identified several additional areas in which HCA could enhance ambulatory clinic performance. Successful implementation of many of the potential performance improvement opportunities are contingent on a more effective organizational and support structure for ambulatory operations.

ECG is prepared to conduct a concurrent operational diagnostic that validates the fact base from which decisions related to the preferred future-state structure supporting the federally qualified health centers (FQHCs) and other ambulatory services are made, and will provide the baseline measures for evaluating performance associated with HCAAC operational improvement efforts.

This letter has been reviewed by the County Executive Office, County Counsel, Auditor-Controller's Office, and General Services Agency Procurement Services. If you have any questions regarding these recommendations, please contact myself or Barry Zimmerman, Chief Deputy Director, at (805) 677-5110.

  
William F. Foley  
Health Care Agency Director

Exhibit

Exhibit 1 – ECG Management Consultants, LLC - Contract