



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Department Name:** Public Health  
**Department No.:** 041  
**For Agenda Of:** September 1, 2020  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department Van Do-Reynoso, MPH, PhD, Director  
Director Public Health Department  
Contact Info: Dana Gamble, Assistant Deputy Director 681-5171  
**SUBJECT: Hospitalist and Outpatient Professional Services Agreement with Santa Barbara Cottage Hospital First Amendment**

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**County Counsel Concurrence**

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- a) Approve, ratify, and authorize the Chair to execute this First Amendment to the Professional Services Agreement with Santa Barbara Cottage Hospital (a local vendor) for hospitalist and outpatient professional services to add residents to the Residency Program and add an additional session to the clinical schedule without a change in the term of July 1, 2019 through June 30, 2022. This is a no cost Agreement; and
- b) Determine that the above activity is not a "Project" under the California Environmental Quality Act review per CEQA Guideline Section 15378(b)(5), since the recommended action is an organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

**Summary Text:**

This item is on the agenda to execute a First Amendment to the Santa Barbara Cottage Hospital Agreement for hospitalist and outpatient services in Santa Barbara County to add residents to the Residency Program and add an additional session to the clinical schedule.

**Background:**

The Public Health Department (PHD) and Santa Barbara Cottage Hospital have worked together collaboratively to provide both outpatient and hospital based medical services to the uninsured and underinsured residents of Santa Barbara County while also providing valuable experience to participants

of the Cottage Hospital Residency Program. With Graduate Medical Education (GME) programs in surgery, radiology, and internal medicine, physicians in training care for diverse patient populations in both outpatient clinics and hospital settings. This Amendment is initiated at the request of Cottage Hospital to increase the number of Internal Medicine Residents permitted to rotate through the Santa Barbara Health Care Center.

The community benefits from this historical partnership and from the opportunity to receive medical care from recently graduated medical students who have learned current perspectives and techniques in medicine.

No compensation is included under this Agreement.

**Performance Measure:**

Santa Barbara Cottage Hospital agrees to practice effective and high-quality medicine and agrees to establish and define measurements of quality indicators in an effort to meet contemporary quality measurements and indicators of outcomes, which can be monitored and reported.

The Public Health Department supports a Medical Practices Committee (MPC) which oversees clinical and quality operations for the health care center system. The Committee produces an annual Medical Quality Improvement Plan, which incorporates performance measures for the Health Care Centers (HCC), providers, including the Residents associated with this Agreement, and patient populations. The MPC develops goals for these measures and reviews reports quarterly, reassessing the improvement plans, and revising actions to be taken as necessary to reach the goals. These activities result in documentation that supports the Community Health Center Uniform Data Set, Patient Centered Medical Home, and all other required program reporting.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

This Agreement provides no compensation to either party as a result of this collaboration. Any costs incurred by the County as a result of this decades-old relationship are reimbursed through patient service fees and public program revenues.

**Key Contract Risks:**

Cottage Hospital was incorporated in 1888 and is the largest private teaching hospital on the California coast between Los Angeles and the Bay Area. Financially, Cottage is the main provider of acute health care services in the southern Santa Barbara region. Cottage has an AA- rating from Fitch, an international credit rating agency based out of New York City and London. The Fitch rating is a result of strong operating cash flow; positive revenue growth from increased volume; favorable contracting; and continued cost management. Santa Barbara Cottage Hospital provides residents with professional liability coverage while the residents are involved in training rotations outside of Santa Barbara Cottage Hospital.

This Agreement has no costs associated, however, without the Agreement, in order to provide the same level of patient care, the PHD would need to hire 1.25 FTE physicians in internal medicine, and contract with an additional surgeon for eight hours per week and negotiate an agreement for hospital coverage with a hospitalist group. The Agreement contains a termination for convenience clause.

**Staffing Impacts:**

No additional staffing will be added or reduced as a result of this action.

**Special Instructions:**

Please execute two (2) original First Amendments with Santa Barbara Cottage Hospital and retain one (1) original Amendment and one (1) Minute Order for pick-up by the department. Please email [Kelly.lazarus@sbcphd.org](mailto:Kelly.lazarus@sbcphd.org) when available for pickup.

**Attachments:**

- A. First Amendment to the Agreement between Santa Barbara County and Santa Barbara Cottage Hospital for Hospitalist and Outpatient Professional Services.
- B. Agreement between Santa Barbara County and Santa Barbara Cottage Hospital for Hospitalist and Outpatient Professional Services.

**Authored by:**

Dana Gamble, Assistant Deputy Director, Primary Care & Family Health Division 681-5171