



24-5574

DATE: May 7, 2024 (Item No. {{item.number}})

TO: Board of Supervisors

FROM: Paul E. Lorenz, Chief Executive Officer, Santa Clara Valley Healthcare

SUBJECT: Salary Ordinance amendment related to adding various positions in VHC North County

RECOMMENDED ACTION

Introduce and preliminarily adopt Salary Ordinance No. NS-5.24.71, an Ordinance amending Santa Clara County Salary Ordinance No. NS-5.24 relating to compensation of employees adding various positions in Valley Health Center North County for Santa Clara Valley Healthcare.

FISCAL IMPLICATIONS

The recommended action, if approved, would add 16 full-time equivalent (FTE) positions to support operations at the new Valley Health Center (VHC) North County. Most of these positions would be funded beginning July 2024, but three would be funded for less than the full year, reflecting the planned expansion of operations as the year progresses.

The costs and revenues associated with the operations at VHC North County for Fiscal Year (FY) 2024-2025 are detailed in the table below.

Figure 1: Proposed Cost and Revenue Adjustments

	Base Budget	Proposed Adjustment	FY 2024-2025 Budget
Revenue		\$4,686,314	\$4,686,314
Payroll		\$3,522,290	\$3,522,290
Services & Supplies		\$1,230,660	\$1,230,660
Lease Cost	\$1,905,000	\$138,355	\$2,043,355
Total Operating Expense		\$4,891,305	\$6,796,305
Net Income (Loss)		(\$204,991)	(\$2,109,991)

The operations will require a further seven positions to be moved from elsewhere within SCVH's operating departments. These positions have a budgeted cost of \$1,389,497 in FY

2024-2025. Not counting these positions, which are already budgeted, the ongoing cost of the recommended action is approximately \$2.1 million. The proposed adjustments for revenue, services and supplies, and lease cost will be added to the FY 2024-2025 base budget for SCVH, which will be approved when the FY 2024-2025 Budget is adopted. The estimated net loss of \$204,991 will be offset by reductions to overtime in the FY 2024-2025 base budget for SCVH.

REASONS FOR RECOMMENDATION AND BACKGROUND

This new Valley Health Center (VHC) North County will expand SCVH's outpatient clinic network, offering urgent care, primary care, and selected specialty services locally, reducing the need for residents to travel to Sunnyvale or San José for medical attention. As such, VHC North County will improve access to health services for residents in the North County area.

VHC North County anticipates the clinic opening in late summer 2024, providing a comprehensive primary care medical home. It will include 10 exam rooms for family medicine, six (6) exam rooms for urgent care, new diagnostic imaging services for X-ray and 3-D mammography, an on-site pharmacy, laboratory, and behavioral health services. The clinic is projected to provide 8,000 outpatient visits in its first year and will ramp up as patient needs increase.

VHC North County primary care and urgent care services will operate Monday through Friday from 8 am to 5 pm, with walk-in appointments available for urgent care. The operating hours will be adjusted to accommodate the community's needs, with plans for additional evening and weekend hours. SCVH will continue to evaluate staffing requirements to support this clinic and the community's utilization of services during the coming fiscal year to ensure the provision of quality care that aligns with community needs.

SCVH requests 16 FTE positions to staff primary and urgent care clinics, as well as the ancillary diagnostic imaging (DI), pharmacy, laboratory services, and support services, as detailed below (Figure 2). Patient revenue partially offsets the cost of these positions, and the remainder will be covered under vacancy deletions.

Figure 2: Outpatient Services Staffing

Department	Job Code	Job Title	FTE
Primary Care	P41	Physician	1
	H30	Health Center Manager	1
	S85	Licensed Vocational Nurse	1
	H93	Medical Assistant	1
	S11	Assistant Nurse Manager	1
Urgent Care	P41	Physician	1
	S59	Nurse Practitioner	1
	S85	Licensed Vocational Nurse	2
Pharmacy	R29	Pharmacy Technician	1
	R56	Pharmacy Supervisor	1
Support Services	R74	Medical Laboratory Asst II	1
	H18	Janitor	1

R8B	Diag Imaging Tech II-CT	1
G8H	Materials Supply Specialist	1
D48	Patient Business Services Clerk	1
Total		16

Background

At the October 19, 2021, Board meeting (Item No. 12), at the request of Supervisor Simitian, the Board directed SCVH and Facilities and Fleet Department (FAF) to establish a VHC clinic in District Five to improve affordable healthcare access in the North County region. The new clinic will enhance primary care availability and expand specialty care services in the North County area.

VHC North County will provide convenient access to quality healthcare to the community. VHC North County's presence ensures that community members have timely and reliable access to essential healthcare services, this is especially important for addressing immediate health needs and emergencies, contributing to the overall health and resilience of the community.

Employee Services Agency supports the recommended action.

CHILD IMPACT

The recommended action will have a positive impact on children or youth by the indicator of **Every Child Healthy**. VHC North County will improve patient access to children in North County.

SENIOR IMPACT

The recommended action will have a positive impact on seniors, as this new VHC North County will improve patient access to seniors in North County.

SUSTAINABILITY IMPLICATIONS

The recommended action will have no/neutral sustainability implications.

CONSEQUENCES OF NEGATIVE ACTION

Failure to approve the recommended action will negatively affect VHC North County's ability to support the continued growth of Santa Clara Valley Healthcare.

STEPS FOLLOWING APPROVAL

The Clerk of the Board of Supervisors is requested to send a notification to Matthew Harrington, SCVH Finance Department, and George Hurrell, Business Development and Managed Care Department.

ATTACHMENTS:

- NS 5 24 71 VHC Adding various positions in North County