



**DATE:** February 18, 2016

**TO:** Children and Families Commission of Orange County

**FROM:** Christina Altmayer, Executive Director 

**SUBJECT:** Dr. Riba's Health Club

**ACTION:** Receive Sustainability Update on Dr. Riba's Health Club

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**SUMMARY:**

The Commission has provided funding to Dr. Riba's Health Club to provide obesity prevention and treatment since its inception. The program operates out of the Santa Ana YMCA which provides space and resources as part of the repayment of their catalytic agreement. Over the last eighteen months, Dr. Riba has been engaged in long-term strategic business and sustainability planning for the program in partnership with Commission staff. The following report provides a status update on Dr. Riba's Health Club sustainability efforts.

**DISCUSSION:**

The Commission has supported Dr. Riba's Health Club through operating, capacity building, and catalytic support. Specifically, Dr. Riba's Health Club receives \$225,000 annually of Commission funding to implement community-based prevention services and provide clinical obesity treatment and preventive care for children ages 0-5 and their families. Additionally, as part of the agreement with YMCA of Orange County, the Health Club is provided free space at the Santa Ana facility. The Health Club is fiscally sponsored by One OC.

As a CalOptima-contracted provider focused on the treatment of obese children, Dr. Riba receives Medi-Cal reimbursement for some Health Club services. However, because Medi-Cal billing is limited to specific types of care rendered in a clinical setting, community-based prevention work remains largely unreimbursed. Additionally, Medi-Cal reimbursement rates do not fully cover the costs associated with providing comprehensive, multidisciplinary obesity prevention and treatment. To address these sustainability challenges for both the clinical and outreach/prevention services, Dr. Riba and her staff have been working on formation of a 501(c)3 corporation, recruitment of board members, and development of the internal infrastructure and business capacity needed to emancipate from the fiscal sponsor.

In response to a request from Dr. Riba, the Commission partnered with the St. Joseph's Health Community Partnership Fund to provide \$46,000 for business development consultation specific to the new nonprofit and Dr. Riba's private practice. Dr. Riba has engaged an experienced consultant in medical business planning who will be tasked with examining options for an employment model versus private practice; formulating a comprehensive fund development plan for the nonprofit; and increasing Health Club management staff's expertise to manage all aspects of the agency's operations. Commission staff is monitoring the progress of strategic sustainability planning and will

return to the Commission in May with a full report, including the consultant recommendations and analysis of any implications for the Commission's existing contracts.

**STRATEGIC PLAN & FISCAL SUMMARY:**

This item and the recommended action have been reviewed in relation to the Commission's Strategic Plan and are consistent with the Healthy Children goal area. The \$46,000 of proposed funding for this project includes a \$20,000 contribution from St. Joseph's Health Community Partnership Fund and \$26,000 of unspent FY 2015/16 Commission program funding.

**PRIOR COMMISSION ACTIONS:**

- February 2014- Operational Funding Approval
- February 2013- Operational Funding Approval
- March 2012- Operation Funding Approval
- June 2011- Operational Funding Approval

**RECOMMENDED ACTION:**

Receive Sustainability Update on Dr. Riba's Health Club and direct staff to return in May with the results of the planning.

**Contact:** Kim Goll