

Setting the Standard in Health Care Excellence

November 17, 2020

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

SUBJECT:

Approval of, and Authorization for the Health Care Agency Director to Execute, Amendments to the Professional Services and Operations Agreements with Three Primary Care Affiliated Clinic Providers.

RECOMMENDATIONS:

1. Approval of, and authorization for the Health Care Agency (HCA) Director or designee to sign, amendment No. 5 to the professional services and operations agreement (PSOA) with Fillmore Family Medical Group, Inc. for the operation of Fillmore Family Medical Group (Exhibit 1), making a one-time payment of nine thousand one hundred nine dollars (\$9,109) that will be included in the base payment for December 2020 to correct a miscalculation in a prior amendment of the monthly base payment, adding expanded laboratory services, increasing the monthly base payment to seventy-seven thousand six hundred eighty-one dollars (\$77,681), and increasing the monthly provider productivity minimum to sixty-nine thousand one hundred forty-one dollars (\$69,141).
2. Approval of, and authorization for the HCA Director or designee to sign, amendment No. 4 to the PSOA with Las Islas Family Medical Group, A Professional Corporation for the operation of Las Islas Family Medical Group North, Las Islas Family Group, and Las Islas Mobile Clinic (Exhibit 2), decreasing the monthly base payment to six hundred twenty-nine thousand seven hundred twenty-six dollars (\$629,726) and decreasing the monthly provider productivity minimum to four hundred seventy-eight thousand eight hundred forty dollars (\$478,840).
3. Approval of, and authorization for the HCA Director or designee to sign, amendment No. 4 to the PSOA with Ventura Seaside Medical Group, Inc. for the operation of West Ventura Medical Clinic (Exhibit 3), adding a nurse practitioner: family medicine (with OB) services to the provider productivity calculation.

VCMC FISCAL IMPACT:

Fiscal Impact	FY 2020-21	FY 2021-22
REVENUE:	\$0	\$0
DIRECT COSTS:	\$91,902	\$0
INDIRECT COSTS:	Minor	Minor
Net revenue <cost>	\$<91,902>	<\$0>

Current Fiscal Year Budget Projections:

Current FY 2020-21 Budget Projections for Ventura County Medical Center #3300				
	Recommended Budget	Adjusted Budget	Projected Actual	Estimated (Savings/Deficit)
Expenditures	\$523,626,081	\$523,626,081	\$523,626,081	\$0
Revenue	\$540,682,161	\$540,682,161	\$540,682,161	\$0
Operational Income/(Loss)	\$17,056,080	\$17,056,080	\$17,056,080	\$0

*The operational income includes "Operating Transfers In" that is primarily attributed to County contributions. FY 20-21 Adopted Budget includes sufficient Revenues and Expenditures.

BACKGROUND:

The PSOA amendments that are the subject of this letter are with HCA’s affiliated ambulatory care clinic providers. Adjustments are requested to the current agreements to account for changes in operations at three of the clinics.

DISCUSSION:

The fifth amendment to the PSOA with Fillmore Family Medical Group, Inc. for the operation of Fillmore Family Medical Group will include: a one-time payment to the contractor of \$9,109 to correct a miscalculation of the monthly base payment from \$62,310 to \$65,346 in the fourth amendment to the PSOA during the months of August, September, and October; the addition of a full-time phlebotomist to provide expanded laboratory services; and the addition of a physician’s assistant that will increase provider productivity. With the added physician’s assistant, the minimum monthly provider productivity will increase to \$69,141 starting November 1, 2020 and for the remaining months of the term of this agreement. The addition of the phlebotomist and the physician’s assistant in the amendment results in an increase of the base payment for clinic operations to \$77,681 per month effective November 1, 2020. The November 2020 base payment for Fillmore was already paid out in October 2020, at the base payment rate from the fourth amendment of \$62,310. The difference between the new base payment rate of \$77,681 and the rate from the fourth amendment of \$62,310, for a difference of \$15,371, will be included in the December base payment to offset the

shortage. The base payment for December will be \$102,161 which includes: the new base payment rate of \$77,681, the \$15,371 to offset the amount underpaid in the November base, and the one-time payment of \$9,109 to correct a miscalculation of the monthly base payment in the fourth amendment. The base payment for January and the following months of the contract term will be \$77,681.

The fourth amendment to the PSOA with Las Islas Family Medical Group, A Professional Corporation for the operation of Las Islas Family Medical Group North, Las Islas Family Group, and Las Islas Mobile Clinic accounts for modifications in services and provider productivity. The modifications include the following: increase in family medicine (with OB) services, reduction in infectious disease services, addition of internal medicine services, reduction in nurse practitioner: family medicine (with OB) services, reduction in nurse practitioner family medicine (without OB) services, reduction in nurse practitioner urgent care services, reduction in pediatrics: endocrinology services, and an increase in urgent care services. These modifications result in a decrease in the monthly base payment to \$629,726 and a decrease in minimum monthly provider productivity to \$478,840.

The fourth amendment to the PSOA with Ventura Seaside Medical Group, Inc. for the operation of West Ventura Medical Clinic adds a nurse practitioner: family medicine (with OB) to the provider productivity calculation.

The fiscal impact for these amendments results in a net increase to direct costs of \$91,902, resulting in a decrease of net revenue of \$91,902.

This letter has been reviewed by the County Executive Office, County Counsel, and Auditor-Controller's Office. If you have any questions regarding these recommendations, please contact Theresa Cho, MD at 805-677-5290.

Theresa Cho, MD
Chief Executive Officer, Ambulatory Care

William T. Foley
Health Care Agency Director

Attachments:

- Exhibit 1 – Amendment No. 5 to the PSOA with Fillmore Family Medical Group, Inc. for the operation of Fillmore Family Medical Group.
- Exhibit 2 – Amendment No. 4 to the PSOA with Las Islas Family Medical Group, A Professional Corporation for the operation of Las Islas Family Medical Group North, Las Islas Family Group, and Las Islas Mobile Clinic.
- Exhibit 3 – Amendment No. 4 to the PSOA with Ventura Seaside Medical Group, Inc. for the operation of West Ventura Medical Clinic.