



Ventura County Community Health Center (CHC) Board Meeting Minutes

**Meeting Minutes
November 14, 2024
12:30 - 2:00 PM**

**2240 E Gonzalez Rd,
Suite 200
Oxnard, CA 93036**

Theresa Cho, MD
Ventura County Ambulatory Care Chief
Executive Officer
Medical Director CHC
Executive Director

Marth Ann Knutson
County of Ventura
Assistant County Counsel

Chaya Turrow
Ventura County Ambulatory Care
CHC Co-Applicant Board Clerk

CHC BOARD MEMBERS:

RALPH REYES, District 3
Chair

RENA SEPULVEDA, District 1
Vice Chair

ESPY GONZALEZ, District 2
Secretary

JAMES MASON, District 5
Treasurer

MANUEL MINJARES, District 3

RENEE HIGGINS, MD, District 3

MELISSA LIVINGSTON, District 1

DAVID TOVAR, District 3

**LORETTA DENERING, DrPH, MPH,
District 2**

Call to Order:

Ralph Reyes called the meeting to order at 12:36 PM.

1. Roll Call

Ralph Reyes	Present
Rena Sepulveda	Present
Espy Gonzalez	Present
James Mason	Present
Manuel Minjares	Present
Renee Higgins, MD	Present
Melissa Livingston	Absent
David Tovar	Present
Loretta Denering, DrPH	Present

Roll call confirmed that a quorum was present.

2. Ventura County Staff Present

Theresa Cho, MD, HCA – Ambulatory Care
 Lizeth Barretto, HCA – Ambulatory Care
 Jason Cavender, HCA – Ambulatory Care
 Marty Hahn, HCA – Ambulatory Care
 Octavius Gonzaga, HCA – Ambulatory Care
 Dee Pupa, HCA – Health Care Plan

Public Present

3. Public Comments

Action Items:

4. Approval of CHC Board Meeting Agenda for November 14, 2024

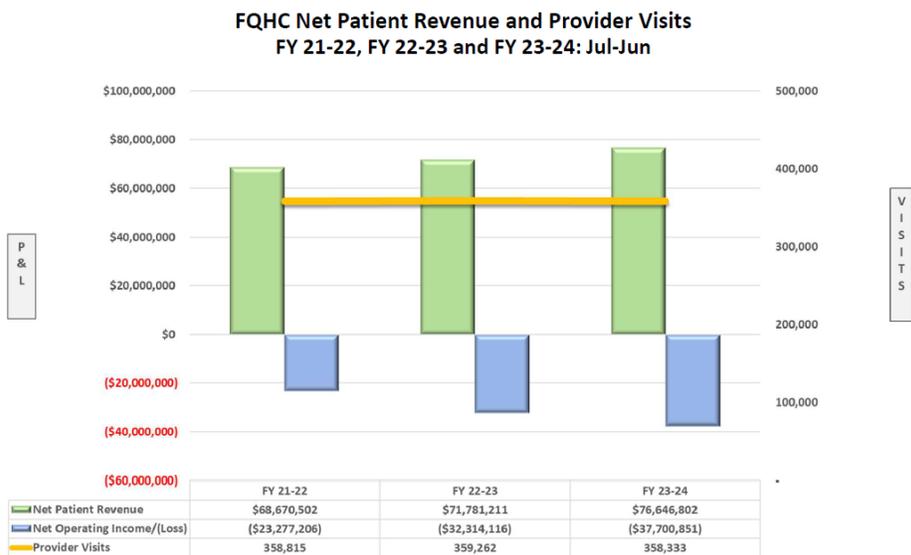
Board Member Higgins motioned to approve the meeting agenda. Board Member Denering seconded. Motion passed.

5. Approval of CHC Minutes for October 24, 2024

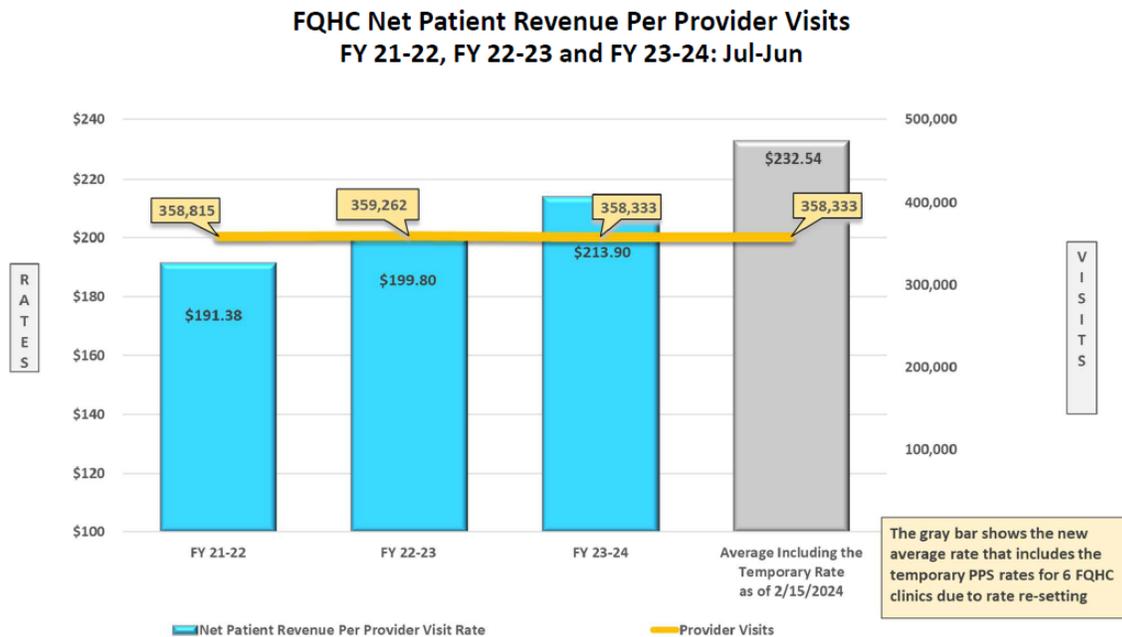
Board Member Denering motioned to approve. Board Member Minjares seconded. Board Members Mason and Sepulveda abstained. Motion passed.

6. Presentation and Approval of FY 23-24 Fiscal Report

Jason Cavender shared the FYE June 2024 Fiscal Report.



The Net Patient Revenue is the amount we expect to receive. The blue is the net operating loss (salaries, utilities, rent, etc.). The line is the provider visits (doctor, nurse practitioners, and physician assistants). Looking at the current year, the net patient revenue is up by \$5M.



The net patient revenue is divided by the number of visits. Once we have a full year of temporary rates, we expect the gray bar to be our average. Conejo, Las Islas North, Las Islas South, Mandalay Bay, Moorpark, West Ventura. Rate resetting is the increase in the clinics' PPS (prospective payment system) rates. These are the favorable in fixed MediCal reimbursements received by FQHC clinics. The rate may increase by a change in scope or services. This is a request sent to the California Department of Healthcare Services, and you need a qualifying event to become eligible. Our qualifying event is placing LMFTs (Licenced Marriage Family Therapists) in the six FQHC clinics.

**FQHC Statement of Revenue and Expenses Comparative
FY 23-24: Jul-Jun and FY 22-23**

	FY 23-24	FY 22-23	Variance ¹	% Variance
Provider Visits	358,333	359,262	(929)	0%
Net Patient Revenue	\$ 76,646,802	\$ 71,781,211	\$ 4,865,592	7%
Operating Expenses:				
Salaries & Wages	60,357,756	55,636,347	4,721,409	8%
Employee Benefits	24,339,219	23,191,256	1,147,963	5%
Depreciation/Amortation	4,249,369	5,085,007	(835,638)	-16%
Interest Expense	27,387	31,560	(4,173)	-13%
Medical Supplies	8,732,173	6,368,717	2,363,456	37%
Office Expense	556,869	494,649	62,220	13%
Professional Fees - Physician	5,522,128	5,744,530	(222,402)	-4%
Purchased Services	7,439,486	5,365,857	2,073,628	39%
Rents & Leases	1,524,692	906,203	618,489	68%
Supplies ²	851,275	645,152	206,123	32%
Utilities	747,300	626,048	121,252	19%
Total Operating Expenses	\$ 114,347,653	\$ 104,095,327	\$ 10,252,327	10%
Net Operating Income/(Loss)	\$ (37,700,851)	\$ (32,314,116)	\$ (5,386,735)	-17%

¹ The variance for the "Operating Expenses" line-items calculation methodology is updated to show FY 23-24 less FY 22-23

² Supplies include one-time supplies and labor costs for building repairs at Santa Paula Medical Clinic in the amount of \$798K and reduced by a \$686K insurance reimbursement.

These are the numbers that made up the bar chart in the first slide. Comparing the current year to last fiscal year. Salaries and wages are the largest expense. Salaries have gone up by about 14%. The next largest is medical supplies. Our main vendor is Medline. This also includes pharmaceuticals.

**Ventura County Medical System Summary
FY 23-24: Jul-Jun Unaudited Actuals and Budget, and FY 22-23 Audited Actuals**

Ventura County Medical System Financial Summary Presentation Year-End FY 2023-24					
(in millions)	FY 2023-24 Unaudited Year-End Actuals	FY 2023-24 Adopted Budget	Variance	% Change	FY 2022-23 Audited Actuals
Revenue	\$655.3	\$665.5	(\$10.1)	-2%	\$621.5
Expenses	\$672.4	\$673.8	(\$1.4)	0%	\$604.2
Net Income (Loss)	(\$17.0)	(\$8.3)	(\$8.7)		\$17.4

Pension Adjustment FY 2023-24
Unaudited Year-End Actuals: \$6.6M

Estimated FY 2023-24 Unaudited
Year-End Actuals Net Income/(Loss)
with Pension Adjustment: (\$10.4M)

This shows the system wide Ventura County Medical System (VCMC and Ambulatory Care),

comparing the last two years. Supplemental funding is included in the revenue. The net loss is showing \$17M. There is a favorable pension adjustment that we are not sure if we will receive yet. With that adjustment, our loss would be \$10.4M.

Board Member Higgins asked if professional fees for physicians would be some leftover contract work or something else? Dr. Cho clarified that professional service fees are for physicians that are contracted, not employees. Mr. Cavender shared that Oceanview Medical Specialists are the largest contracted group that makes up the most of that expense.

Board Member Minjares asked if the 37% increase in Medical Supplies from last year is because we are using more or what was the cause of the increase? Mr. Cavender said that it's more because costs of the supplies have gone up. Dr. Cho said that it's a combination of an increase of utilization of certain medications and an increase in volume. We are doing more of certain things and those things are costing more per unit, as well. Going forward, everyone at the clinics will buy from the one Medline contract. Dr. Cho clarified that clinics can't just purchase everything they want, there is a process in place for clinics to send in an order, ensuring they get what they need, but not excessively ordering. Board Treasurer Mason asked if this process includes inventory room audits? Dr. Cho confirmed, yes.

Board Vice Chair Sepulveda motioned to approve the fiscal report. Board Treasurer Mason seconded. Motion passed.

7. Review and Approval of 2025 CHC Board Meeting Calendar

Ms. Turrow shared the proposed 2025 calendar year. She clarified that in previous years, the November and December meetings were the third Thursday, but for 2023 and 2024, they were moved to the second Thursday. Ms. Turrow clarified that for 2025, she moved those meetings back to the third Thursday, November 20th and December 18th. They do not fall on holidays.

Board Member Higgins motioned to approve the 2025 meeting calendar. Board Secretary Gonzalez seconded. The motion passed.

Discussion Items:

8. Continued Business

No continued business discussed.

9. CEO Update – Theresa Cho, MD - HCA, Ambulatory Care

Dr. Cho discussed the volumes of patients at the clinics. She shared that productivity is the surrogate for the financial system with claims and reimbursements. Productivity is where finances are driven. Dr. Cho shared a graph showing the number of patients at each clinic throughout the fiscal year. The current year is showing better than last year. Currently off to a great start this fiscal year. Typically, Las Islas and Sierra Vista volley for top spot. Sierra Vista has grown significantly over the past 10 years.

Dr. Cho also discussed the process of improving strategic efforts. The team should be done with the last stage of schedule cleanup by November 25th.

Additionally, the team has hired a nurse practitioner, Heidi Lee Wong, at Magnolia. And we are adding OB fellows at the Santa Paula Medical Clinic and Magnolia.

The two Assistant CFOs, Tav and Marty, have started. Tav has been in finance for over 20 years. He was the CFO at FQHCs in Hawaii and California and graduated from Cal State Stanislaus. He will be a great complement to Marty who has been within the organization and knows all the ins and outs.

10. **Board Comments**

Board Member Higgins said that the volumes are amazing. She said as a consumer she receives texts and calls to be prompted to make appointments. She asked if we would attribute volumes to this? Dr. Cho said yes - when clinics were independently managed, it was tough to get everyone managed the same way. Some slots were upwards of 30% open, now they are in the teens to 20%. Dr. Cho didn't realize how complex the texting is, but now there is a human team that goes through and finds the availability. The cleanup we have done allows them to click and see the availability right away.

Board Chair Reyes said that we will do Dr. Cho's evaluation in December. We will work on streamlining the process better next time.

Board Chair Reyes also requested a cell phone list.

11. **Staff Comments**

None.

12. **Adjournment – Adjourn 1:15pm.**

Audio files of the CHC Co-Applicant Board meetings are available by contacting the CHC Co-Applicant Board Clerk at chcboardclerk@ventura.org

Minutes submitted by: Chaya Turrow, CHC Board Clerk

**Next Meeting: Thursday, December 12, 2024
2240 E Gonzalez Rd, Suite 200, Oxnard, CA 93036**