



**The Meeting Transcript of
The Los Angeles County
Board of Supervisors**

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1 SPECIAL MEETING OF THE LOS ANGELES COUNTY BOARD OF SUPERVISORS
2 FY 2008-09 BUDGET DELIBERATIONS
3 MONDAY, JUNE 16, 2008, 9:30 AM
4
5
6

7 **CLERK SACHI HAMAI:** GOOD MORNING, MADAME CHAIR, MEMBERS OF THE
8 BOARD. TODAY'S SPECIAL MEETING FOR THE 2008-2009 BUDGET
9 DELIBERATIONS WILL BEGIN ON PAGE 1. THERE ARE 20 ITEMS. ON
10 ITEM NO. 6, THE CHIEF EXECUTIVE OFFICER REQUESTS THAT THIS
11 ITEM BE REFERRED BACK TO HIS OFFICE. ITEM 6.

12
13 **SUP. KNABE:** MADAME CHAIR?

14
15 **SUP. BURKE, CHAIR:** YES.

16
17 **SUP. KNABE:** ON ITEM NO. 11 -- OH, YOU GOT THAT?

18
19 **SUP. BURKE, CHAIR:** ON 6, WAS THERE ANY OBJECTION?

20
21 **SUP. KNABE:** NO.

22
23 **SUP. BURKE, CHAIR:** ALL RIGHT. WITHOUT OBJECTION, THAT ITEM
24 WILL BE REFERRED BACK TO HIS OFFICE.
25



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1 **CLERK SACHI HAMAI:** ON ITEM NO. 11, SUPERVISOR KNABE REQUESTS
2 THAT THIS ITEM BE CONTINUED TWO WEEKS TO JULY 1ST, 2008.

3

4 **SUP. BURKE, CHAIR:** WITHOUT OBJECTION?

5

6 **CLERK SACHI HAMAI:** THE REMAINING ITEMS WILL BE HELD FOR
7 DISCUSSION.

8

9 **SUP. BURKE, CHAIR:** ALL RIGHT. SHOULD WE PROCEED WITH THE --

10

11 **CLERK SACHI HAMAI:** ITEM NO. 1.

12

13 **C.E.O. FUJIOKA:** GOOD MORNING. TODAY WE HAVE BEFORE YOU THE
14 FINAL CHANGES TO OUR BUDGET FOR NEXT YEAR. I HAVE SOME REAL
15 BRIEF COMMENTS I WANT TO MAKE. WE'RE PRESENTING THIS BUDGET
16 TODAY KNOWING THAT WE STILL DON'T HAVE CLARITY OF WHAT'S
17 HAPPENING AT THE STATE. WHEN WE FIRST SUBMITTED OUR BUDGET, WE
18 KNEW THAT THE STATE WAS GOING TO HAVE A SIGNIFICANT IMPACT ON
19 OUR COUNTY FINANCES. AT THAT POINT IN TIME, WE WERE STILL
20 UNSURE AS FAR AS WHAT WOULD ACTUALLY OCCUR. FROM THE POINT
21 WHEN THE PROPOSED BUDGET WAS RELEASED TO NOW, THE IMPACT HAS
22 INCREASED TO \$357 MILLION. LATER ON IN THIS PRESENTATION, AS
23 WE GO THROUGH THE DIFFERENT STEPS ON TODAY'S AGENDA, WE'LL
24 TALK ABOUT THE IMPACT AND WHAT IT COULD HAVE ON COUNTY
25 SERVICES. WE DO KNOW THAT THE STATE'S BUDGET WON'T BE RESOLVED



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1 UNTIL PROBABLY SEPTEMBER AT BEST, MOST LIKELY OCTOBER. AS A
2 CONSEQUENCE, WHAT WE'RE ASKING RIGHT NOW IS IF WE CAN KIND OF
3 STAY THE COURSE. WE DON'T MAKE ANY SIGNIFICANT CHANGES TO OUR
4 BUDGET AS IT IS NOW, THAT WE MAINTAIN OUR FISCAL PRUDENCE THAT
5 WE EXHIBITED WHEN WE FIRST RELEASED AND THEN SUBSEQUENTLY
6 APPROVED THE PROPOSED BUDGET. THE ONE THING I DO WANT TO
7 HIGHLIGHT, SINCE WE DID PRESENT THE PROPOSED BUDGET, IS THAT
8 WE DID MEET WITH THE RATING AGENCIES PRIOR TO ISSUING OUR
9 TRANS FOR THIS YEAR. AND I SENT AN EARLIER COMMUNIQUE THAT
10 IDENTIFIED THAT WE RECEIVED THE HIGHEST POSSIBLE RATING FOR AN
11 ENTITY OUR SIZE FOR OUR TRANS. THAT IS IN LARGE PART BECAUSE
12 OF HOW THIS COUNTY, PARTICULARLY THE BOARD, HAS MANAGED THE
13 FINANCES FOR THE COUNTY. AND IT'S ALSO, IN LARGE PART, DUE TO
14 OUR STRONG FINANCIAL POLICIES. BUT ALSO I WANT TO RECOGNIZE
15 THE WORK OF OUR TREASURER, MARK SALADINO, FOR WHAT HE'S
16 BROUGHT TO NOT ONLY HOW WE MANAGE OUR FINANCES BUT ALSO HOW WE
17 MANAGE OUR INVESTMENTS. THE ONE BIG ISSUE THAT I KNOW HAS
18 EVERYONE CONCERNED IS OUR PROPERTY TAX AND THE VALUE OF OUR
19 ASSESSMENT ROLLS. WE ALL KNOW THAT OUR ASSESSOR IS LOOKING AT
20 A LARGE NUMBER OF PROPERTIES FOR THE POSSIBLE TASK OF RE-
21 ASSESSING THEIR VALUE. BUT WHAT'S EQUALLY IMPORTANT TO
22 RECOGNIZE IS WE HAVE A LOT OF EMBEDDED VALUE IN OUR PROPERTIES
23 THROUGHOUT THE COUNTY. AS A CONSEQUENCE, EVEN THOUGH WE DO
24 HAVE CONCERNS, WE WON'T EXPERIENCE THE SAME 9 PERCENT GROWTH
25 AS IN PREVIOUS YEARS, WE'RE STILL PROJECTING A MINIMUM OF 5



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1 PERCENT GROWTH NEXT YEAR. AND IT COULD BE STRONGER. AND WE'LL
2 SEE THAT AS WE MOVE FORWARD INTO NOT ONLY THE END OF THIS
3 FISCAL YEAR BUT THE BEGINNING OF NEXT FISCAL YEAR. THE ONE
4 THING I DO WANT TO MENTION, I WANT TO HIGHLIGHT, IF YOU LOOK
5 AT OUR UNCOMMITTED FUND BALANCE, AND AS WE MOVE FROM YEAR-TO-
6 YEAR, THAT UNCOMMITTED FUND BALANCE IN PAST YEARS HAS BEEN
7 VERY, VERY SIGNIFICANT. BUT, YET, IN THIS YEAR, WE'LL SEE
8 ALMOST A 54 PERCENT DECREASE FROM THE PRIOR YEAR. NOW, THAT
9 DECREASE IS A SIGN OF THE TIMES. THAT DECREASE IS SOMETHING
10 THAT WILL HAVE AN IMPACT ON A GO-FORWARD BASIS AND WHAT WE
11 MUST DO AS WE CONTINUE TO MANAGE OUR FINANCES. WE HAVE A TOTAL
12 BUDGET THAT WE'LL SEND FORWARD TODAY OF 22.3 BILLION. THERE
13 WILL BE 102,486 POSITIONS. AND WE HAVE FINAL CHANGE
14 RECOMMENDATIONS OF APPROXIMATELY \$121 MILLION. WHEN WE STARTED
15 TALKING ABOUT THE STATE BUDGET, THE ONE THING THAT HAS US
16 CONCERNED IS THE ESCALATING COSTS OF IN-HOME SUPPORT SERVICES.
17 WE ALSO HAVE A CONCERN WITH, AGAIN, JUST IN GENERAL, IN WHAT
18 DIRECTION THE STATE WILL TAKE WHEN THEY FINALIZE THEIR BUDGET.
19 I THINK AT THIS POINT I'M GOING TO PAUSE. I THINK WE NEED TO
20 START MOVING FORWARD WITH THE AGENDA. WE CAN START WITH AGENDA
21 ITEM 1. WE HAVE A NUMBER OF ADJUSTMENTS THAT WE'RE ASKING YOU
22 TO MAKE FOR THE VARIOUS BUDGET UNITS. IT INCLUDES -- I DON'T
23 KNOW, FOR THIS ONE, DO YOU WANT ME TO GO OVER EACH AND EVERY
24 ADJUSTMENT?

25



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1 **SUP. BURKE, CHAIR:** WELL, I THINK THAT PROBABLY THERE ARE SOME
2 SPECIFIC ADJUSTMENTS PEOPLE WANT TO ASK ABOUT. STARTING WITH
3 NO. 5? WELL I GUESS NO. 4. YOU CAN CALL EACH ONE AND THEN IF
4 THERE'S NO ONE -- IF YOU WANT TO CALL EACH ONE OF THE
5 SUBSECTIONS, AND IF THERE'S NO ONE WHO INDICATES THEY WANT TO
6 COMMENT ON IT, WE WILL MOVE TO THE NEXT ONE. AND THEN WE WILL
7 APPROVE SECTION 1 AT ONE TIME, ITEM 1.

8

9 **CLERK SACHI HAMAI:** SO WE'LL START WITH ITEM NO. 1.

10

11 **SUP. BURKE, CHAIR:** WE DON'T HEAR ANYONE.

12

13 **CLERK SACHI HAMAI:** ITEM NO. 2?

14

15 **SUP. BURKE, CHAIR:** NO ONE.

16

17 **CLERK SACHI HAMAI:** ITEM NO. 3?

18

19 **C.E.O. FUJIOKA:** WE CAN JUST KEEP GOING IF YOU LIKE. IF YOU
20 LIKE ME TO PROVIDE SOME DETAIL ON EACH ONE, I CAN DO THAT.

21

22 **SUP. BURKE, CHAIR:** WELL I THINK IF THERE IS REQUEST FOR DETAIL
23 IF ANY MEMBER INDICATES, WE WILL STOP AND TAKE THAT ITEM.

24



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1 **CLERK SACHI HAMAI:** ITEM NO. 4? AND THERE ARE MEMBERS OF THE
2 PUBLIC WHO WOULD LIKE TO TESTIFY ON THIS.

3

4 **SUP. BURKE, CHAIR:** ALL RIGHT.

5

6 **CLERK SACHI HAMAI:** YES.

7

8 **SUP. BURKE, CHAIR:** ITEM 1, SUBSECTION 4. EMERGENCY VEHICLE
9 OPERATIONS?

10

11 **CLERK SACHI HAMAI:** EXCUSE ME, I'M SORRY. THERE ARE NO MEMBERS
12 ON THAT ITEM. ITEM NO. 5? 1.5?

13

14 **SUP. BURKE, CHAIR:** WILL ROGERS?

15

16 **CLERK SACHI HAMAI:** ITEM NO. 1.6. ITEM NO. 1.7? ITEM NO. 1.8?

17

18 **SUP. BURKE, CHAIR:** ALL RIGHT. IS THERE A MOTION THEN ON ALL OF
19 ITEM 1 WITH ALL THE SUBSECTIONS, 1 THROUGH 8? MOVED BY
20 ANTONOVICH. SECONDED BY KNABE. WITHOUT OBJECTION, SO ORDERED.

21

22 **SUP. KNABE:** [INAUDIBLE]

23

24 **SUP. BURKE, CHAIR:** NO.

25



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1 **CLERK SACHI HAMAI:** OKAY. WE ARE NOW ON ITEM NO. 2.

2

3 **SUP. BURKE, CHAIR:** I THINK THAT THE C.E.O. HAS GIVEN US THAT
4 UPDATE. IS THERE A MOTION ON 2?

5

6 **CLERK SACHI HAMAI:** RECEIVE AND FILE?

7

8 **SUP. BURKE, CHAIR:** MOVE THAT WE RECEIVE AND FILE, SECONDED BY
9 MOLINA WITHOUT OBJECTION, SO ORDERED.

10

11 **CLERK SACHI HAMAI:** ITEM NO. 3.

12

13 **SUP. BURKE, CHAIR:** ISSUES RAISED AT THE PUBLIC HEARINGS.
14 RECEIVE AND FILE? MOVED BY YAROSLAVSKY, SECONDED BY KNABE;
15 WITHOUT OBJECTION, SO ORDERED. ITEM 4?

16

17 **CLERK SACHI HAMAI:** ITEM NO. 4. AND THIS ITEM HAS MEMBERS OF
18 THE PUBLIC THAT WOULD LIKE TO SPEAK.

19

20 **SUP. BURKE, CHAIR:** ALL RIGHT. WE WILL CALL THE PEOPLE WHO HAVE
21 ASKED TO SPEAK. PAUL HAYES, S.E.I.U. 721. KAREN MORRIS,
22 S.E.I.U. 721. ALTA PISTAUR, S.E.I.U. 721. VICKIE THURMAN,
23 PROBATION S.E.I.U.

24



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1 C.E.O. FUJIOKA: AS THEY'RE COMING UP, IF I COULD HIGHLIGHT A
2 FEW ISSUES?

3

4 SUP. BURKE, CHAIR: PROBATION DEPARTMENT AND PUBLIC GUARDIAN
5 PRIMARILY, YES.

6

7 C.E.O. FUJIOKA: WELL, AS THEY'RE COMING UP, I'M JUST GOING TO
8 HIGHLIGHT A FEW ISSUES PLEASE. I HAD MENTIONED THE TOTAL SIZE
9 OF OUR BUDGET. I ALSO MENTIONED THE NUMBER OF BUDGET POSITIONS
10 IN OUR FINAL RECOMMENDED BUDGET. THERE'S A NET COUNTY COST
11 INCREASE OF \$121 MILLION. THIS INCREASE IS FINANCED BY SOME
12 CARRYOVER AND FUND BALANCE MONEY, BUT ADDITIONAL \$10.1 MILLION
13 IN ONGOING REVENUE. AS PART OF WHAT WE'RE PROPOSING, WE HAVE
14 THE CARRYOVER FUND BALANCE FOR CAPITAL PROJECTS AND
15 EXTRAORDINARY MAINTENANCE THAT TOTALS 31.3 MILLION. AND THEN
16 ANOTHER \$3.5 MILLION FOR PROJECTS THAT HAVEN'T BEEN COMPLETED
17 AT THIS POINT IN TIME. IN CAPITAL PROJECTS, AS WE GO FORWARD
18 WITH THIS, WE'LL BE TALKING ABOUT WHAT'S NEEDED FOR SOME OF
19 OUR HIGH PRIORITY PROJECTS, SUCH AS FINISHING L.A.C.+U.S.C.
20 MEDICAL CENTER. THERE IS ALSO MONEY FOR THE INFORMATION
21 TECHNOLOGY SHARED SERVICES PROGRAM TO UPGRADE THE TECHNOLOGY
22 AT D.C.F.S. THIS IS A VERY IMPORTANT INITIATIVE. MOVING THIS
23 PROGRAM, OUR SERVICE FROM D.C.F.S. TO I.S.D. WILL HAVE A HUGE
24 IMPACT ON THE QUALITY OF THEIR PROGRAMS AND SERVICES. FOR THE
25 NEW PROGRAMS AND ENHANCEMENTS, PRINCIPALLY COMING FROM



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1 ADDITIONAL PROJECTED C.R.A. REVENUE, WE HAVE THE L.A.C+U.S.C.
2 OFF-WARD SECURITY PROJECT THAT WILL BE MANAGED BY OUR
3 SHERIFF'S DEPARTMENT. WE ALSO HAVE THE SETUP COST TO INCREASE
4 ELECTRONIC MONITORING PROGRAM IN THE SHERIFF'S DEPARTMENT,
5 ADDITIONAL FUNDS FOR THE PUBLIC DEFENDER FOR THE NEW CRIMINAL
6 COURTS FUNCTION IN ALHAMBRA, VAN NUYS, AND DOWNTOWN, THE METRO
7 COURTS. AND THERE'S SOME SMALLER ALLOCATIONS FOR A NUMBER OF
8 COUNTY DEPARTMENTS OF 1.6 MILLION. WHEN IT COMES TO REVENUE
9 OFFSET, I DID WANT TO MENTION WHAT WE'RE DOING THROUGH I.S.D.
10 THEY HAVE COME FORWARD WITH SOME ENERGY EFFICIENCY PROJECTS,
11 AND WE INTEND TO USE \$6 MILLION FROM THE D.W.P. SETTLEMENT
12 FUNDS. THIS \$6 MILLION WILL BE RETURNED OVER A FIVE-YEAR
13 PERIOD. AND SUBSEQUENT TO THE FIFTH YEAR, THE COUNTY WILL
14 REALIZE \$1.2 MILLION IN ONGOING ENERGY SAVINGS. WE ALSO,
15 THERE'S SOME OTHER ISSUES, THAT'S ONE I WANTED TO HIGHLIGHT.
16 BUT WE HAVE ADDITIONAL FUNDS FROM THE MENTAL HEALTH SERVICES
17 ACT GOING INTO MENTAL HEALTH. WE HAVE A YOUTHFUL OFFENDER
18 BLOCK GRANT OF 5.5 MILLION, WHICH WILL SUPPORT CRITICAL
19 PROGRAMS IN THE PROBATION DEPARTMENT. THE LAST COUPLE THINGS I
20 WANT TO MENTION IS WHAT'S HAPPENING IN ANIMAL CARE AND
21 CONTROL. WE KNOW THERE'S CONSIDERABLE CONCERN FROM THE
22 COMMUNITY ON THE QUALITY OF PROGRAMS AND SERVICES IN THAT
23 DEPARTMENT. WE HAD OUR DEPARTMENT HEAD STEP UP, COME FORWARD,
24 MEET WITH US. AND THROUGH A NUMBER OF MEETINGS AND
25 DISCUSSIONS, WE'VE IDENTIFIED \$2.5 MILLION FOR ADDITIONAL



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1 STAFFING AND CLASSIFICATION CHANGES, WITH THE SOLE INTENT OF
2 IMPROVING THE QUALITY OF SERVICES IN OUR SHELTERS. WE ALSO
3 HAVE, AND WE DISCUSSED THIS DURING THE PROPOSED BUDGET,
4 ADDITIONAL MONEY FOR OUR GENERAL RELIEF, TO STABLE SUPPORT AND
5 INCOME PILOT PROGRAM. THIS PROGRAM WILL TARGET 1,000 G.R.
6 RECIPIENTS WHO HAVE RECEIVED OR WHO HAVE BEEN IN GENERAL
7 RELIEF FOR THE LONGEST TO TRANSITION THESE INDIVIDUALS TO
8 S.S.I. WE FEEL THAT AT MINIMUM, WE'LL SEE A SAVINGS OF AT
9 LEAST \$3 MILLION IN AN ONGOING BASIS THROUGH THIS PROGRAM. AND
10 THE LAST DEALS WITH RECUPERATIVE CARE PILOT AND PROJECT 50
11 PROGRAMS. BOTH PROGRAMS HAVE BEEN -- THIS PARTICULAR PROGRAM
12 HAS BEEN VERY SUCCESSFUL. TO DATE IN PROJECT 50 WE HAVE 30
13 INDIVIDUALS WHO HAD BEEN HOMELESS FOR THE LONGEST PERIOD OF
14 TIME WHO HAVE BEEN IDENTIFIED FOR THIS PROGRAM WHO HAVE MOVED
15 INTO SUPPORTIVE HOUSING. AND WE'RE CONTINUING TO WORK WITH THE
16 DEPARTMENTS ASSIGNED TO THIS PROGRAM TO IDENTIFY THE LAST 50
17 AND TO MOVE THEM INTO HOUSING. I UNDERSTAND THERE WILL BE
18 DISCUSSION LATER WHERE AS WE MOVE PEOPLE INTO SUPPORTIVE
19 HOUSING, THE IMPACT IT HAS NOT ONLY ON THE INDIVIDUALS, BUT ON
20 EVERY COUNTY HOMELESS PROGRAM AND EVEN HEALTH PROGRAM THAT WE
21 ADMINISTRATOR. THANK YOU.

22

23 **SUP. BURKE, CHAIR:** ALL RIGHT. BEFORE I CALL ON PROBATION AND
24 PUBLIC GUARDIAN, ARE THE OTHER PEOPLE GOING TO SPEAK? OR ARE
25 YOU GOING TO SPEAK FOR EVERYONE?



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1

2 **PAUL HAYES:** WE HAVE ONE PERSON HERE WHO CAN SPEAK ON PUBLIC
3 GUARDIAN. SHE'S CURRENTLY IN THE AUDIENCE.

4

5 **SUP. BURKE, CHAIR:** I THINK I CALLED HER NAME ALREADY. SO COULD
6 SHE COME FORWARD? EVERYONE WHOSE NAME I CALLED, I CALLED FOUR
7 PEOPLE. WOULD YOU PLEASE COME FORWARD? AND WE'LL GET A CHAIR
8 FOR YOU. AND MR. SACHS, YOU'RE GOING TO BE CALLED ON AS SOON
9 AS THEY COMPLETE. SO DO YOU MIND COMING FORWARD AND SITTING IN
10 THE FIRST ROW? SO WE DON'T DELAY EVERYTHING. ALL RIGHT. STATE
11 YOUR NAME. THANK YOU VERY MUCH.

12

13 **PAUL HAYES:** THANK YOU FOR YOUR TIME. MY NAME IS PAUL HAYES. I
14 AM A RESEARCHER FOR S.E.I.U. LOCAL 721. AND I'M COMING BEFORE
15 THE BOARD OF SUPERVISORS TODAY BECAUSE THE '08-'09 PROPOSED
16 BUDGET CALLS FOR THE DELETION OF 33 CLERICAL POSITIONS IN THE
17 PROBATION DEPARTMENT'S THREE JUVENILE HALLS. S.E.I.U. LOCAL
18 721 RESPECTFULLY REQUESTS THAT THE BOARD OF SUPERVISORS
19 RECONSIDER THE PROPOSAL TO DELETE THESE BUDGET POSITIONS, AND
20 INSTEAD RESTORE FUNDING FOR THEM. I WOULD LIKE TO INTRODUCE
21 ONE OF OUR MEMBERS, VICKIE THURMAN, WHO CAN SPEAK TO THE
22 IMPORTANCE OF HAVING COUNTY WORKERS PERFORM THESE JOBS. DO YOU
23 MIND SPEAKING?

24



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1 **VICKIE THURMAN:** THANK YOU. GOOD MORNING. MY NAME IS VICKIE R.
2 THURMAN. I WORK AT BARRY J. NIDORF JUVENILE HALL. I WORK
3 CLERICAL. I'M SPEAKING FROM EXPERIENCE TODAY. I WORKED
4 CLERICAL DEPARTMENT FOR 2-1/2 YEARS BEFORE I WAS TRANSFERRED
5 TO ANOTHER DEPARTMENT PERMANENTLY. I'M REPRESENTING THE STAFF
6 TODAY BECAUSE MOST OF THEM WEREN'T ABLE TO NOTIFY PROPER
7 AUTHORITIES TO GET TIME TO LEAVE TO APPEAR HERE TODAY. THE
8 THING IS, THE SEVERITY OF MAKING SURE THAT ALL PAPERWORK THAT
9 IS PROCESSED ON MINORS THAT HAVE BEEN BROUGHT INTO EACH OF
10 THESE FACILITIES ARE PROPERLY MAINTAINED AND DONE BY CORRECT
11 STAFFING. YES, WE BRING IN CONTRACT WORKERS TO DO THE WORK,
12 BUT MOST OF THEM DOESN'T COMPREHEND THE SEVERITY AND THE
13 IMPORTANCE OF GETTING THE PROPER PAPERWORK DONE. AND IT'S
14 HARD. AND I BELIEVE WE'VE HAD QUALIFIED COUNTY WORKERS THAT
15 HAVE BEEN BROUGHT IN IN THE LAST FEW MONTHS THAT HAVE
16 MAINTAINED QUALITY ASSURANCE OF THE PAPERWORK AND THE
17 IMPORTANCE OF IT BEING DONE, AND ALSO THE CONFIDENTIALITY IN
18 PROCESSING THIS WORK. AND I THINK IT DEFINES THEN HAVING A
19 MINOR RELEASE THAT SHOULDN'T BE RELEASED OPPOSED TO A MINOR
20 THAT PAPERWORK IS DONE PROPERLY, THAT IT GOES THROUGH THE
21 LEGAL SYSTEM CORRECTLY WITHOUT A PROBLEM. BECAUSE I'VE SEEN IT
22 HAPPEN BEFORE AT OUR FACILITY, PER SE. AND THAT WAS BECAUSE
23 PROPER PAPERWORK ISN'T BEING MAINTAINED. AND I THINK THAT
24 COUNTY WORKERS CAN DO THAT BECAUSE THEY UNDERSTAND THE



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1 SEVERITY OF THE WORK AND THAT THIS IS A LEGAL AND BINDING
2 THING THAT NEEDS TO BE DONE CORRECTLY.

3

4 **PAUL HAYES:** THANK YOU.

5

6 **SUP. BURKE, CHAIR:** THANK YOU VERY MUCH. WE'LL NEED TO LOOK AT
7 THAT. WE'LL ASK THE C.E.O. TO LOOK AT THAT ISSUE, AND
8 PROBATION TO RESPOND.

9

10 **PAUL HAYES:** DO YOU MIND IF I ADD?

11

12 **SUP. BURKE, CHAIR:** SURE.

13

14 **PAUL HAYES:** I ALSO WANT TO ALSO ADD THAT OUR MEMBERS WERE
15 NOTIFIED ABOUT THESE DELETIONS OF THE POSITIONS PRIOR TO THE
16 UNION BEING NOTIFIED. AND SO IT KIND OF CREATED A SENSE OF
17 UNNECESSARY FEAR AND URGENCY AMONG OUR MEMBERS, WHO THEY HAD
18 HEARD THAT THEIR POSITIONS WOULD BE GONE BASICALLY BY JULY
19 1ST. AS A RESULT, SEVERAL CLERICAL WORKERS HAD SOUGHT AND
20 ACCEPTED TRANSFERS AT NEW JOBS, THINKING THAT THEY WOULD BE
21 LOSING THEIR POSITIONS BY JULY 1ST. SO THIS HAS CREATED SOME
22 HARDSHIPS FOR THEM. SOME OF THEM HAVE ACCEPTED COMMUTES THAT
23 THEY OTHERWISE WOULDN'T HAVE ACCEPTED AND THINGS LIKE THAT. SO
24 WE WOULD RESPECTFULLY ASK THAT THESE TRANSFERS BE RE-VISITED.



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1 WE'D ALSO LIKE YOU TO RECONSIDER THE DELETION OF THESE
2 POSITIONS ALTOGETHER.

3

4 **SUP. BURKE, CHAIR:** ALL RIGHT. THANK YOU VERY MUCH.

5

6 **PAUL HAYES:** I ALSO HAVE SOME LETTERS AND PETITIONS SIGNED BY
7 OUR WORKERS.

8

9 **SUP. BURKE, CHAIR:** HE'LL TAKE THOSE.

10

11 **PAUL HAYES:** THANK YOU VERY MUCH.

12

13 **SUP. BURKE, CHAIR:** DOES THAT CONCLUDE THE PROBATION PORTION?

14

15 **PAUL HAYES:** YES, THANK YOU.

16

17 **SUP. BURKE, CHAIR:** MR. SACHS, WOULD YOU PLEASE COME FORWARD?

18 YES. STATE YOUR NAME, PLEASE. YES. ARE YOU THE ONE FROM THE

19 PUBLIC GUARDIAN SPEAKING? YES, WOULD YOU PLEASE STATE YOUR

20 NAME?

21

22 **KAREN MORRIS:** I'M ACTUALLY HERE TO SUPPORT A MEMBER WHO IS

23 STUCK ON THE TRAIN. SO IF MR. SACHS WANTS TO GO FIRST. SHE

24 LIKELY WON'T GET HERE IN TIME OR I CAN GO AHEAD AND GIVE HER

25 TESTIMONY FOR HER?



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1

2 **SUP. BURKE, CHAIR:** ALL RIGHT. MR. SACHS, WOULD YOU GO ON?

3

4 **ARNOLD SACHS:** GOOD MORNING, ARNOLD SACHS. JUST VERY QUICKLY, I
5 KNOW THAT WITH THE BUDGET SHORTFALLS THAT ARE GOING TO HIT THE
6 STATE AND THE COUNTY BEING CONSIDERED, I WAS JUST WONDERING,
7 YOUR SECTION NO. 4 ESTABLISHED THE FOLLOWING CAPITAL PROJECTS.
8 THERE IS A CAPITAL PROJECT THAT HAS NOT HAD ANY WORK DONE ON
9 IT AT ALL ON THE BLUE LINE RAIL, THE 103RD STREET STATION.

10

11 **SUP. BURKE, CHAIR:** UNFORTUNATELY, WE CANNOT CONSIDER THAT
12 HERE. YOU'RE GOING TO HAVE TO GO TO M.T.A. WE DO NOT HAVE THE
13 AUTHORITY TO DO THAT. THESE ARE ONLY COUNTY PROJECTS. SO I'M
14 SORRY. WE CANNOT TAKE ANYTHING THAT RELATES TO ANY BUDGET ITEM
15 OTHER THAN THOSE UNDER THE CONTROL OF THE COUNTY. AND I
16 USUALLY AM NOT ABRUPT WITH YOU. BUT TODAY WE CAN'T DO THAT. IS
17 THERE ANY OTHER ITEM YOU WANTED TO SPEAK ON?

18

19 **ARNOLD SACHS:** THERE IS.

20

21 **SUP. BURKE, CHAIR:** OKAY. WHAT ITEM IS THAT? THAT'S ON THIS
22 LIST.

23

24 **ARNOLD SACHS:** IT'S FURTHER IN THE AGENDA.

25



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1 SUP. BURKE, CHAIR: THAT'S OKAY. WE'LL TAKE IT NOW.

2

3 ARNOLD SACHS: I HAVE TO GET MY INFORMATION.

4

5 CLERK SACHI HAMAI: HE'S NOT SIGNED UP FOR ANY OTHER SPECIFIC
6 ITEM UNDER THIS ITEM NO. 4. HE HAS REQUESTED TO SPEAK ON ITEM
7 NO. 8 AND NO. 14.

8

9 SUP. BURKE, CHAIR: ALL RIGHT. WHY DON'T YOU DO THAT NOW?

10

11 ARNOLD SACHS: I NEED TO GET MY INFORMATION. I'LL WAIT UNTIL
12 YOU COVER -- I'D JUST ASSUME WAIT.

13

14 SUP. BURKE, CHAIR: ALL RIGHT. WOULD YOU GO ON. CAN YOU GET IT
15 BY THE TIME SHE FINISHES?

16

17 ARNOLD SACHS: NO.

18

19 SUP. BURKE, CHAIR: ALL RIGHT. YES?

20

21 KAREN MORRIS: HI, MY APOLOGIES. I DIDN'T REALIZE THE AGENDA
22 WAS GOING TO MOVE SO QUICKLY THIS MORNING. MY NAME IS KAREN
23 MORRIS. AND I'M WITH S.E.I.U. 721, RESEARCH AND POLICY. AND I
24 AM HERE ON BEHALF OF THE 27 DEPUTIES APPOINTED BY THE SUPERIOR
25 COURT TO ATTEND TO THE CRITICAL NEEDS OF THE COUNTY'S GRAVELY



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1 DISABLED MENTALLY ILL, THE LANTERMAN, PETERSON, SHORT
2 CONSERVATEES. ALL TOLD, SOME 2,400 INDIVIDUALS COMPETE FOR
3 DEPUTIES' ATTENTION. THEY AVERAGE ABOUT 90 CASES, VERY COMPLEX
4 CASES, PER DEPUTY PUBLIC GUARDIAN. AND WE ARE HERE TODAY, AS
5 WE WERE ABOUT SIX WEEKS AGO, TO TESTIFY TO THE NEED FOR
6 ADDITIONAL STAFFING IN THE PUBLIC GUARDIAN OFFICE. WHO ARE THE
7 L.P.S. CONSERVES? A SNAPSHOT OF ACTIVE CASES CONDUCTED IN THE
8 SECOND QUARTER OF THIS FISCAL YEAR FOUND THAT 14.5 PERCENT OF
9 OUR CLIENTS WERE HOMELESS AT THE TIME OF COURT APPOINTMENT. 24
10 PERCENT REPORTED A HISTORY OF INCARCERATION. AND A THIRD
11 OPENLY STATED THAT THEY WERE ACTIVELY STRUGGLING WITH
12 SUBSTANCE ABUSE. WHEN ADEQUATELY STAFFED AND ADMINISTERED, THE
13 CONSERVATOR/CONSERVATEE RELATIONSHIP HAS THE POTENTIAL TO
14 AMELIORATE THE CONSERVATEE'S GRAVE DISABILITY. BUT WITHOUT A
15 CENTRAL STAFFING, FUNDING, AND RESOURCES, THE MANDATED PROGRAM
16 RISKS BEING IN JEOPARDY. IN MID-FEBRUARY OF THIS YEAR, THE
17 DEPARTMENT OF MENTAL HEALTH SUBMITTED A BUDGET REQUEST
18 AUTHORIZING AN ADDITIONAL \$450,000 TO FUND FIVE TO SIX PUBLIC
19 GUARDIAN POSITIONS, A MERE DROP IN THE BUCKET OF THE
20 DEPARTMENT'S STATED UNMET NEED REQUEST OF 108 F.T.E.S OFFICE
21 WIDE. TO JUSTIFY THE NEED FOR THE ADDITIONAL L.P.S. STAFFING,
22 THE DEPARTMENT CONDUCTED AN INTERNAL STUDY BASED ON FOCUS
23 GROUPS' FINDINGS, INTERVIEWS WITH LINE STAFF AND A CASELOAD
24 ANALYSIS. THE RESULTS OF THE STUDY DETERMINED THAT THE L.P.S.
25 PROGRAM WOULD NEED TO DOUBLE THE NUMBER OF LINE STAFF TO, I



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1 QUOTE, "EFFECTIVELY INVESTIGATE AND MANAGE L.P.S. CASES." NOW,
2 WHILE THAT STUDY WAS MORE CONSERVATIVE THAN THE
3 RECOMMENDATIONS MADE BY THE OUTSIDE AUDITOR, BLUE CONSULTING,
4 IN 2004, THE DEPARTMENT'S OWN ANALYSIS CLEARLY ECHOES THOSE OF
5 THE RECENTLY RETIRED DIRECTOR OF THE OFFICE OF THE PUBLIC
6 GUARDIAN AND DEPUTIES THAT ARE MEMBERS. SO HONORABLE
7 SUPERVISORS, WITHOUT ADEQUATE STAFFING, WE RISK FALLING OUT OF
8 COMPLIANCE WITH OUR MANDATE. THE COUNTY HAS ENTERED INTO A NEW
9 ERA, AN ERA OF FULL-SERVICE PARTNERSHIPS BUILT ON A "WHATEVER
10 IT TAKES" MODEL OF CARE, WHERE CASEWORKERS AND CLINICIANS
11 MANAGE NO MORE THAN 15 CLIENTS EACH, AN ERA WHERE THE HIGHLY
12 STAFFED PROJECT 50 PILOT SERVES SKID ROW'S MOST VULNERABLE
13 HOMELESS. THIS IS A REALITY. OUR CLIENTS AREN'T THAT
14 DIFFERENT.

15

16 **SUP. BURKE, CHAIR:** THANK YOU VERY MUCH.

17

18 **SUP. MOLINA:** CAN I ASK A QUESTION NOW? DOES THIS MEAN
19 [INAUDIBLE] 15 CASES PER?

20

21 **KAREN MORRIS:** WE'RE GETTING IT FROM OUR MENTAL -- WE HAVE A
22 LABOR MANAGEMENT TEAM. IT WAS NEGOTIATED IN BARGAINING, SET UP
23 WITH THE UNION.

24

25 **SUP. MOLINA:** SO YOU GET 15 CASES PER?



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1

2 **KAREN MORRIS:** THAT'S THE FULL SERVICE PARTNERSHIP CASE
3 MANAGERS.

4

5 **SUP. MOLINA:** ALL RIGHT. AND RIGHT NOW, YOU HAVE 90.

6

7 **KAREN MORRIS:** RIGHT. THAT'S THE FULL SERVICES. THAT'S A
8 DIFFERENT--

9

10 **SUP. BURKE, CHAIR:** DIFFERENT GROUP.

11

12 **KAREN MORRIS:** YEAH, PARDON ME.

13

14 **SUP. MOLINA:** WHAT IS THE CASELOAD FOR THE ONES THAT --

15

16 **SUP. BURKE, CHAIR:** THE FULL SERVICE?

17

18 **KAREN MORRIS:** FOR THE DEPUTY PUBLIC GUARDIANS, OR THE FULL
19 SERVICE?

20

21 **SUP. BURKE, CHAIR:** FULL SERVICE.

22

23 **KAREN MORRIS:** 15 TO 1.

24

25 **SUP. BURKE, CHAIR:** AND WHAT IS IT NOW?



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1

2 **KAREN MORRIS:** THE RATIO IS SET AT 15 TO 1. WE'RE JUST USING
3 THAT AS A COMPARISON WITH THE DEPUTY PUBLIC GUARDIANS WHO
4 CARRY --

5

6 **SUP. BURKE, CHAIR:** OH, WELL THAT'S A DIFFERENT SITUATION.

7

8 **SUP. MOLINA:** OKAY. WELL THEN LET'S UNDERSTAND THAT CLEARLY.

9

10 **SUP. BURKE, CHAIR:** IT'S A DIFFERENT SITUATION.

11

12 **SUP. MOLINA:** NO. IT'S NOT A DIFFERENT SITUATION. SHE'S DOING
13 THE COMPARISON. I'M ASKING THE QUESTION OF WHY DO YOU COMPARE
14 IT TO THAT NUMBER?

15

16 **KAREN MORRIS:** BECAUSE -- ACTUALLY, WE TRIED TO GET SOME OF THE
17 CLIENTS FROM THE GUARDIAN'S OFFICE THAT ARE ON
18 CONSERVATORSHIPS PLACED IN F.S.P., AND WE HAD A HARD TIME
19 PLACING THEM.

20

21 **SUP. MOLINA:** THAT'S NOT WHAT I'M ASKING. THAT'S NOT WHAT I'M
22 ASKING. START AGAIN. YOU HAVE 90 TO 1.

23

24 **KAREN MORRIS:** RIGHT.

25



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1 **SUP. MOLINA:** AND YOU WANT 15 TO 1.

2

3 **KAREN MORRIS:** NO, WE DON'T WANT 15 TO 1.

4

5 **SUP. MOLINA:** WHAT DO YOU WANT?

6

7 **KAREN MORRIS:** WE WOULD LIKE SOMETHING COMPARABLE TO WHAT
8 PROBATE HAS.

9

10 **SUP. MOLINA:** WHAT DOES IT HAVE?

11

12 **KAREN MORRIS.** SO BETWEEN 30 TO 40. THEY ACTIVELY MANAGE 30 TO
13 40 CASES.

14

15 **>>SUP. MOLINA:** ALL RIGHT. THAT'S THE QUESTION I'M ASKING.
16 THANK YOU.

17

18 **SUP. BURKE, CHAIR:** ALL RIGHT. THANK YOU VERY MUCH. IS THERE A
19 MOTION ON THIS ITEM?

20

21 **CLERK SACHI HAMAI:** ON ITEM 4.1, SUPERVISOR MOLINA VOTES NO ON
22 THE CUSTOMS ENFORCEMENT INTERVIEWS, THE CUSTODY ASSISTANCE
23 POSITION.

24

25 **SUP. BURKE, CHAIR:** THEN ON THE REMAINDER --



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1

2 **C.E.O. FUJIOKA:** ACTUALLY FOR 4, IF WE CAN HOLD ALL OF 4 UNTIL
3 WE GO THROUGH THE REST OF THE AGENDA? BECAUSE THERE MAY BE
4 SOME OTHER MOTIONS FROM DIFFERENT OFFICES.

5

6 **SUP. BURKE, CHAIR:** ALL RIGHT. AND THEN WE'LL HOLD 4.

7

8 **SUP. ANTONOVICH:** UNDER THE CULTURAL INSTITUTIONS, THE BUDGET
9 INCLUDES \$20 MILLION IN NEW FUNDS FOR THESE INSTITUTIONS WHICH
10 ARE SUPPOSED TO BE RAISING PART OF THEIR FUNDING FROM THE
11 PRIVATE SECTOR. BESIDES THE \$6 MILLION IN ONGOING MAINTENANCE
12 COSTS FOR ADDITION TO THE MUSEUM OF ART, WHAT OTHER COSTS ARE
13 ASSOCIATED WITH DONATIONS TO THESE INSTITUTIONS?

14

15 **C.E.O. FUJIOKA:** SHOULD WE GO OVER EACH ONE? WHEN IT COMES TO
16 THE MUSEUM OF NATURAL HISTORY, WHAT WE'RE TRYING TO DO IS
17 SUPPORT THAT FACILITY TO HELP CONSTRUCT A PARKING STRUCTURE
18 WHICH WILL ALSO ADD, I THINK IT'S ABOUT 2,500 FEET IN EXHIBIT
19 SPACE FOR THE FACILITY. IN GENERAL, THE AMOUNT OF MONEY WE'RE
20 IDENTIFYING FOR THIS ONE ITEM, THE 20 MILLION IN TOTAL, ARE
21 FOR FACILITIES OR WHAT I WOULD CHARACTERIZE AS, I THINK, VERY
22 STRONG CULTURAL ASSETS FOR THE ENTIRE COUNTY OF LOS ANGELES.
23 GOING ON TO THE MUSEUM OF ART, IN ADDITION TO THE NEW FACILITY
24 THAT WAS JUST OPENED, THAT PARTICULAR COMPLEX HAS A VERY
25 COMPREHENSIVE CAPITAL PLAN THAT INCLUDES THE RENOVATION OF THE



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1 OLD MAY COMPANY BUILDING. THAT IS, JUST LIKE THE OTHER FOUR,
2 IT'S, AGAIN, I THINK, A VERY CRITICAL CULTURAL ASSET THAT
3 SERVES THE ENTIRE COUNTY OF LOS ANGELES, NOT JUST ONE
4 PARTICULAR AREA. THE MUSIC CENTER IS IN THE PROCESS OF TRYING
5 TO RENOVATE AND UPDATE THE DOROTHY CHANDLER PAVILION. THE \$5
6 MILLION THAT WILL BE USED TO SUPPORT THAT FACILITY IS A VERY
7 SMALL FRACTION OF WHAT IS ACTUALLY NEEDED. AS WE ALL KNOW,
8 THAT FACILITY HASN'T GONE THROUGH ANY RENOVATION FOR MANY,
9 MANY YEARS. THE PLAZA OVER ON OLVERA STREET, YOU CAN SEE THE
10 WORK THAT'S PROGRESSING RIGHT NOW, IT'S IN THE PROCESS OF
11 BEING MOVED FROM AN ABANDONED BUILDING AND TO BE RETURNED TO
12 ITS, HOW SHOULD I CALL IT? KIND OF A SPLENDOR FOR THAT
13 PARTICULAR AREA. IT WILL ADD TO THE ENTIRE COMPLEX, WHICH AS
14 WE KNOW IS THE BIRTHPLACE FOR THIS REGION, FOR OUR L.A. COUNTY
15 IN GENERAL. I'M NOT SURE WHAT ELSE. IS THERE SOMETHING ELSE
16 YOU NEED?

17

18 **SUP. ANTONOVICH:** IS THERE A POLICY WHERE YOU NOTIFY THE BOARD
19 OF ONGOING NET COUNTY COST REQUIREMENTS AT THE TIME OF A
20 CONTRIBUTION IS ACCEPTED? AND IF NOT, PERHAPS YOU'D GIVE US A
21 REPORT BACK IF THERE OUGHT TO BE SUCH A POLICY.

22

23 **C.E.O. FUJIOKA:** WE CAN REPORT BACK ON THAT.

24



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1 **SUP. ANTONOVICH:** ON THE HUMAN RESOURCES BUDGET, THERE'S A
2 944,000 FOR SEVEN ADDITIONAL POSITIONS TO ENHANCE THE
3 OPERATIONS OF D.H.S. AND D.C.F.S. HOW ARE THESE NEW POSITIONS
4 ENHANCING THE 19 NEW H.R. POSITIONS THAT WERE ADDED TO THE
5 BUDGET LAST YEAR? AND WHAT SPECIFICALLY WILL THESE SEVEN NEW
6 POSITIONS DO THAT THE 19 NEW ONES FROM LAST YEAR COULDN'T DO?

7

8 **C.E.O. FUJIOKA:** I THINK I'M GOING TO HAVE H.R. JOIN ME. THE
9 ONE THING WE'RE TRYING TO DO, IF YOU LOOK AT OUR MEETINGS OVER
10 THE PAST SEVERAL MONTHS, WHERE CONCERN HAS BEEN EXPRESSED BY
11 THIS ENTIRE BOARD REGARDING OUR INABILITY TO FILL VACANT
12 POSITIONS IN D.C.F.S., BUT NOT ONLY D.C.F.S., BUT A NUMBER OF
13 DEPARTMENTS. WE HAD A VERY FOCUSED EFFORT IN THE PROBATION
14 DEPARTMENT WHICH RESULTED IN AN UNPRECEDENTED NUMBER OF
15 POSITIONS BEING FILLED DURING A VERY, VERY SHORT TIME TO DEAL
16 WITH OUR STAFFING SHORTAGES IN THE CAMPS. THE SAME NEEDS TO BE
17 DONE AS WE MOVE FORWARD TO FILL THE CRITICAL POSITIONS IN
18 D.C.F.S., BECAUSE THE NUMBER OF VACANT POSITIONS HAS ALSO
19 RESULTED IN AN UNACCEPTABLE CASELOAD, THE CASELOAD NUMBER FOR
20 OUR SOCIAL WORKERS IN D.C.F.S. IT ALSO OUR INTENT TO MOVE
21 FORWARD, ALTHOUGH WE'VE ALREADY STARTED THIS INITIATIVE, BUT
22 MOVE FORWARD WITH A VERY COMPREHENSIVE LONG-TERM ABSENCE
23 MANAGEMENT PROGRAM. THIS IS A PROGRAM THAT FOR THE FIRST TIME
24 WILL CROSS-DEPARTMENTALIZE. SO INSTEAD OF JUST TRYING TO BRING
25 THE PERSON BACK WITHIN A SINGLE DEPARTMENT, IT'S OUR INTENT TO



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1 WORK THROUGH OUR CLUSTER STRUCTURE WITH OTHER DEPARTMENTS TO
2 BRING BACK SOME OF THE INDIVIDUALS WHO ARE ON LONG-TERM LEAVE.
3 I'LL GIVE YOU ONE BRIEF EXAMPLE. WE, IN OUR C.E.O. OFFICE, WE
4 HAVE A VACANT R.N. POSITION. AND, YET, D.H.S. HAS A NUMBER OF
5 INDIVIDUALS, BECAUSE OF WHATEVER, A HOST OF REASONS, THAT ARE
6 UNABLE TO RETURN TO THE USUAL AND CUSTOMARY POSITION AS AN
7 R.N. IN ONE OF OUR HOSPITALS. BUT IT IS OUR INTENT TO BRING
8 ONE BACK INTO THE C.E.O.'S OFFICE, WHO WILL PROVIDE A
9 SIGNIFICANT ASSET TO OUR OFFICE BASED ON HER EXPERIENCE AND
10 TRAINING. MIKE, WOULD YOU LIKE TO ADD ANYTHING?

11

12 **MIKE HENRY:** YES, I CAN. SUPERVISOR, MIKE HENRY, HUMAN
13 RESOURCES DIRECTOR. THE POSITIONS THAT WERE ADDED LAST YEAR
14 WERE SPECIFICALLY FOR THE PROBATION DEPARTMENT, DEPARTMENT OF
15 MENTAL HEALTH, AND ANIMAL CARE AND CONTROL TO ASSIST THOSE
16 DEPARTMENTS IN THE AREA OF RECRUITMENT AND JUST GENERAL H.R.
17 ORGANIZATION. THESE SEVEN THAT ARE IN THE BUDGET THIS YEAR
18 WILL BE DEDICATED TO THE DEPARTMENT OF HEALTH SERVICES AS WELL
19 AS THE DEPARTMENT OF CHILDREN AND FAMILY SERVICES. AND THEIR
20 GOAL WILL BE TO HELP THEM WITH RECRUITMENT AS WELL AS OTHER
21 ASPECTS OF H.R.

22

23 **SUP. ANTONOVICH:** ON THE CIVIC ART, MR. FUJIOKA, IN THE
24 FACILITY BUDGET, THERE IS A NET COUNTY COST OF \$482,000 WHICH
25 INCLUDES FUNDING FOR MODULAR FURNITURE FOR THE LIBRARY AND



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1 CIVIC ART. AS WRITTEN, IT WAS SUPPOSED TO APPLY ONLY TO
2 CAPITAL PROJECTS ONLY. SO DOES THE CIVIC ART ORDINANCE NOW
3 REQUIRE A PERCENTAGE OF PURCHASES FOR FURNITURE TO GO TO ARTS
4 COMMISSION BUDGET?

5

6 **DEBBIE LIZZARI:** SUPERVISOR, THIS IS DEBBIE LIZZARI IN THE
7 C.E.O.'S OFFICE. THAT ENTRY IS A COMBINATION OF TWO THINGS.
8 ONE IS CIVIC ART, WHICH IS A SMALL COMPONENT OF THAT NUMBER.
9 THE BALANCE IS FUNDING FOR FURNITURE. IT'S NOT PART OF THE
10 CIVIC ART PROGRAM, IT'S OUTSIDE OF IT. WE JUST COMBINED TWO
11 ENTRIES INTO A SINGLE DESCRIPTIVE NARRATIVE, IS THE PROBLEM.
12 SO, NO, CIVIC ART IS ONE PERCENT OF CONSTRUCTION.

13

14 **SUP. ANTONOVICH:** IT WON'T INCLUDE FURNITURE, THEN?

15

16 **DEBBIE LIZZARI:** NO.

17

18 **SUP. ANTONOVICH:** ON THE PUBLIC HEALTH, IT'S MY UNDERSTANDING
19 THAT THE DEPARTMENT OF PUBLIC HEALTH IS NOW GOING TO ADD 35
20 ADMINISTRATIVE SUPPORT POSITIONS. SOME OF THESE WERE FORMER
21 GRANT-FUNDED POSITIONS THAT WILL NOW BE FULL-TIME PERMANENT A
22 POSITIONS, NO LONGER THE N POSITION, WHICH ARE THOSE POSITIONS
23 BEING FILLED BY GRANT APPROPRIATIONS. SO WHAT'S THE COUNTY'S
24 POLICY FOR CONVERTING N POSITIONS TO A POSITIONS AFTER THE
25 GRANT FUNDING RUNS OUT?



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1

2 **C.E.O. FUJIOKA:** THESE POSITIONS WILL STILL BE SUPPORTED BY
3 VARIOUS GRANTS, AND THEY'RE DESIGNED TO ADDRESS SOME OF THE,
4 I'LL CHARACTERIZE IT AS UNDER RESOURCED AREAS OF H.R.,
5 FINANCE, MATERIALS MANAGEMENT, CONTRACT MONITORING, WHICH IS
6 VERY, VERY IMPORTANT FOR THESE GRANT PROGRAMS, RISK MANAGEMENT
7 AND FACILITIES MANAGEMENT. THE INTENT AS PRESENTED BY THE
8 DEPARTMENT AND CONFIRMED BY OUR OFFICE, THERE SHOULD BE NO NET
9 COUNTY COST ASSOCIATED WITH PROVIDING THESE POSITIONS. ONCE
10 THE FUNDING ENDS, NORMALLY THE FUNDING FOR A GRANT POSITION,
11 OR ONCE THE FUNDING FOR GRANT A POSITION ENDS, THAT POSITION
12 SHOULD BE ELIMINATED. IT'S OUR INTENT TO CLOSELY TRACK THIS AS
13 WE MOVE FORWARD. BUT PLEASE NOTE THAT THESE PARTICULAR GRANTS,
14 FROM WHAT WE CAN TELL, ARE NOT SHORT-TERM GRANTS, BUT THEY'RE
15 GRANTS THAT HAVE BEEN WITH US FOR CONSIDERABLE PERIOD OF TIME.
16 IF YOU NEED INFORMATION ON THE VARIOUS SPECIFIC GRANTS AND
17 EACH INDIVIDUAL POSITION, WE'D BE HAPPY TO REPORT BACK ON
18 THAT.

19

20 **SUP. KNABE:** MADAME CHAIR, COULD I JUST FOLLOW-UP ON THAT? I
21 MEAN, BECAUSE THIS IS THE WHOLE PROCESS HERE, THE ORIGINAL
22 TRANSFER THAT WAS SUPPOSEDLY NO NEW NET COUNTY COSTS. THE
23 BUDGET REFLECTS, ALTHOUGH SOME OF THEM MAY GRANT FUND IT, BUT
24 THERE'S LIKE A NET OF 13 NEW POSITIONS THAT WILL REFLECT AN
25 INCREASE IN NET COUNTY COSTS. AND SO I MEAN, I THINK FROM MY



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1 PERSPECTIVE AT LEAST, AND I THINK MY COLLEAGUES', AS WELL,
2 WE'D LIKE AN EXPLANATION, BECAUSE THIS WHOLE SEPARATION PART
3 WAS SAYING, "HEY, NO, NEW NET COUNTY COSTS." AND IT'S
4 CERTAINLY NOT WORKING OUT THAT WAY BECAUSE THE POSITIONS JUST
5 KEEP ON COMING. SO SOMEHOW I NEED SOME ANSWERS ON THAT.

6

7 **SUP. ANTONOVICH:** ALSO, WHEN THE GRANT MONEY DOES RUN OUT IN
8 SUBSEQUENT YEARS AND A NEW GRANT IS NOT APPROPRIATED, THEN YOU
9 HAVE A POSITION WHERE YOU HAVE FIXED POSITIONS AS PERMANENT.
10 AND HOW DO WE ADJUST THE BUDGET AT THAT LEVEL?

11

12 **C.E.O. FUJIOKA:** I UNDERSTAND. WOULD YOU LIKE A REPORT BACK? OR
13 WE CAN ASK OUR PUBLIC HEALTH DIRECTOR TO COME FORWARD? IT'D BE
14 YOUR CHOICE.

15

16 **SUP. ANTONOVICH:** I THINK WE NEED A REPORT. BUT WE ALSO HAVE TO
17 BE AWARE OF BUILDING IN FUTURE COSTS THAT WE DON'T HAVE
18 CONTROL OVER.

19

20 **SUP. KNABE:** ABSOLUTELY. BECAUSE THAT WAS THE WHOLE IDEA BEHIND
21 THE SPLIT WAS THE LACK OF ADDITIONAL NET COUNTY COSTS.

22

23 **C.E.O. FUJIOKA:** I UNDERSTAND.

24

25 **SUP. ANTONOVICH:** THOSE WERE MY QUESTIONS.



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1

2 **DR. JONATHON FIELDING:** SUPERVISOR, THOSE POSITIONS ARE
3 POSITIONS THAT ARE FUNDED THROUGH INDIRECT COSTS FOR LONG-TERM
4 GRANTS THAT WE HAVE. THEY ARE MONEY THAT COULDN'T BE USED FOR
5 OTHER PURPOSES AND THAT ARE USED TO SUPPORT THE ADMINISTRATIVE
6 STRUCTURES. WHEN WE LOOKED AT HOW WE WERE POSITIONED COMPARED
7 TO OTHER COUNTY DEPARTMENTS AND REALIZED WE WERE HAVING
8 TROUBLE MEETING ALL THE THINGS THAT EVERYBODY EXPECTED US TO
9 DO. WE REALIZED THAT THE RATIO THAT WE HAD IN ADMINISTRATIVE
10 STAFF WAS SUBSTANTIALLY BELOW OTHER SISTER/BROTHER
11 DEPARTMENTS. AND WE WERE ABLE TO PUT THESE ADDITIONAL
12 POSITIONS FORWARD AND HAVE THEM VETTED BY THE C.E.O.,
13 REALIZING THAT THAT WOULD BE NO ADDITIONAL NET COUNTY COST.
14 THEY'RE ALL PAID FOR BY INDIRECT, THAT IS OUR GRANT SOURCES,
15 WE ARE ALLOWED TO INCLUDE THEM IN OUR OVERHEAD. AND THOSE ARE
16 FOR LONG-TERM GRANTS.

17

18 **SUP. KNABE:** THERE'S 13 NEW POSITIONS. I MEAN OUT OF THE FULL
19 35 OR WHATEVER YOU TRANSFERRED, THERE'S 13 THAT HAVE ADDED NET
20 NEW COUNTY COST ACCORDING TO THE DOCUMENT.

21

22 **DR. JONATHON FIELDING:** NO. THESE DO NOT COME WITH ADDITIONAL
23 NET COUNTY COSTS, SUPERVISOR. THEY ARE ADDITIONAL POSITIONS,
24 BUT WE CAN GET THEM FUNDED THROUGH INDIRECT COSTS THAT THE



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1 FUNDING SOURCES PAY FOR, FOR OUR LONG-TERM GRANTS. SO THERE'S
2 NO INCREASE IN NET COUNTY COST.

3

4 **SUP. KNABE:** WE WILL DOUBLE-CHECK THAT, THANK YOU.

5

6 **SUP. BURKE, CHAIR:** OTHER QUESTIONS ON THAT? ALL RIGHT. IF
7 THERE ARE NO OTHER QUESTIONS, WE WILL GO, THEN, TO ITEM NO. 5
8 AND COME BACK TO 4? IS THAT THE UNDERSTANDING?

9

10 **C.E.O. FUJIOKA:** YES, PLEASE.

11

12 **SUP. BURKE, CHAIR:** AND THIS IS THE TIME FOR MOTIONS? I'M GOING
13 TO INTRODUCE A MOTION ASKING THAT I HAVE A ONE-TIME TRANSFER
14 OF \$400,000 FROM THE SECOND DISTRICT PROVISIONAL FINANCING
15 USES BUDGET TO THE SECOND DISTRICT COMMUNITY PROGRAMS BUDGET.
16 I WOULD SO MOVE.

17

18 **SUP. KNABE:** WHICH ITEM ARE YOU BRINGING THAT IN UNDER?

19

20 **SUP. BURKE, CHAIR:** UNDER 5.

21

22 **C.E.O. FUJIOKA:** WE'RE ON 5 NOW.

23

24 **SUP. BURKE, CHAIR:** ON 4, I DIDN'T GET ANY MORE QUESTIONS ON 4.
25 WE WILL COME BACK TO 4.



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1

2 **SUP. KNABE:** OKAY.

3

4 **SUP. BURKE, CHAIR:** BUT ARE THERE ADDITIONAL QUESTIONS ON 4?

5

6 **SUP. KNABE:** NO.

7

8 **SUP. BURKE, CHAIR:** UNDER 5, I WAS ASKING THAT THIS 400,000 BE
9 TRANSFERRED. OF MINE, RIGHT. IS THERE A SECOND? ALL RIGHT. ARE
10 THERE ANY OTHER ITEMS UNDER 5? ADDITIONAL MOTIONS? NO? IF
11 NONE, ARE THERE ANY REVISIONS THAT ANYONE IS REQUESTING? IF
12 NOT, DO WE HAVE A MOTION ON 5 AS AMENDED?

13

14 **SUP. KNABE:** I'LL MOVE IT. DO WE HAVE TO WAIT ON 5 UNTIL WE DO
15 4?

16

17 **SUP. ANTONOVICH:** NO. YOU CAN DO THEM ALL ONE TIME. OR HOW WILL
18 WE DO IT?

19

20 **C.E.O. FUJIOKA:** WE CAN'T DO MOTIONS RIGHT NOW RELATED TO 5.

21

22 **SUP. KNABE:** CAN WE MOVE ITEM 5 WITHOUT ACTING ON 4?

23

24 **C.E.O. FUJIOKA:** YES, WE CAN MOVE ITEM 5.

25



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1 **SUP. KNABE:** I MOVE ITEM 5, THEN.

2

3 **SUP. BURKE, CHAIR:** MOVED BY KNABE, SECONDED BY MOLINA; WITHOUT
4 OBJECTION, SO ORDERED. 6 IS REFERRED BACK.

5

6 **C.E.O. FUJIOKA:** YES.

7

8 **SUP. BURKE, CHAIR:** WE'LL REOPEN 5.

9

10 **CLERK SACHI HAMAI:** RECONSIDER?

11

12 **SUP. BURKE, CHAIR:** MOTION TO RECONSIDER. YAROSLAVSKY MOVES,
13 KNABE SECONDS THAT WE RECONSIDER 5. WITHOUT OBJECTION.

14

15 **SUP. YAROSLAVSKY:** I HAVE ONE MOTION I WANT TO BRING IN, MADAME
16 CHAIR. I'LL JUST READ THE RESOLVE PART. MOVE THAT THE BOARD OF
17 SUPERVISORS INSTRUCT THE C.E.O. TO APPROPRIATE \$250,000 IN
18 ONE-TIME FUNDS FROM THE THIRD DISTRICT VARIOUS CAPITAL
19 PROJECTS ACCOUNT TO THE PROJECT AND FACILITIES DEVELOPMENT
20 ACCOUNT SO THAT IT MAY BE TRANSFERRED TO THE -- I THINK THIS
21 IS THE WRONG ONE, I'M SORRY. CAN YOU JUST HOLD THIS ON THE
22 DESK? GO TO THE NEXT ITEM AND I'LL COME BACK TO THIS? I'M
23 READY. I DO. BUT I HOPE NOBODY HEARD THAT LASTED ONE.

24 [LAUGHTER.]

25



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1 **SUP. BURKE, CHAIR:** YOU ALREADY HAD IT WRITTEN DOWN.
2 YAROSLAVSKY I HAVE THE CORRECT MOTION NOW. THEREFORE THAT THE
3 BOARD OF SUPERVISORS INSTRUCT THE C.E.O. TO APPROPRIATE
4 \$29,000 FOR A GEOTECH STUDY OF LOS TILOS EROSION SLIDE REPAIR
5 TO EXPLORE REPAIR OPTIONS AND \$130,000 FOR THE ODIN PARKING
6 LOT HILLSIDE WORK AND ONE-TIME FUNDS FROM THE THIRD DISTRICT
7 VARIOUS CAPITAL PROJECTS, DOWN TO THE CAPITAL BUDGET'S
8 REFURBISHMENT, THE '08-'09 BUDGET. THIS RELATES TO THE
9 HOLLYWOOD BOWL AREA.

10

11 **SUP. BURKE, CHAIR:** THAT WAS SECONDED BY KNABE. DID YOU HAVE
12 ANOTHER ONE?

13

14 **SUP. YAROSLAVSKY:** NO.

15

16 **SUP. BURKE, CHAIR:** THEN IT'S MOVED BY KNABE, SECONDED BY
17 MOLINA THAT ITEM NO. 5 BE APPROVED AS AMENDED WITH THE TWO
18 AMENDMENTS. ITEM 6 IS RETURNED BACK TO THE C.E.O.'S OFFICE.
19 WE'RE ON NO. 7.

20

21 **C.E.O. FUJIOKA:** 7 IS A REPORT WE SENT TO YOUR BOARD WORKING
22 WITH THE COUNTY LIBRARIAN TO DEVELOP A COMPREHENSIVE STRATEGIC
23 NEEDS ASSESSMENT OF THE LIBRARY'S PROGRAMS AND SERVICES. THIS
24 IS A RECEIVE AND FILE ITEM

25



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1 **SUP. BURKE, CHAIR:** MOVED BY YAROSLAVSKY, SECONDED BY MOLINA.
2 RECEIVE AND FILE WITHOUT OBJECTION ON 7. IS THAT OKAY? IS
3 THERE ANY OBJECTION TO 7? THE LIBRARIAN? ALL RIGHT. RECEIVE
4 AND FILE. SO ORDERED. 8?

5

6 **C.E.O. FUJIOKA:** NO. 8, WE WERE ASKED TO SEND A LETTER TO THE
7 STATE LEGISLATURE AND THE GOVERNOR REQUESTING THAT THEY
8 CONSIDER UTILIZING AN EXISTING LEGISLATIVE SPECIAL SESSION TO
9 ADDRESS THE STATE'S BUDGET CRISIS. THIS IS A RECEIVE AND FILE.
10 THAT LETTER HAS BEEN SENT

11

12 **SUP. BURKE, CHAIR:** ALL RIGHT. ARNOLD SACHS WISHES TO SPEAK ON
13 THAT. ARE YOU UP HERE IN FRONT, MR. SACHS?

14

15 **ARNOLD SACHS:** GOOD MORNING, ARNOLD SACHS. SINCE YOU'RE GOING
16 TO BE WRITING THE GOVERNOR AND THE STATE LEGISLATION REGARDING
17 THINGS THAT ARE DETRIMENTAL TO THE PUBLIC REGARDING A BUDGET,
18 MAYBE YOU COULD ALSO WRITE TO HIM AGAIN REGARDING THE
19 REDUNDANCY OF THE CONSTRUCTION AUTHORITIES SINCE L.A.C.-M.T.A.
20 FAILED TO ACT ON ANYTHING. AND ACCORDING TO INFORMATION PUT
21 OUT BY SENATOR OROPEZA, EXISTING LAW ESTABLISHES THE
22 EXPOSITION METRO LINE CONSTRUCTION AUTHORITY.

23



**The Meeting Transcript of
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1 **SUP. BURKE, CHAIR:** COUNTY COUNSEL, DO WE HAVE A POINT OF ORDER
2 WHEN SOMEONE RAISES AN ISSUE DURING THIS PROCEEDING THAT
3 AFFECTS ANOTHER AGENCY RATHER THAN THIS ONE?

4

5 **RAY FORTNER, COUNSEL:** YES, MADAME CHAIR, MEMBERS OF THE BOARD.
6 DURING CONSIDERATION OF SPECIFIC AGENDA ITEMS, THE DISCUSSION
7 SHOULD BE LIMITED TO THOSE ITEMS

8

9 **SUP. BURKE, CHAIR:** MR. SACHS, IF YOU HAVE AN ITEM THAT RELATES
10 TO M.T.A., WE'RE GOING TO ASK THAT YOU PRESENT THAT THERE, AND
11 THAT WE'RE GOING TO HAVE TO HAVE UNDER -- BECAUSE WE'RE TRYING
12 TO KEEP THIS ORDERLY.

13

14 **ARNOLD SACHS:** I APPRECIATE THAT, MADAME CHAIR. YOU'RE
15 ADDRESSING THINGS THAT HAVE DETRIMENTAL IMPACT, OKAY?

16

17 **SUP. BURKE, CHAIR:** BUT ON THE COUNTY AND OUR COUNTY BUDGET.

18

19 **ARNOLD SACHS:** WELL ISN'T L.A.C.-M.T.A. PART OF THE COUNTY
20 BUDGET?

21

22 **SUP. BURKE, CHAIR:** NO, IT IS NOT. IT IS A SEPARATE AGENCY
23 CREATED BY THE STATE. THE FACT THAT WE SIT ON THAT BOARD, WE
24 SIT IN A DIFFERENT CAPACITY TOTALLY.

25



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1 **ARNOLD SACHS:** THANK YOU FOR YOUR TIME AND YOUR ANSWERS.

2

3 **SUP. BURKE, CHAIR:** ALL RIGHT. THANK YOU VERY MUCH. ITEM NO. 8
4 IS A RECEIVE AND FILE. MOVED BY KNABE, SECONDED BY MOLINA;
5 WITHOUT OBJECTION, SO ORDERED. ITEM 9.

6

7 **C.E.O. FUJIOKA:** ITEM 9, WE SENT A SEPARATE REPORT STATING THAT
8 WE WILL BE WORKING -- OUR OFFICE WILL BE WORKING WITH D.C.F.S.
9 AND THE DEPARTMENT OF HUMAN RESOURCES AND ALSO MENTAL HEALTH
10 TO ADDRESS THE RECRUITMENT AND SELECTION OF ITEMS TO FILL THE
11 CRITICAL VACANCIES IN BOTH DEPARTMENTS. I ALSO WANT TO
12 HIGHLIGHT THE FACT THAT IN MAY OF THIS YEAR, D.C.F.S.
13 CONDUCTED AN ASSESSMENT OF ITS HIRING PRACTICES AND DEVELOPED
14 A PROCESS TO PRIORITIZE THE FILLING OF DEPARTMENTAL POSITIONS.
15 THIS IS ONE OF MANY STEPS THAT D.C.F.S. HAS TAKEN TO ADDRESS
16 NOT ONLY SOME OF THEIR ADMINISTRATIVE ISSUES BUT ALSO TO
17 IMPROVE THE PROGRAMS AND SERVICES. THIS IS A RECEIVE AND FILE
18 REPORT.

19

20 **SUP. BURKE, CHAIR:** ALL RIGHT. ANY QUESTIONS? MOVED BY
21 YAROSLAVSKY, SECONDED BY ANTONOVICH. WITHOUT OBJECTION,
22 RECEIVE AND FILE. ITEM NO. 10?

23

24 **C.E.O. FUJIOKA:** THIS IS A RECEIVE AND FILE REPORT. IT WAS IN
25 RESPONSE TO A NUMBER OF REQUESTS WE RECEIVED DURING THE APRIL



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1 22ND MEETING ON THE PROPOSED BUDGET. THIS IS A RECEIVE AND
2 FILE REPORT.

3

4 **SUP. BURKE, CHAIR:** SUPERVISOR YAROSLAVSKY AND SUPERVISOR
5 KNABE.

6

7 **SUP. YAROSLAVSKY:** MR. FUJIOKA, THE COUNTY'S CURRENT AVERAGE
8 82.3 AND PROJECTED AVERAGE OF 83.9 PAID I.H.S.S. HOURS REMAIN
9 LOWER THAN THE STATE AVERAGE, WHICH IS 85.5 HOURS. THE
10 CASELOAD POPULATION LIKELY INCREASED BECAUSE THE AGED
11 POPULATION HAS RISEN. YET THE STATE, ONCE AGAIN, PROPOSES TO
12 CUT ITS SHARE OF I.H.S.S. FUNDING, THUS REDUCING THE HOURLY
13 WAGES TO MINIMUM WAGE. THE QUESTION IS: DOES A COST BENEFIT
14 ANALYSIS EXIST THAT COMPARES THE COSTS OF I.H.S.S. AGAINST THE
15 COST OF NURSING HOME CARE FOR THE I.H.S.S. POPULATION?

16

17 **C.E.O. FUJIOKA:** I DON'T KNOW IF A COST BENEFIT STUDY HAS BEEN
18 COMPLETED. BUT IN GENERAL, I'M SURE WE CAN GET THAT
19 INFORMATION. BUT IN GENERAL, THE COSTS ASSOCIATED WITH THE
20 I.H.S.S. PROGRAM WOULD BE, I WON'T CALL IT A FRACTION, BUT
21 WOULD BE SIGNIFICANTLY LOWER THAN PROVIDING THAT COST IN A
22 LONG-TERM CARE OR A SKILLED NURSING FACILITY. THE IMPACT, THE
23 CUT PROPOSED BY THE STATE OR BY THE GOVERNOR WILL HAVE A VERY,
24 VERY SERIOUS IMPACT ON OUR BUDGET. THERE'S SOME OTHER
25 PROPOSALS THAT ARE FLOATING AROUND, INCLUDING ONE THAT DEALS



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1 WITH HOW WE PROVIDE AGE CARE FOR THE I.H.S.S. WORKER WOULD
2 HAVE AN EQUALLY STRONG IMPACT ON THE COUNTY BUDGET. BUT UNLESS
3 MIGUEL OR PHIL KNOW OF A SPECIFIC REPORT THAT ADDRESSES THAT -
4 -

5

6 **PHILLIP BROWNING:** SUPERVISOR, I DON'T THINK THERE IS A SPECIAL
7 REPORT THAT'S BEEN DONE. BUT THE NUMBER OF BEDS, AS I
8 UNDERSTAND IT, NURSING HOME BEDS, HAS NOT INCREASED IN A
9 NUMBER OF YEARS. AND WHEN I'VE TALKED WITH THE HEALTH
10 DEPARTMENT INDIVIDUALS AT THE STATE, THEY BELIEVE THAT THE
11 FACT THAT WE'VE HAD A HUGE INCREASE IN I.H.S.S. POPULATION IS
12 THE REASON WHY THE NUMBER OF INDIVIDUALS IN SKILLED AND I.C.F.
13 NURSING HOMES HAVE NOT INCREASED. I DO THINK IT IS POSSIBLE TO
14 HAVE A STUDY DONE WHICH WOULD SHOW VERY CLEARLY, AS THE C.E.O.
15 INDICATES, THAT IT'S MUCH MORE COST BENEFICIAL TO KEEP SOMEONE
16 IN THEIR OWN HOME THAN TO HAVE THEM PUT INTO MORE RESTRICTIVE
17 SETTING. BUT AS FAR AS I KNOW, THAT'S NOT BEEN DONE, AT LEAST
18 BY US.

19

20 **SUP. ANTONOVICH:** YOU'RE SAYING THERE'S NO COST COMPARISON THAT
21 HAS BEEN MADE?

22

23 **PHILLIP BROWNING:** I THINK WE CAN GIVE YOU THE COST
24 COMPARISONS, THE AMOUNT IT COSTS TO PUT SOMEONE INTO A NURSING
25 HOME, WHICH I THINK IS 70 OR 80,000, VERSUS AN I.H.S.S. COST.



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1 THE DIFFICULTY FOR US IS THAT WE'RE PARTICIPATING IN COUNTY
2 DOLLARS IN I.H.S.S., WHILE WE'RE NOT IN THE NURSING HOME
3 PROGRAM.

4

5 **SUP. ANTONOVICH:** MR. FUJIOKA, IN THE JUNE 9TH SACRAMENTO
6 UPDATE, THE LEGISLATURE REDUCED FOSTER CARE PROVIDER PAYMENTS,
7 SAVINGS FROM \$18.2 MILLION TO \$14.9 MILLION. WHAT ARE THE
8 CHANGES THAT EXPLAIN THIS REDUCTION?

9

10 **DEBBIE LIZZARI:** I CAN ANSWER THAT. BASICALLY IT WAS A TIMING
11 ISSUE. THE ORIGINAL ESTIMATE ASSUMED A JULY 1 IMPLEMENTATION,
12 AND SUBSEQUENTLY WE FOUND OUT THAT IT'S GOING TO BE OCTOBER.
13 SO THAT'S WHY THE SAVINGS FOR FOR THE FISCAL YEAR WENT DOWN.

14

15 **SUP. ANTONOVICH:** AND IN THE SAME MEMO, THE SAVINGS TO THE
16 I.H.S.S. PROGRAM WERE REDUCED FROM \$23 MILLION TO \$10.4
17 MILLION. WHAT EXPLAINS THOSE CHANGES? AND ARE THE REDUCTIONS
18 IN SAVINGS REFLECTED IN THIS BUDGET BEFORE THE BOARD TODAY?

19

20 **C.E.O. FUJIOKA:** THE SAVINGS ARE NOT REFLECTED IN THE BUDGET
21 RIGHT NOW. IN FACT, BECAUSE OF THE UNCERTAINTY AT THE STATE
22 LEVEL, WE HAVE NOT INCLUDED ANY STATE IMPACT IN OUR FINAL
23 CHANGES. THE INTENT IS TO, ONCE WE RECEIVED CLARITY FROM THE
24 STATE WITH RESPECT TO ITS IMPACT ON NOT ONLY THE I.H.S.S.
25 PROGRAM BUT EVERY OTHER PROGRAM IDENTIFIED IN NOT ONLY THE



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1 ORIGINAL BUDGET RELEASED BY THE GOVERNOR BUT IN HIS MAY
2 REVISE, THEN WE'LL BE COMING BACK TO YOUR BOARD SHORTLY
3 THEREAFTER WITH THE REVISED BUDGET FOR THE COUNTY OF LOS
4 ANGELES. I HAD MENTIONED THAT THE IMPACT AT THIS POINT IN TIME
5 IS APPROXIMATELY 357 MILLION. ALTHOUGH I'M CONFIDENT THAT THE
6 FINAL IMPACT TO THE COUNTY WILL NOT BE THAT HIGH, IT WILL
7 STILL BE VERY SIGNIFICANT. SO WE'RE PROJECTING THAT SHORTLY,
8 PROBABLY IN THE LATE SEPTEMBER, EARLY OCTOBER, PROBABLY IN
9 CONCERT WITH OUR SUPPLEMENTAL CHANGES REPORT, WE'LL BE
10 BRINGING TO YOU A REVISED BUDGET TO ADDRESS THE STATE IMPACT.

11

12 **SUP. ANTONOVICH:** OKAY. THOSE ARE MY QUESTIONS.

13

14 **SUP. BURKE, CHAIR:** SUPERVISOR KNABE?

15

16 **SUP. KNABE:** MADAME CHAIR, THIS IS REGARDING THE LEADER. I HAD
17 SEVERAL QUESTIONS. FIRST IS ABOUT THE R.F.P. PROCESS, ALWAYS
18 ONE OF MY FAVORITE TOPICS, LEADER. I UNDERSTAND THAT THE
19 BIDDERS HAVE TO DEVELOP A SYSTEM. I WANT TO MAKE SURE, I'M
20 GOING TO GET THIS ON THE RECORD, THAT REQUIRE NO AMENDMENTS OR
21 ADDITIONAL COSTS, IS THAT THE CASE?

22

23 **PHILLIP BROWNING:** WE DEVELOPED AN R.F.P. -- YOU'RE ASKING A
24 YES OR NO QUESTION. WE DEVELOPED AN R.F.P., WHICH IS 1400
25 PAGES. ONE OF THE REQUIREMENTS WAS THAT THEY TRY TO ANTICIPATE



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1 EVERYTHING THAT WAS CURRENTLY IN PLACE TODAY AND GIVE US A
2 PRICE BASED ON WHAT THE REQUIREMENTS WERE IN THAT R.F.P. WE
3 GOT FOUR PROPOSALS IN ABOUT TWO WEEKS AGO. WE WON'T KNOW
4 WHETHER OR NOT THEY'VE ACTUALLY COMPLIED WITH THAT
5 REQUIREMENT. IT'S OUR BELIEF THAT THEY WILL. THE ONLY TIME
6 THERE WOULD BE AN AMOUNT THAT MIGHT BE OVER AND ABOVE WHAT
7 THEY WOULD HAVE NEGOTIATED WITH US AFTER IT'S ALL SAID AND
8 DONE IS IF THERE WERE STATE REQUIREMENTS AND/OR FEDERAL
9 REQUIREMENTS THAT WERE NOT ANTICIPATED. AND IF THAT WERE THE
10 CASE, THEN WE WOULD HAVE A SITUATION WHERE WE WOULD ASK THE
11 STATE AND THE FEDS TO PUT IN -- TO ALLOW US TO HAVE AN
12 AMENDMENT. AND OF COURSE THE STATE PUTS IN 95 PERCENT OF THE
13 COSTS, AND SO THEY'RE CERTAINLY AWARE OF THE VALUE OF HAVING
14 EVERYTHING LOCKED UP IN THE FINAL NEGOTIATIONS.

15

16 **SUP. KNABE:** THAT WAS A RELATIVELY GOOD DANCE. RECENTLY, AND I
17 VOTED AGAINST THIS, WE GAVE THE VENDOR A 38 PERCENT INCREASE,
18 ABOUT \$8 MILLION MORE PER YEAR TO ESSENTIALLY RUN THIS SYSTEM
19 UNTIL THE NEW ONE COULD BE TRANSITIONED. I KNOW WE GOT A FEW
20 ENHANCEMENTS, BUT OBVIOUSLY WE DEARLY PAID FOR THEM. CAN YOU
21 TELL ME WHERE UNISYS IS AS IT RELATES TO ANY OF THE
22 ENHANCEMENTS THEY'VE PROMISED THUS FAR?

23

24 **PHILLIP BROWNING:** I CAN GIVE YOU A PRELIMINARY UPDATE. THERE
25 WAS A REQUIREMENT FOR THEM TO DO ENHANCED REPORTING. AND WE'RE



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1 STILL WORKING ON THE NEGOTIATIONS OF DEVELOPING THE
2 REQUIREMENTS FOR THAT SPECIFIC DELIVERABLE. SO WE'RE NOT AS
3 FAR ALONG AS WE WOULD LIKE ON THAT.

4

5 **SUP. KNABE:** WHEN YOU SAY NEGOTIATE, HOW DO YOU NEGOTIATE? WE
6 GAVE THEM THE 8 MILLION BUCKS.

7

8 **PHILLIP BROWNING:** IN TERMS OF WHAT THE REQUIREMENTS ARE FOR
9 THE REPORTS. I THINK THERE WAS A REQUIREMENT THAT THEY DO
10 ENHANCED REPORTING, BUT THE ACTUAL REQUIREMENTS OF EACH
11 INDIVIDUAL REPORT WEREN'T SPELLED OUT UNTIL WE ACTUALLY DO GET
12 FINALIZED.

13

14 **SUP. KNABE:** THEN WHY DO WE GIVE THEM 8 MILLION BUCKS?

15

16 **COMM. BROWN:** WELL, BECAUSE THERE WERE OTHER THINGS. THAT WAS
17 ONLY ONE OF THE--

18

19 **SUP. KNABE:** IT IS AN ITEM.

20

21 **PHILLIP BROWNING:** IT IS AN ITEM.

22

23 **SUP. KNABE:** I THOUGHT THAT WAS NEGOTIATED OUT AHEAD OF TIME. I
24 WAS TOLD THAT THIS IS THE DEAL, THAT THESE WERE THE COSTS, AND



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1 THEY KNEW EXACTLY, AND THIS IS WHY WE HAD TO GIVE THEM A 38
2 PERCENT INCREASE.

3

4 **PHILLIP BROWNING:** RIGHT. AND WE DO EXPECT TO GET THAT. THAT
5 DOESN'T MEAN THAT WE HAVEN'T GOTTEN OUR OTHER DELIVERABLES
6 WHICH ARE, WE THINK, MORE IMPORTANT. THERE'S A REQUIREMENT
7 ALSO THAT THEY DEVELOP EMAIL FOR ALL OF OUR OFFICES, WHICH HAS
8 BEEN, I THINK, OUR HIGHEST PRIORITY, BECAUSE WE HAVE ABOUT
9 10,000 INDIVIDUALS WHO DON'T HAVE EMAIL CAPABILITY AND DON'T
10 HAVE INTERNET ACCESS. AND SO ONE OF OUR BIGGEST REQUIREMENTS
11 OR EXPECTATIONS IS THAT EVERYONE IN THE DEPARTMENT HAVE EMAIL.
12 SO THAT'S BEEN PILOTED. IT'S BEEN PILOTED THIS MONTH. WE HOPE
13 BY THIS TIME NEXT YEAR, WELL BY JANUARY, TO HAVE EVERYONE IN
14 THE DEPARTMENT ON EMAIL, WHICH NOW LIMITS OUR ABILITY TO
15 COMMUNICATE SIGNIFICANTLY. SO THEY'VE MOVED FORWARD ON THAT.
16 ONE OF THE OTHER REQUIREMENTS THAT WAS IN THE CONTRACT WAS TO
17 PUT MORE OF OUR DOCUMENTS INTO THRESHOLD LANGUAGES. THE PRIOR
18 AGREEMENT ONLY HAD THREE OR FOUR LANGUAGES WHILE WE NEED 9 OR
19 10. WE'VE BEEN WORKING ON THAT. THERE HAVE BEEN SOME
20 DEMONSTRATIONS, BUT IT'S NOT FINALIZED. I CAN GIVE YOU BETTER
21 REPORT ABOUT ALL OF THOSE DELIVERABLES, TIMELINES AND
22 REQUIREMENTS, BUT I REALLY DIDN'T COME PREPARED TO DO THAT
23 TODAY, THOUGH.

24



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1 **SUP. KNABE:** WELL, I WOULD LIKE TO SEE THAT, JUST SPEAKING FOR
2 MYSELF. I'M NOT SURE ABOUT MY COLLEAGUES, BUT I'M SURE THEY
3 WOULD, TOO. OBVIOUSLY FROM THE R.F.P. TO THE NEW SYSTEM, THE
4 DEPARTMENT'S COMMITTED TO DO THIS OVER THE NEXT FOUR YEARS.
5 ARE WE STILL ON THAT TIME FRAME?

6

7 **PHILLIP BROWNING:** THIS IS NOT A YES OR NO QUESTION, AGAIN,
8 SIR. FOUR YEARS IS THE REQUIREMENT. THE TIMELINE HAS ALREADY
9 STARTED. THE R.F.P.S HAVE ALREADY BEEN OUT. WE'VE RECEIVED THE
10 PROPOSALS. IT'S GOING TO TAKE US ABOUT A MONTH TO REVIEW EACH
11 PROPOSAL. THEN WE HAVE A NEGOTIATION PHASE. THEN WE HAVE A
12 REVIEW WITH THE FEDS IN THE STATE TO ENSURE COMPLIANCE. THE
13 FOUR YEARS IS STILL IN PLACE. THE TIMELINE, HOWEVER, IS NOT
14 GOING TO START UNTIL WE GET THE ACTUAL CONTRACT SIGNED, SEALED
15 AND DELIVERED.

16

17 **SUP. KNABE:** OKAY.

18

19 **SUP. BURKE, CHAIR:** OTHER QUESTIONS? WE'RE NOW ON ITEM NO. 10.

20

21 **SUP. KNABE:** I'VE GOT SOME OTHER QUESTIONS, BUT NOT ON THIS
22 ITEM. I'VE GOT SOMETHING ON THE CHILDREN'S PLANNING COUNCIL.

23

24 **SUP. BURKE, CHAIR:** NO, GO RIGHT AHEAD, THAT'S STILL ITEM 10.

25



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1 **SUP. KNABE:** ALL RIGHT. THANK YOU. I JUST WANTED TO CLARIFY
2 SOMETHING IN THE BUDGET REGARDING THE CHILDREN'S PLANNING
3 COUNCIL. THE BUDGET INDICATES A COUNTY COMMITMENT OF \$2.5
4 MILLION FOR '08-'09, WHEN IN FACT IT IS REALLY 1.4. I KNOW MY
5 OFFICE AND STAFF WORKED VERY CLOSELY WITH THE C.P.C. STAFF TO
6 DEVELOP A GOOD, RESPONSIBLE APPROACH TO THIS WITH SOME COST
7 CUTTING MEASURES FOR '08-'09. SO WE'RE ACTUALLY LOOKING AT
8 SAVING THE COUNTY APPROXIMATELY A MILLION DOLLARS. WAS THAT
9 REFLECTED? OR IS EVERYBODY ON BOARD WITH THIS AND WHAT WE'VE
10 DONE?

11

12 **MIGUEL SANTANA:** THAT ACTION'S ON TOMORROW'S AGENDA. AND SO
13 YOUR OFFICE HAS BEEN VERY HELPFUL IN WORKING WITH THE C.P.C.
14 TO REDUCE THE COUNTY OBLIGATION TO THE C.P.C. IT'S GOING TO GO
15 A LONG WAY IN HELPING OUR OTHER BUDGET PRIORITIES. SO IT'S
16 ACTUALLY A VERY GOOD THING FOR THE COUNTY.

17

18 **SUP. KNABE:** OKAY, THANK YOU. THOSE ARE MY QUESTIONS ON 10.

19

20 **SUP. BURKE, CHAIR:** ANY OTHER QUESTIONS ON 10? THAT'S A RECEIVE
21 AND FILE. DO WE HAVE A MOTION? MOVED BY YAROSLAVSKY, SECONDED
22 BY ANTONOVICH. WITHOUT OBJECTION, RECEIVE AND FILE ITEM 10.
23 ITEM 11 IS REPORT BACK TO THE EXECUTIVE OFFICE. IS THAT
24 CORRECT?

25



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1 **CLERK SACHI HAMAI:** ITEM 11 WAS CONTINUED TWO WEEKS TO JULY 1ST
2 AT THE REQUEST OF SUPERVISOR KNABE.

3

4 **SUP. BURKE, CHAIR:** OKAY. 11 IS CONTINUED TO JULY 1ST. WITHOUT
5 OBJECTION, SO ORDERED.

6

7 **SUP. KNABE:** CAN I JUST ADD? I MEAN, I CONTINUED ITEM 11 FOR
8 WHAT I THINK IS A VERY GOOD REASON. I DON'T WANT US TO LOOK
9 LIKE WE'RE JUST ASKING FOR A CONTINUANCE. THAT IS A VERY
10 IMPORTANT ITEM. WE GOT SOME OF THE REPORT, I DON'T THINK WE
11 HAVE ALL OF IT YET, WE GOT MOST OF IT. BUT IT CAME TO US VERY,
12 VERY LATE. AND THIS IS A VERY EXPENSIVE ITEM IN THIS BUDGET.
13 AND SO WE WANT TIME TO GO THROUGH IT AND WE'RE WAITING FROM
14 THE C.E.O. FOR SOME ADDITIONAL REPORTING ON THAT PARTICULAR
15 ITEM. THAT'S WHY I ASKED FOR THE TWO-WEEK CONTINUANCE.

16

17 **SUP. BURKE, CHAIR:** SO ORDERED. ITEM 12.

18

19 **C.E.O. FUJIOKA:** ITEM 12 IS A RECEIVE AND FILE REPORT FOR
20 REGIONAL PLANNING ON THE PROPOSED ELIMINATION OF POSITIONS
21 WITHIN THAT DEPARTMENT. IF YOU NOTE THAT DURING THE DISCUSSION
22 ON THE PROPOSED BUDGET, THERE'S CONSIDERABLE CONCERN RELATED
23 TO CODE ENFORCEMENT POSITIONS. THOSE POSITIONS HAVE BEEN
24 RESTORED IN WHAT'S BEFORE YOU IN THE FINAL CHANGES. OTHERWISE
25 THIS IS A RECEIVE AND FILE.



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1

2 **SUP. BURKE, CHAIR:** WE HAVE A MOTION ON THAT. RECEIVE AND FILE
3 ITEM 12. MOVED BY ANTONOVICH. SECONDED BY YAROSLAVSKY. WITHOUT
4 OBJECTION, SO ORDERED. THE NEXT ITEM IS 13.

5

6 **C.E.O. FUJIOKA:** THIS IS ANOTHER -- IT'S A RECEIVE AND FILE
7 REPORT. IT SPEAKS TO THE USE OF TOBACCO SETTLEMENT FUNDS FOR
8 THE PUBLIC-PRIVATE PARTNERSHIP PROGRAM. IT ASKS THAT WE BE
9 ALLOWED TO REPORT BACK NO LATER THAN THE MID PART OF AUGUST.
10 THIS WOULD COME BEFORE OUR SUPPLEMENTAL CHANGES PHASE OF THE
11 BUDGET PROCESS. THERE ARE SEVERAL THINGS THAT ARE OCCURRING.
12 ALTHOUGH WE SUPPORT THE CONCEPT OF PROVIDING ADDITIONAL FUNDS
13 FOR OUR P.P.P. PROGRAM, AND IN FACT, I'M IN THE PROCESS OF
14 IDENTIFYING SOME ADDITIONAL FUNDS FOR THE STARTUP AND
15 INFRASTRUCTURE COSTS. I'VE EVEN HAD CONVERSATIONS WITH SEVERAL
16 FOUNDATIONS WHO HAVE EXPRESSED A WILLINGNESS TO WORK WITH THE
17 COUNTY ON THAT PARTICULAR ISSUE. WE HAVE THE USE OF TOBACCO
18 FUNDS CONSTITUTE SOME ONE-TIME MONEY THAT COULD BE USED FOR
19 ONGOING PROGRAMS -- THAT SHOULDN'T BE USED FOR AN ONGOING
20 PROGRAM. WE ARE WORKING WITH D.H.S., AND WE WOULD LIKE TO FOLD
21 THIS INTO THE OVERALL DISCUSSION REGARDING THE BUDGET
22 MITIGATION PLAN AND THE EFFORTS TO REDUCE THEIR EXPENDITURES
23 TO ADDRESS THEIR NOT ONLY PRESENT BUT THEIR FUTURE DEFICIT.
24 AND SO WE ASK THAT IF WE CAN DELAY THIS FINAL REPORT AND



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1 RECOMMENDATION ON THIS PARTICULAR SUBJECT UNTIL THE MIDDLE
2 PART OF AUGUST.

3

4 **SUP. BURKE, CHAIR:** ALL RIGHT. YES. SUPERVISOR ANTONOVICH?

5

6 **SUP. ANTONOVICH:** BACK TO THE TOBACCO SETTLEMENT FUNDS THAT
7 HAVE BEEN RETAINED IN THE HEALTH SERVICES ADMINISTRATION
8 BUDGET FOR POTENTIAL ONE-TIME CAPITAL INFRASTRUCTURE FOR THE
9 PUBLIC-PRIVATE PARTNERSHIPS PROGRAM, WHAT IS YOUR REASONING
10 FOR THE PLACEHOLDER?

11

12 **C.E.O. FUJIOKA:** IS THAT THE \$4.8 MILLION? AS WE MOVE FORWARD
13 WITH THIS EFFORT, RELATED TO OUR P.P.P.S, WE KNOW FOR A FACT
14 THAT AGENCIES COMING IN TO PARTNER WITH US WILL NEED SOME
15 ASSISTANCE IN TERMS OF SUPPORT FOR THEIR INFRASTRUCTURE AND
16 ALSO FOR PROBABLY SOME MINOR CAPITAL IMPROVEMENTS. THERE'S
17 ALSO MONEY ASSOCIATED WITH ASSISTING NOT ONLY NEW BUT EXISTING
18 P.P.P.S TO QUALIFY FOR THE F.Q.H.C. STATUS, THAT'S FEDERALLY
19 QUALIFIED HEALTHCARE STATUS. THERE ARE ENTITIES OUT IN THE
20 PRIVATE SECTOR, CONSULTATIVE ENTITIES, WHO HAVE A HISTORY IN
21 SUPPORTING OR ASSISTING A COMMUNITY HEALTH CENTER AND
22 QUALIFYING FOR THE F.Q.H.C. STATUS. BY QUALIFYING FOR THAT
23 STATUS, THEY'LL RECEIVE ONE OF THE HIGHEST REIMBURSEMENT RATES
24 FOR TREATING THE SAME PATIENT POPULATION THAT WE TREAT. AND SO
25 AS WE MOVE FORWARD WITH THIS P.P.P. PROGRAM, HAVING MONEY FOR



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1 INFRASTRUCTURE, STARTUP AND TO ASSIST AN AGENCY TO QUALIFY FOR
2 F.Q.H.C. STATUS IS ABSOLUTELY CRITICAL.

3

4 **SUP. ANTONOVICH:** WHAT ARE THE LEGAL GUIDELINES FOR CONSIDERING
5 THE USE OF ONE-TIME TOBACCO SETTLEMENT FUNDS AND TOBACCO TAX?

6

7 **C.E.O. FUJIOKA:** THE LEGAL GUIDELINES? AS A POLICY, IT'S BEEN
8 THE PRACTICE OF THIS COUNTY TO USE ONE-TIME MONEY TO SUPPORT
9 ONE-TIME GOALS. WE'VE ALSO USED ONE GOALS OR PROGRAMS. WE'VE
10 ALSO USED ONE-TIME MONEY AS A BRIDGE TO ALLOW US TO HAVE THE
11 TIME TO IDENTIFY ONGOING FUNDS TO SUPPORT THAT SAME PROGRAM.
12 WHAT I BELIEVE WE'D LIKE TO DO AS WE MOVE FORWARD WITH OUR
13 FINAL RECOMMENDATION ON REDIRECTING THE 40 MILLION OF TOBACCO
14 DESIGNATION FUNDS IS JUST THAT, AS A BRIDGE. AND SO THAT AS WE
15 MOVE FORWARD AND WE IDENTIFY OR ACHIEVE SO MANY EFFICIENCIES
16 WE INTEND TO ACHIEVE IN D.H.S., WE'LL BE FREEING UP SOME
17 ONGOING MONEY TO REPLACE THIS ONE-TIME TOBACCO SETTLEMENT
18 MONEY.

19

20 **SUP. ANTONOVICH:** DO YOU HAVE AN ACCOUNTING OF THE USAGE OF THE
21 TOBACCO TAX FUNDS BY LINE ITEM?

22

23 **C.E.O. FUJIOKA:** WE CAN GET THAT FOR YOU.

24

25 **SUP. ANTONOVICH:** COULD WE GET A REPORT ON THAT?



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1

2 **C.E.O. FUJIOKA:** WE COULD REPORT BACK ON THAT.

3

4 **SUP. ANTONOVICH:** WHAT IS THE DEPARTMENT PROPOSING FOR THE ONE
5 TIME MEASURE B RESERVES?

6

7 **C.E.O. FUJIOKA:** I HAVE TO HAVE THE DEPARTMENT SPEAK TO THAT.
8 DO WE HAVE THAT? COULD WE REPORT BACK ON THAT?

9

10 **SUP. ANTONOVICH:** YES.

11

12 **C.E.O. FUJIOKA:** THANK YOU.

13

14 **SUP. ANTONOVICH:** WHAT COST REDUCTIONS OR REVENUE INCREASES HAS
15 THE DEPARTMENT IMPLEMENTED TO REDUCE THE RELIANCE ON THE
16 TOBACCO SETTLEMENT FUNDS AND PROP B?

17

18 **C.E.O. FUJIOKA:** THAT WILL BE ADDRESSED AS WE ADDRESS THE
19 D.H.S. BUDGET MITIGATION, BUDGET AND DEFICIT MITIGATION PLAN.
20 THERE ARE A NUMBER OF ACTIVITIES THAT HAVE BEEN EITHER
21 INITIATED OR ARE IN THE PROCESS OF BEING INITIATED IN D.H.S.
22 THAT WILL ADDRESS IT. BECAUSE ONE ITEM IDENTIFIED IN ONE
23 REPORT RELATED TO AGENDA 4 THAT HIGHLIGHTS AN ABOUT \$27.5
24 MILLION SAVINGS IN THE PHARMACEUTICAL PROGRAM. THAT'S THE
25 SAVINGS THEY HAVE ACHIEVED AT THIS POINT IN TIME. BUT AS WE GO



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1 FORWARD AND, I'LL CALL IT ENFORCE, THE DRUG FORMULARY THAT'S
2 BEEN DEVELOPED BY THE DEPARTMENT'S CHIEF PHARMACIST, YOU'LL
3 SEE THAT SAVINGS INCREASE. WE ALSO HAVE A TEAM OF FOLKS
4 LOOKING AT THE SUPPLY MANAGEMENT CHAIN PROGRAM. THE SUPPLY
5 MANAGEMENT PROGRAM IN D.H.S. COULD BE STRENGTHENED
6 CONSIDERABLY. AND WITH THAT, I'M CONFIDENT WE CAN ACHIEVE SOME
7 VERY SIGNIFICANT SAVINGS IN THAT PARTICULAR AREA, AND THAT
8 WILL BE A FOCUS AREA FOR US IN THIS UPCOMING FISCAL YEAR. I'VE
9 ALREADY IDENTIFIED A POTENTIAL PROGRAM OR SERVICE THAT CAN
10 HELP US ACHIEVE THOSE SAVINGS.

11

12 **SUP. ANTONOVICH:** I HAVE THREE QUESTIONS FOR THE DEPARTMENT OF
13 HEALTH. I SHOULD DIRECT THEM TO YOU? OR IS DR. CHERNOF HERE?

14

15 **C.E.O. FUJIOKA:** HE'S COMING.

16

17 **SUP. ANTONOVICH:** WILL THE TRANSFER OF THE L.A.C.+U.S.C.
18 PSYCHIATRIC OUTPATIENT CLINIC TO MENTAL HEALTH INCREASE MENTAL
19 HEALTH'S DEFICIT?

20

21 **DR. BRUCE CHERNOF:** I DON'T KNOW THAT I CAN ANSWER THAT,
22 SUPERVISOR. I THINK THAT'S A C.E.O. QUESTION. IT'S MY
23 UNDERSTANDING IT'S BUDGET NEUTRAL BUT I DON'T KNOW THAT.

24



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1 **C.E.O. FUJIOKA:** YES, THAT'S OUR UNDERSTANDING AT THIS POINT IN
2 TIME. THAT IT WILL BE BUDGET NEUTRAL.

3

4 **SUP. ANTONOVICH:** IS IT GOING TO INCREASE THE DEPARTMENT OF
5 MENTAL HEALTH'S DEFICIT, THAT'S FOR THE PSYCHIATRIC?

6

7 **DR. MARVIN SOUTHARD:** SUPERVISOR, MARV SOUTHARD, DIRECTOR OF
8 DEPARTMENT OF MENTAL HEALTH. THE TRANSFER IS DESIGNED TO BE
9 BUDGET NEUTRAL. THE PROGRAM WILL BE EXPANDED PARTLY USING
10 M.H.S.A. FUNDS AND PARTLY USING ADDITIONAL MEDI-CAL THAT WE
11 THINK WE CAN INCREASE THE BILLING ON. SO THE PROGRAM WILL BE
12 BIGGER. BUT IT WILL BE ACCOMPLISHED IN A BUDGET-NEUTRAL
13 FASHION.

14

15 **SUP. ANTONOVICH:** AND WHAT IS THE STATUS OF THE U.S.C.-U.C.L.A.
16 MEDICAL SCHOOL AGREEMENTS? WHEN WOULD THOSE NEGOTIATIONS BE
17 COMPLETED?

18

19 **C.E.O. FUJIOKA:** WE'RE CURRENTLY AT THE TABLE WITH THE
20 UNIVERSITY. GIVEN THAT IT DEALS WITH -- IT'S A NEGOTIATED
21 ITEM, THAT WOULD PROBABLY BE BEST DISCUSSED, IF POSSIBLE, IN
22 CLOSED SESSION. IF NOT, I'D BE HAPPY TO BRING YOU UP-TO-DATE.

23

24 **SUP. ANTONOVICH:** WHAT IS THE DEPARTMENT'S IMPACT OF LOSING
25 \$5.3 MILLION IN CHIP REVENUE?



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1

2 **DR. JOHN SCHUNHOFF:** WELL THE 5.3 THAT WE ARE LOSING IN CHIP
3 REVENUE, IF IT IS ULTIMATELY APPROVED, IS PART OF THE STATE
4 BUDGET, MAKES MORE OF A HOLE THAT WE HAVE TO FILL IN TERMS OF
5 ADDITIONAL REVENUES OR CUTTING COSTS.

6

7 **SUP. BURKE, CHAIR:** SUPERVISOR YAROSLAVSKY?

8

9 **SUP. YAROSLAVSKY:** ON THE PROP B RESERVE, ISN'T THAT EITHER THE
10 C.E.O.'S PLAN OR THE DEPARTMENT'S PLAN TO -- OOPS, I TOUCHED
11 MY SCREEN AND ALL KINDS OF THINGS WENT HAYWIRE HERE -- WAS TO
12 BE USED TO FILL -- THAT WAS YOUR PROPOSAL OR ONE OF YOUR
13 PROPOSALS TO FILL THE GAP, THE HOLE IN THE BUDGET?

14

15 **DR. JOHN SCHUNHOFF:** YES, SUPERVISOR. THAT'S \$31 MILLION.

16

17 **SUP. YAROSLAVSKY:** AND THEN YOU WERE ALSO PROPOSING TO USE 44,
18 OR THEREABOUTS, MILLION DOLLARS OUT OF THE TOBACCO RESERVE FOR
19 THE SAME PURPOSE, IS THAT CORRECT?

20

21 **DR. JOHN SCHUNHOFF:** THAT WAS PROPOSED. BUT IT IS NOT PART OF
22 THE BUDGET. THE BUDGET INCLUDES THE \$31 MILLION OF ONE-TIME
23 ACCUMULATED BALANCE IN THE MEASURE B FUND. THAT'S PART OF THE
24 BUDGET THAT'S BEFORE YOU. ANY ADDITIONAL INCREASE, THE
25 C.O.L.A. --



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1

2 **SUP. YAROSLAVSKY:** IS NOT IN THE BUDGET.

3

4 **DR. JOHN SCHUNHOFF:** NOT IN THE BUDGET.

5

6 **SUP. YAROSLAVSKY:** IT'S NOT IN THE BUDGET BUT IT'S ON A NUMBER
7 OF YOUR MEMOS, OR MEMOS, NOT YOURS NECESSARILY, BUT THAT ARE
8 FLOATING AROUND, OR THE POTENTIAL USES OF THOSE FUNDS. CAN I
9 ASK YOU A QUESTION ON THE BUDGET? WE MAY NOT BE AUDITED, BUT
10 SINCE WE'RE TALKING ABOUT IT, I JUST WANTED TO GET THIS
11 STRAIGHT IN MY HEAD. YOU HAVE ABOUT A LITTLE OVER \$100 MILLION
12 DEFICIT LEFT IN THE HEALTH BUDGET IF EVERYTHING IS APPROVED,
13 IS THAT CORRECT, JOHN?

14

15 **DR. JOHN SCHUNHOFF:** THAT'S CORRECT. IT DEPENDS UPON WHAT
16 HAPPENS WITH THE STATE BUDGET, REALLY.

17

18 **SUP. YAROSLAVSKY:** I UNDERSTAND THAT. LEAVING THE STATE ASIDE.
19 DOES THAT ASSUME THAT THE \$31 MILLION IN THE PROP B RESERVE IS
20 GOING TO BE TRANSFERRED TO YOUR DEPARTMENT?

21

22 **DR. JOHN SCHUNHOFF:** YES.

23

24 **SUP. YAROSLAVSKY:** DOES IT ALSO ASSUME THAT THERE'S GOING TO BE
25 A COST OF LIVING INCREASE IN THE PROP B TAX RATE?



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The Los Angeles County Board of Supervisors

1

2 **DR. JOHN SCHUNHOFF:** NO, NOT AT THIS TIME.

3

4 **SUP. YAROSLAVSKY:** SO THAT IF YOU DIDN'T GET THE \$31 MILLION IN
5 RESERVE TRANSFER, YOUR BUDGET DEFICIT WOULD BE, INSTEAD OF
6 105, WHICH I THINK IT IS, I MAY BE OFF A LITTLE BIT HERE,
7 WOULD BE 135 OR 36?

8

9 **DR. JOHN SCHUNHOFF:** IT WOULD BE 31 MORE THAN IT IS.

10

11 **SUP. YAROSLAVSKY:** WHAT IS YOUR ESTIMATED FUND BALANCE THAT
12 YOU'RE RETURNING EITHER RETURNING OR RECAPTURING THIS YEAR,
13 THIS CURRENT FISCAL YEAR? YOUR UNSPENT?

14

15 **DR. JOHN SCHUNHOFF:** SUPERVISOR, THE CURRENTLY ESTIMATED YEAR-
16 END BALANCE IS --

17

18 **SUP. YAROSLAVSKY:** BEFORE YOU EARMARKED IT FOR OTHER PURPOSES,
19 BASED ON WHAT IT WAS BUDGETED FOR THIS YEAR, HOW MUCH IS LEFT
20 BEFORE YOU HAVE PROGRAMMED IT FOR OTHER THINGS?

21

22 **DR. JOHN SCHUNHOFF:** OUR FISCAL FORECAST CALLS FOR \$108 MILLION
23 TO BE CARRIED FORWARD TO NEXT YEAR.

24



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1 **SUP. YAROSLAVSKY:** AND IS THAT 108 PROGRAMMED TO HELP CLOSE
2 YOUR BUDGET HOLE, OR IS THAT UNPROGRAMMED AT THIS POINT?

3

4 **DR. JOHN SCHUNHOFF:** IT GOES TO THE BOTTOM LINE FOR NEXT YEAR.

5

6 **SUP. YAROSLAVSKY:** SO THE \$105 MILLION DEFICIT INCLUDES THE
7 ASSUMPTION THAT THE 108 THAT ROLLS OVER IS BEING PLOWED BACK
8 INTO YOUR DEPARTMENT?

9

10 **DR. JOHN SCHUNHOFF:** YES.

11

12 **SUP. YAROSLAVSKY:** THAT'S WHAT YOU'RE ESTIMATING AS OF WHEN?

13

14 **DR. JOHN SCHUNHOFF:** AS OF THE FISCAL FORECAST THAT ACTUALLY IS
15 -- WE JUST DID THAT'S ON THE AGENDA TOMORROW UNDER THE BUDGET
16 COMMITTEE OF THE WHOLE.

17

18 **SUP. YAROSLAVSKY:** OKAY. AND AT THIS TIME LAST YEAR, YOU
19 WEREN'T IN CHARGE OF THE DEPARTMENT AT THAT TIME, BUT PERHAPS
20 IF YOU DON'T HAVE THE ANSWER TO THIS, YOU COULD HAVE IT FOR ME
21 BY TOMORROW OR BY THE END OF THE DAY TODAY WOULD BE NICE. AT
22 THIS TIME LAST YEAR, BEFORE YOU ACTUALLY HAD THE FINAL
23 NUMBERS, WHAT WAS YOUR PROJECTED ESTIMATE OF WHAT YOUR
24 ROLLOVER WOULD BE, YOUR FUND BALANCE WOULD BE? AND THEN WHAT



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1 DID IT ACTUALLY TURN OUT TO BE? I'D LIKE TO GET THAT
2 COMPARISON.

3

4 **DR. JOHN SCHUNHOFF:** OKAY. WE'LL GET THAT FOR YOU, SUPERVISOR.

5

6 **SUP. YAROSLAVSKY:** THANK YOU.

7

8 **SUP. BURKE, CHAIR:** ANY OTHER, SUPERVISOR KNABE AND THEN WE
9 HAVE ONE PERSON FROM THE PUBLIC WHO WANTS TO SPEAK.

10

11 **SUP. KNABE:** ON THAT SHORTFALL, TOO, I MEAN, I KNOW IT'S A
12 PLACEHOLDER, BUT ISN'T PART OF THE PROBLEM THAT YOU'RE NOT
13 SPENDING THAT REDUCED AMOUNT FROM THE HEALTH DEPARTMENT
14 STANDPOINT?

15

16 **DR. JOHN SCHUNHOFF:** I'M SORRY, SUPERVISOR.

17

18 **SUP. KNABE:** ON THE NUMBER THAT SUPERVISOR YAROSLAVSKY, WE
19 ALLOCATED THAT SET ASIDE TO SORT OF SHOW A BALANCED BUDGET
20 BASED UPON THIS REDUCED SPENDING, BUT YOU'RE REALLY NOT
21 SPENDING AT A REDUCED AMOUNT. ARE WE GOING TO HEAD UP AGAINST
22 THE WALL HERE IN THE NEXT FEW MONTHS?

23

24 **DR. JOHN SCHUNHOFF:** THERE IS A PLACE HOLDER IN THE BUDGET AS
25 IT CURRENTLY IS BEFORE YOU THAT WE NEED TO FILL. THERE ARE



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1 VARIOUS THINGS THAT ARE IN PLAY AT THIS POINT. THERE IS THE
2 ADDITIONAL REVENUE FOR THE COST BASE REIMBURSEMENT FOR CLINICS
3 THAT IS THE MEDICAL MEDICARE PIECE OF THAT. IF WE SUCCEED ON
4 THAT, AND THERE IS EVERY INDICATION WE WILL, THAT'S GOING TO
5 BENEFIT US THIS NEXT FISCAL YEAR BY \$96 MILLION. THAT'S A
6 SUBSTANTIAL PIECE. IF WE DON'T GET THAT, THAT'S A MAJOR
7 DIFFERENCE. THERE ARE OTHER PLUSES AND MINUSES THEN THAT GO.
8 BUT THE BOTTOM LINE IS THERE'S A \$120 MILLION PLUG, IF YOU
9 WILL IN THE BUDGET, FOR YET BE FILLED IN THAT WE WILL WORK
10 WITH THE C.E.O. TO DO AS WE APPROACH SEPTEMBER IN SUPPLEMENTAL
11 BUDGET.

12

13 **SUP. KNABE:** BUT I MEAN THE ISSUE BEING YOU HAVE THE POTENTIAL
14 OF THE \$96 MILLION REVENUE?

15

16 **DR. JOHN SCHUNHOFF:** YES.

17

18 **SUP. KNABE:** BUT ALSO PART OF THAT PLAN TO PUT THAT PLACEHOLDER
19 THERE IS REDUCED SPENDING. AND THAT HASN'T TAKEN PLACE, AM I
20 CORRECT?

21

22 **DR. JOHN SCHUNHOFF:** SUPERVISOR WE HAVE--

23

24 **C.E.O. FUJIOKA:** YOU ARE CORRECT. THERE IS A STRUCTURAL PROBLEM
25 IN D.H.S., THAT'S THE BOTTOM LINE. YOU ARE CORRECT. AND



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1 THROUGH A NUMBER OF INITIATIVES, WE'RE WORKING IN CONCERT WITH
2 THE DEPARTMENT IS IDENTIFYING THOSE PROGRAMS AND SERVICES THAT
3 MUST BE REDUCED OR CUT TO ADDRESS THE STRUCTURAL PROBLEM. WE
4 DO HAVE THAT.

5

6 **SUP. KNABE:** ALL RIGHT. I'LL ASK SOME OTHER QUESTIONS TOMORROW.
7 BUT ONE OTHER QUESTION. IN THIS LATEST FISCAL OUTLOOK, RANCHO
8 IS STILL TARGETED FOR CLOSURE. AND WE ALL HAVE SEEN RANCHO'S
9 VALUE IN THIS WHOLE SAFETY NET M.L.K. ISSUE. SO MY ONGOING
10 QUESTION THAT I ASK EVERY YEAR, THEN, WHY IS IT STILL TARGETED
11 FOR CLOSURE?

12

13 **C.E.O. FUJIOKA:** IT'S OUR INTENT TO REPORT BACK ON THAT
14 PARTICULAR ISSUE BECAUSE THAT IS A VERY SIGNIFICANT POINT. I
15 THINK AS WE DEAL WITH NOT ONLY RANCHO BUT WE ALSO ADDRESS
16 WHAT'S HAPPENING IN THE L.A.C.+U.S.C. MEDICAL CENTER, I WILL
17 BE COMING BACK WITH A SEPARATE REPORT ON THIS PARTICULAR ISSUE
18 THAT WE NEED TO CONSIDER THAT WILL HAPPEN.

19

20 **SUP. KNABE:** OKAY. THANK YOU. THAT'S ALL I HAVE.

21

22 **SUP. BURKE, CHAIR:** IF THERE ARE NO OTHER QUESTIONS -- I'M
23 SORRY.

24



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1 **SUP. MOLINA:** I HAVE QUESTIONS ON THE HEALTH DEPARTMENT. I
2 DON'T UNDERSTAND THE DEFICIT. SO WHY DON'T YOU WALK ME THROUGH
3 THE NUMBERS, WHOEVER WANTS TO.

4

5 **C.E.O. FUJIOKA:** I'M GOING TO HAVE THE DEPARTMENT JOIN US. I
6 THINK I MENTIONED THAT WE ARE GOING TO COME BACK ON A SEPARATE
7 REPORT ON THIS. THERE'S A SECTION TOMORROW.

8

9 **SUP. MOLINA:** I UNDERSTAND THAT. BUT I HAVE TO VOTE ON THE
10 BUDGET TODAY AND I'M NOT GOING TO VOTE FOR THIS BUDGET IF I
11 DON'T UNDERSTAND THE DEFICIT.

12

13 **C.E.O. FUJIOKA:** I UNDERSTAND. SO AS WE STAND NOW, ALLAN CAN
14 JUST WALK THROUGH SOME OF THE --

15

16 **ALLAN WECKER:** DO WE WANT TO DO IT FROM THE BUDGET OR FROM THE
17 FISCAL FORECAST?

18

19 **C.E.O. FUJIOKA:** FROM THE FISCAL FORECAST.

20

21 **ALLAN WECKER:** OKAY. OKAY. LAST TIME WE WENT TO THE BOARD FOR
22 FISCAL YEAR '08-'09, WHICH WAS IN APRIL, WE HAD A PROBLEM OF
23 APPROXIMATELY \$197.8 MILLION. THERE WERE TWO MAJOR ISSUES THAT
24 ACTUALLY CAUSED THIS PROBLEM TO GO UP TO \$213.5 MILLION. THE
25 FIRST ISSUE HAD TO DO WITH COST-BASED REIMBURSEMENT. THIS IS



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1 WHEN WE'VE BEEN TALKING ABOUT IS THE ISSUE REGARDING THE MEDI-
2 MEDI ISSUE.

3

4 **SUP. MOLINA:** I UNDERSTAND WHAT IT IS.

5

6 **ALLAN WECKER:** DURING THOSE DISCUSSIONS, FIRST OF ALL, WE HAD
7 VERY FAVORABLE RESPONSE FROM C.M.S. AND IT LOOKS LIKE THEY ARE
8 GOING TO APPROVE THE 96 MILLION FOR US.

9

10 **SUP. MOLINA:** SO THAT MAKES IT WHAT?

11

12 **ALLAN WECKER:** THAT WILL REDUCE THE DEFICIT IN THIS CASE FROM
13 213 TO MINUS 96, PUTS US ABOUT \$115 MILLION WITH THAT ONE
14 REDUCTION. HOWEVER, WHAT ENDED UP OCCURRING IS THEY ASKED US
15 TO CHANGE THE ALLOCATION METHOD THAT WAS BEING USED FOR
16 C.B.R.C. AND BY DOING THAT, THAT MADE IT WORSE BY ABOUT \$5.8
17 MILLION IN '07-'8 TO ABOUT .7. SO IT CAUSED ABOUT ANOTHER \$6.5
18 MILLION BUDGET PROBLEM IN OUR BUDGET.

19

20 **SUP. MOLINA:** THE DEFICIT IS?

21

22 **ALLAN WECKER:** ACTUALLY, YOU KNOW WHAT MAY BE THE EASIEST THING
23 TO DO? WE ACTUALLY DID A SHEET FOR EVERYBODY THAT MAY ACTUALLY
24 BE EASIER THAT WAS SENT OUT. IT'S CALLED BEST, LIKELY AND
25 WORST SCENARIOS. IT ACTUALLY WALKS THROUGH OUR ASSUMPTIONS. I



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1 THINK THAT WAS SENT TO THE BOARD OFFICES. BASICALLY WHAT WE'VE
2 DONE IS WE PREPARED A SCHEDULE THAT TOOK OUR BUDGET AND IT
3 BROKE IT OUT INTO WHAT WE CALL THREE DIFFERENT SCENARIOS. ONE
4 IS CALLED BEST --

5

6 **SUP. BURKE, CHAIR:** CAN WE GET A COPY OF THAT?

7

8 **SUP. MOLINA:** WHAT'S IN THE BUDGET?

9

10 **ALLAN WECKER:** THE BUDGET RIGHT NOW I THINK WE'RE SITTING AT
11 213 MILLION -- WELL, ACTUALLY IN THE BUDGET IT SHOULD BE 198.3
12 IS IN THE BUDGET.

13

14 **SUP. MOLINA:** WHICH ONE? BEST, LIKELY OR WORST?

15

16 **ALLAN WECKER:** THAT'S OUR STARTING. WHAT HAPPENS IS OUR
17 STARTING POINT IS --

18

19 **SUP. MOLINA:** COULD YOU TAKE ME THROUGH THE BUDGET? WHAT DID
20 YOU PUT IN THE BUDGET?

21

22 **ALLAN WECKER:** THE BUDGET IS 198.3. THAT'S THE DEFICIT THAT WE
23 HAVE SITTING IN THE BUDGET AS YOU'RE VOTING TODAY.

24

25 **SUP. MOLINA:** RIGHT NOW.



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1

2 **ALLAN WECKER:** RIGHT NOW.

3

4 **SUP. MOLINA:** ALL RIGHT. SO UNDER 197, YOU'RE IN THE PROCESS OF
5 NEGOTIATING. IT'S NOT 213. 213 IS WHAT IT'S GOING TO GO UP TO
6 BECAUSE OF OTHER PROBLEMS THAT HAVE COME UP, RIGHT?

7

8 **ALLAN WECKER:** CORRECT. THAT WILL TAKE US UP TO 213.

9

10 **SUP. MOLINA:** ALL RIGHT. BUT RIGHT NOW YOU HAVE 197.

11

12 **ALLAN WECKER:** YES, APPROXIMATELY.

13

14 **SUP. MOLINA:** NOW, DOES THIS INCLUDE THE ONE-TIME PROP B MONEY?

15

16 **ALLAN WECKER:** THE ONE-TIME SURPLUS, YES. IT'S IN THERE OF 30 -

17 -

18

19 **SUP. MOLINA:** WAIT, WAIT. ONE-TIME SURPLUS OF PROP B MONEY? IS
20 THERE SUCH A THING AS --

21

22 **ALLAN WECKER:** MEASURE B, ONE-TIME SURPLUS OF \$31 MILLION IS IN
23 THERE.

24

25 **SUP. MOLINA:** SO THE 197 ALREADY INCLUDES THE SURPLUS?



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1

2 **ALLAN WECKER:** NO?

3

4 **SUP. MOLINA:** YES/NO? I WANT TO KNOW.

5

6 **DR. JOHN SCHUNHOFF:** THE 197 IS THEN OFFSET BY THE \$31 MILLION
7 WORTH OF ONE-TIME MEASURE B. AND THE \$44.8 MILLION WORTH OF
8 ONE-TIME TOBACCO SETTLEMENT FUNDS, WHICH THE C.E.O. PUT INTO
9 THE --

10

11 **SUP. MOLINA:** IS IN THE 197.

12

13 **DR. JOHN SCHUNHOFF:** THAT COMES OFF THE 197.

14

15 **SUP. MOLINA:** COMES OFF?

16

17 **DR. JOHN SCHUNHOFF:** YES.

18

19 **SUP. MOLINA:** SO IS THIS IN THE BUDGET?

20

21 **DR. JOHN SCHUNHOFF:** THE 31.0 OF TOBACCO SETTLEMENT ONE-TIME
22 FUNDS IS IN THE BUDGET AS A REVENUE TO THE DEPARTMENT. AND THE
23 \$44.8 MILLION OF TOBACCO SETTLEMENT FUNDS, ONE-TIME IS IN THE
24 BUDGET, AS MODIFIED BY THE INFORMATION THAT'S IN THE MEMO ON
25 THIS.



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1

2 **SUP. MOLINA:** I UNDERSTAND. SO MY ASSUMPTION IN THE BUDGET
3 WOULD BE THAT IT'S 197 MINUS 31 MINUS 44, IS THAT CORRECT?

4

5 **DR. JOHN SCHUNHOFF:** THAT'S CORRECT.

6

7 **SUP. MOLINA:** ALL RIGHT. SO WHAT'S THAT NUMBER?

8

9 **DR. JOHN SCHUNHOFF:** 122.5.

10

11 **SUP. MOLINA:** 122.5. RIGHT? ALL RIGHT. NOW WHAT WE DON'T HAVE
12 IN THAT NUMBER IS THE INCREASE THAT RAISED US TO 213, RIGHT?

13

14 **DR. JOHN SCHUNHOFF:** CORRECT. YES.

15

16 **SUP. MOLINA:** AND THAT IS WHAT? 16 MILLION? I DON'T KNOW WHAT
17 THE NUMBER IS.

18

19 **DR. JOHN SCHUNHOFF:** 17.8 MILLION.

20

21 **SUP. MOLINA:** 17 MILLION. NOW WE'RE AT 139.5 ESTIMATED. ALL
22 RIGHT, NOW, THE C.B.R.C. NUMBER IS NOT IN THERE, CORRECT?

23

24 **DR. JOHN SCHUNHOFF:** CORRECT.

25



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1 **SUP. MOLINA:** SO THAT'S GOING TO BE REVENUE?

2

3 **DR. JOHN SCHUNHOFF:** THAT'S RIGHT.

4

5 **SUP. MOLINA:** OKAY. AND THIS ISN'T ONE TIME, RIGHT?

6

7 **DR. JOHN SCHUNHOFF:** IT'S NOT ONE TIME. BUT THE AMOUNT FOR NEXT
8 YEAR REPRESENTS MONEY GOING BACK TO 2005. SO THEREFORE ON AN
9 ONGOING BASIS, THIS ADDITIONAL C.B.R.C. REVENUE IS ABOUT 24,
10 \$25 MILLION. IT'S PROJECTED AT 96 FOR THIS NEXT FISCAL YEAR
11 BECAUSE OF THE PRIOR FISCAL YEARS THAT WE WILL GAIN REVENUE
12 FOR.

13

14 **SUP. MOLINA:** SO 24 OF IT IS ONGOING. THE DIFFERENCE BETWEEN 96
15 AND 24 IS THE ONE-TIME?

16

17 **DR. JOHN SCHUNHOFF:** CORRECT.

18

19 **SUP. MOLINA:** PORTION. LET ME JUST GET THAT FIGURE. SO 72 OF IT
20 IS ONE-TIME?

21

22 **DR. JOHN SCHUNHOFF:** CORRECT.

23

24 **ALLAN WECKER:** YES.

25



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1 **SUP. MOLINA:** ALL RIGHT. SO IF RIGHT NOW ONE-TIME MONIES IN
2 THERE ARE THE 72 MILLION POTENTIALLY. I MEAN IT'S NOT IN THE
3 BUDGET NOW. BUT POTENTIALLY THAT'S ONE OF THE RESOLUTIONS. AND
4 IT ALREADY INCLUDES THE -- HOW MUCH FROM THE PROP B OF ONE
5 TIME, SIR?

6

7 **DR. JOHN SCHUNHOFF:** 31.

8

9 **SUP. MOLINA:** 31. THAT'S ONE-TIME MONEY, RIGHT?

10

11 **DR. JOHN SCHUNHOFF:** CORRECT.

12

13 **SUP. MOLINA:** AND SO INTO A STRUCTURAL DEFICIT, THIS IS ONLY
14 ONE-TIME MONEY. THAT MEANS THERE IS NO CHANGE IN THE
15 STRUCTURAL DEFICIT. THIS IS ONLY ONE-TIME RELIEF FOR THIS
16 YEAR, IS THAT CORRECT? ALL RIGHT. AT LEAST FOR THIS YEAR, WE
17 ARE POTENTIALLY GOING TO BE AT 139. AND THEN IF YOU ADD THE
18 96, IF YOU WERE LOOKING AT ONE TIME, WHAT IS THAT FIGURE?

19

20 **SPEAKER:** IT'S JUST THE 43 MILLION.

21

22 **SUP. MOLINA:** \$43 MILLION DEFICIT?

23

24

25



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1 >>DR. JOHN SCHUNHOFF:: CORRECT.

2

3 SUP. MOLINA: IS THAT CORRECT?

4

5 ALLAN WECKER: YES.

6

7 SUP. MOLINA: ALL RIGHT. IS THERE ANYTHING ELSE I SHOULD KNOW
8 ABOUT POTENTIAL EFFECTS IT'LL HAVE ON THE BUDGET?

9

10 ALLAN WECKER: THE STATE ISSUES. WE'RE ASSUMING THERE COULD BE
11 ANYWHERE FROM 30 TO \$40 MILLION WORTH OF ADDITIONAL STATE
12 ISSUES. WE ALREADY HAVE 12 MILLION OF IT RECOGNIZED IN THE
13 BUDGET, SO THERE'S A CHANCE WE MAY HAVE 30 TO \$35 MILLION.

14

15 SUP. MOLINA: SO POTENTIALLY ON AN AVERAGE, IF WE ADDED 35 TO
16 THE 43? WE'RE AT \$78 MILLION DEFICIT.

17

18 ALLAN WECKER: YES.

19

20 SUP. MOLINA: OKAY. NOW, THE ISSUE THAT MR. KNABE JUST ASKED
21 ABOUT THAT WE ARE STILL SPENDING, EVEN THOUGH WE'RE IN A
22 DEFICIT, IT DOES NOT DEAL WITH THE ISSUE THAT WE'RE DOING
23 NOTHING UNDER THE STRUCTURAL DEFICIT. NONE OF OUR ACTIONS
24 UNDER THIS BUDGET DEAL AT ALL WITH A STRUCTURAL DEFICIT. I



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1 MEAN THE CLOSEST COULD BE THE C.B.R.C. MONEY, WHICH IS NOW
2 GOING TO BE A LITTLE BIT MORE, BUT NOT THAT MUCH MORE.

3

4 **C.E.O. FUJIOKA:** WE ALSO MENTIONED THE CHANGE TO THE
5 PHARMACEUTICAL PROGRAM THAT WILL REDUCE EXPENDITURES IN THAT
6 BY ABOUT 27, I THINK IT'S LIKE 27.5, \$27.6 MILLION?

7

8 **SUP. MOLINA:** ANNUALLY?

9

10 **C.E.O. FUJIOKA:** YES. THIS IS AT THE BEGINNING OF THE EFFORT.
11 THE DEPARTMENT'S CHIEF PHARMACIST HAS WORKED WITH EVERY
12 FACILITY TO DEVELOP AND TO REACH AGREEMENT ON A STANDARD
13 FORMULARY, DRUG FORMULARY, FOR THE ENTIRE DEPARTMENT.

14

15 **SUP. MOLINA:** IS THAT IN THE BUDGET?

16

17 **C.E.O. FUJIOKA:** THAT'S REFLECTED ON ITEM NO. 4 IN OUR FINAL
18 CHANGES.

19

20 **SUP. MOLINA:** SO IT'S IN THE BUDGET?

21

22 **C.E.O. FUJIOKA:** YES.

23

24 **SUP. MOLINA:** SO THIS DEFICIT IS ALREADY TAKING THAT INTO
25 ACCOUNT?



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1

2 C.E.O. FUJIOKA: YES, IT DOES.

3

4 SUP. MOLINA: SO THERE'S STILL A STRUCTURAL DEFICIT.

5

6 C.E.O. FUJIOKA: YES THERE IS.

7

8 SUP. MOLINA: ALL RIGHT. SO OTHER THAN THAT, WE ARE STILL

9 FUNDING THIS DEFICIT, CORRECT?

10

11 C.E.O. FUJIOKA: YES.

12

13 SUP. MOLINA: ALL RIGHT. I THINK THAT THAT IS A REAL PROBLEM.

14 BECAUSE NO MATTER WHAT WE DO IN TRYING TO FIGURE OUT HOW THIS

15 BUDGET IS WORKING, I'M HAVING REAL PROBLEMS FUNDING THIS

16 DEFICIT. AND EVERY TIME, WE KEEP ASKING FOR REPORTS AND MORE

17 INFORMATION, WE GET REPORTS ON THE LAST MINUTE OF THE LAST

18 DAY, INCLUDING LAST NIGHT. AND IT'S TOO TROUBLESOME TO FIGURE

19 OUT. I THINK THIS BOARD NEEDS TO PASS SOME LIMITATIONS ON THE

20 DEPARTMENT OF HEALTH SERVICES' BUDGET. BECAUSE THEY NEVER --

21 THEY SPEND IT ALL OUT INSTEAD OF CUTTING BACK. SO INSTEAD, WE

22 SHOULD PUT -- I MEAN, YOU COULD TAKE THIS DEFICIT RIGHT OUT OF

23 THE BUDGET RIGHT NOW AND SAY THAT'S ALL YOU HAVE TO PLAY WITH.

24 AND FIGURE OUT HOW THAT'S GOING TO WORK, RIGHT?

25



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1 **C.E.O. FUJIOKA:** WHAT WE HAVE TODAY BEFORE YOU IF WE USE THE
2 ONE-TIME MONEY, WHICH HAS ALWAYS BEEN CHARACTERIZED, I KNOW
3 WE'VE HAD A NUMBER OF DISCUSSIONS ON THIS THAT SPEAK TO USING
4 THE ONE-TIME MONEY AS BRIDGE MONEY, BECAUSE THE DEPARTMENT'S
5 IN THE PROCESS OF IDENTIFYING WHAT'S BEEN CHARACTERIZED, AND
6 THEN SUBSEQUENTLY THEY'LL PRESENT THE DEFICIT MITIGATION PLAN.

7

8 **SUP. MOLINA:** I UNDERSTAND. BUT WE KEEP WAITING FOR A DEFICIT
9 MITIGATION PLAN THAT NEVER LANDS. OKAY? I HAVE BEEN WAITING
10 FOR A LONG TIME FOR A DEFICIT MITIGATION PLAN.

11

12 **C.E.O. FUJIOKA:** I UNDERSTAND.

13

14 **SUP. MOLINA:** AND I NEVER GET ANYWHERE WITH IT. MY CONCERN
15 TODAY IS: WHY FUND, CONTINUE TO FUND A DEFICIT? INSTEAD, WHY
16 NOT MAKE THE DEPARTMENT SQUEEZE INTO THE BUDGET AVAILABLE?
17 THAT'S ANOTHER OPTION.

18

19 **C.E.O. FUJIOKA:** YES, IT IS.

20

21 **SUP. MOLINA:** THAT'S USUALLY HOW WE BUDGET OUR OWN CHECKBOOKS,
22 RIGHT?

23

24 **C.E.O. FUJIOKA:** YOU'RE RIGHT.

25



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1 **SUP. MOLINA:** SO I'M NOT PREPARED TO VOTE FOR THIS BUDGET UNTIL
2 THIS DEPARTMENT STARTS SOME OF THAT PROCESS. AND I THINK WE'VE
3 ASKED ENOUGH TIMES AS TO HOW IT'S GOING TO DO THAT. AND WE ARE
4 ALWAYS ON THE WAY. LAST YEAR, WE DID THAT BY CARRYING OVER THE
5 HEALTH DEPARTMENT BUDGET TO SEPTEMBER. AND I DON'T REMEMBER
6 GETTING A CLEAR-CUT IDEA OF HOW WE WERE GOING TO DEAL WITH THE
7 STRUCTURAL DEFICIT. YOU'RE ASKING US TO ALMOST DO THAT AGAIN
8 TODAY AND I'M JUST NOT WILLING TO DO THAT. ONE OF THE AREAS
9 THAT WE'VE LOOKED AT, AND I NEED YOUR HELP ON THIS, BECAUSE
10 I'M NOT SURE I UNDERSTAND THE MATH. AND IT GOES BACK TO A
11 SIMPLE QUESTION I ASKED YOU WHEN YOU PRESENTED THE PROPOSED
12 BUDGET ABOUT THE COST OF DELIVERANCE OF URGENT CARE AND
13 M.A.C.C. SERVICES ACROSS-THE-BOARD AND THE INEQUITIES OR THE
14 UNEQUAL FUNDING ACROSS-THE-BOARD. I HAVE LOOKED AT -- WHEN YOU
15 LOOK AT THE HIGH DESERT M.A.C.C. AND THEY HAVE OVER 60,000
16 VISITS AND YOU'VE GIVEN THEM A COST OF \$68 MILLION TO OPERATE
17 THEIR M.A.C.C., YOU COME OUT TO \$1,133 A VISIT, CORRECT?

18

19 **C.E.O. FUJIOKA:** THE TOTAL COST, YES.

20

21 **SUP. MOLINA:** ALL RIGHT. YOU COMPARE THAT TO WHAT YOU'VE DONE
22 AT THE M.L.K. M.A.C.C. AND AGAIN, THIS IS NOT ATTACKING
23 M.L.K., THIS IS NOT TAKING AWAY FROM M.L.K., THIS IS ASKING
24 M.L.K., DO THE SAME THING. YOU HAVE 152 PROJECTED VISITS, EVEN
25 THOUGH LAST YEAR YOU ONLY DID 120,000 VISITS THAT YOU CAN TELL



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1 US ABOUT. YOU'RE FUNDING THE M.L.K. M.A.C.C. AT \$208 MILLION.
2 OR IF YOU GET 152,000 VISITS, IT'S GOING TO COST \$1,368 PER
3 VISIT AS COMPARED TO THE \$1,133. LITTLE OVER 200 AND SOME ODD
4 DOLLARS EXTRA, IF YOU GET THOSE VISITS. IF YOU GET ONLY
5 120,000 VISITS, LIKE YOU DID LAST YEAR, THEN THE COST PER
6 VISIT GOES UP TO \$1,733.

7

8 **C.E.O. FUJIOKA:** ONE OF THE PRINCIPAL DIFFERENCES IN THE COSTS
9 ASSOCIATED WITH HIGH DESERT AND THOSE WITH THE KING M.A.C.C.
10 IS THAT BECAUSE OF THE CLOSURE OF THE HOSPITAL, WE STILL HAVE
11 SOME OF THE COSTS ASSOCIATED WITH THAT FACILITY, SUCH AS PLANT
12 MANAGEMENT.

13

14 **SUP. MOLINA:** NO, I TOLD THEM TO ISOLATE IT. THAT'S WHY THEY
15 ISOLATED IT THIS TIME. THIS IS TOO TRUE.

16

17 **C.E.O. FUJIOKA:** WE ALSO HAVE -- I KNOW THAT YOU'RE WORRIED
18 THAT WE HAD A LEADERSHIP CHANGE.

19

20 **SUP. MOLINA:** I KNOW. BUT, BILL, THIS IS DOLLARS AND CENTS,
21 OKAY? AND THAT'S THE PROBLEM. IF WE WERE TO LOOK AT THESE
22 NUMBERS AND TURN THEM AROUND SOMEWHAT, ALL RIGHT?

23

24 **C.E.O. FUJIOKA:** WHAT I WAS GOING TO GET AT THROUGH THE
25 LEADERSHIP CHANGE AND THE FACT THAT WE NOW HAVE FOUR C.E.O.



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1 STAFF ON SITE AND THEY'VE BEEN THERE FOR ABOUT A MONTH, ONLY
2 ABOUT A MONTH, WE ARE MAKING SOME SUBSTANTIAL PROGRESS IN
3 REDUCING THOSE COSTS.

4

5 **SUP. MOLINA:** BUT I'M TALKING ABOUT SOMETHING ELSE. I'M TALKING
6 ABOUT WHY NOT IN THIS BUDGET FUND THEM FOR WHAT THEY SHOULD BE
7 PAYING FOR THAT VISIT AND FUND THEM FOR WHAT THEY SHOULD BE
8 SPENDING ON THAT VISIT. WHY FUND THEM TO THE HIGH END? IF YOU
9 LOOK AT ANYBODY, IF I TELL MY DAUGHTER SHE HAS AN UNLIMITED
10 BUDGET, I CAN ONLY GUARANTEE ONE THING: SHE'S GOING TO SPEND
11 IT.

12

13 **C.E.O. FUJIOKA:** YOU'RE RIGHT.

14

15 **SUP. MOLINA:** IF I TELL HER SHE'S GOT 100 BUCKS TO SPEND,
16 THAT'S ALL SHE'S GOT. SO IF YOU USE COMMON SENSE, WHY DON'T WE
17 DO THE SAME THING AND MAKE IT EQUAL? WE'VE ISOLATED THE
18 NUMBERS. WE KNOW WHAT THEY ARE. AND I THINK THAT IF WE PUT IN
19 PLACE -- AND IF I SIT AROUND AND WAIT FOR MORE CONSULTANTS TO
20 GO IN THERE AND SCRUB THE NUMBERS AT THE M.L.K. MA.C.C., IF I
21 WAIT AROUND FOR DEPARTMENT OF HEALTH SERVICES TO GO AROUND AND
22 FIGURE OUT WHAT PEOPLE DON'T NEED TO BE THERE, I'M GOING TO
23 WAIT AND SPEND OUT ALL OF THIS MONEY WHEN I CAN BE DEALING
24 WITH A STRUCTURAL DEFICIT WITHIN THIS BUDGET. NOW, IF THEY
25 COME BACK IN SEPTEMBER AND SAY, "YOU KNOW WHAT? OUR ESTIMATED



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1 VISITS AREN'T GOING TO BE 120. THEY AREN'T EVEN GOING TO BE
2 152. THEY'RE GOING TO BE 185. WE KNOW BECAUSE OF THESE LAST
3 THREE MONTHS," RIGHT?

4

5 **C.E.O. FUJIOKA:** YES.

6

7 **SUP. MOLINA:** THEN THAT ADJUSTMENT COULD BE MADE THERE AND
8 THEN, RIGHT?

9

10 **C.E.O. FUJIOKA:** I KNOW WHERE YOU'RE GOING AT?

11

12 **SUP. MOLINA:** YEAH. YOU KNOW WHERE I'M GOING. SO HELP ME GET
13 THERE BECAUSE THAT'S WHERE I'M GOING.

14

15 **C.E.O. FUJIOKA:** ACTUALLY MY INTENT IS TO SAY I THINK YOU'RE
16 RIGHT. AND SO GIVE US A WEEK.

17

18 **SUP. MOLINA:** THEN YOU DON'T WANT A VOTE, IF I VOTE ON THIS
19 BUDGET, THEN.

20

21 **C.E.O. FUJIOKA:** BECAUSE IF YOU WANT US TO ADJUST THE FIGURES
22 THAT WILL BRING DOWN THE BUDGET FOR KING TO THAT -- TO NOT
23 ONLY THE COST PER VISIT TARGET THAT SHOULD BE SIMILAR TO HIGH
24 DESERT BUT ALSO TO REFLECT THE PROJECTED WORKLOAD, WE DO NEED
25 SOME TIME TO MAKE THAT ADJUSTMENT.



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1

2 **SUP. MOLINA:** I UNDERSTAND. BUT, BILL, THE BIGGEST PROBLEM IS,
3 IT'S LIKE RIGHT AT THE VERY BEGINNING, I'D RATHER HAVE MY
4 DAUGHTER COME BACK AND SAY "LOOK, MOM, I REALLY NEED ANOTHER
5 30 BUCKS."

6

7 **C.E.O. FUJIOKA:** ACTUALLY I'M AGREEING WITH YOU.

8

9 **SUP. MOLINA:** NO, YOU'RE NOT AGREEING WITH ME. BECAUSE THAT
10 WOULD BE IF I DID THE OTHER WAY. YOU GO, YOU HAVE 130, SHE
11 CAME BACK LATER AND SAID "I REALLY NEEDED THIS AND IT COST ME
12 AN EXTRA 30 BUCKS," THEN I COULD MAKE A DECISION ABOUT GIVING
13 IT TO HER, CORRECT?

14

15 **C.E.O. FUJIOKA:** TRUE. BUT I STILL NEED TIME TO IDENTIFY THAT
16 DOLLAR FIGURE TO PUT IN THE BUDGET.

17

18 **SUP. MOLINA:** THAT'S THE PROBLEM, BILL. TIME AROUND HERE MEANS
19 THAT I GET MORE REPORTS AT 8:30 ON SUNDAY NIGHT BEFORE I VOTE
20 ON A BUDGET. THAT'S NOT FAIR TO ME.

21

22 **C.E.O. FUJIOKA:** I AGREE.

23

24 **SUP. MOLINA:** YEAH, BUT THAT'S ALL WE DO IS GET AGREEMENT
25 AROUND HERE. SO WHAT I'M SAYING IS WE HAVE AN OPPORTUNITY TO



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1 DO IT THE OTHER WAY AROUND. NOW, IF WE WERE TO LOOK AT AND
2 MAKE IT EQUAL, ALL RIGHT? IF WE LOOK AT THE HIGH DESERT
3 M.A.C.C. COST PER VISIT, 1,133 AND WE TIMED THAT TIMES WHAT?
4 120,000 VISITS, WHAT'S MY NUMBER? IF WE TAKE 1,133 TIMES 120
5 [THOUSAND] YOU GET \$135 MILLION DOLLAR BUDGET TO RUN THE
6 M.L.K. M.A.C.C.

7

8 **DR. JOHN SCHUNHOFF:** SUPERVISOR, A COUPLE POINTS ON THIS.

9

10 **SUP. MOLINA:** WAIT! WAIT! WAIT! LET'S WORK ON MY NUMBERS FIRST.
11 YOU GET 135 MILLION. SUBTRACT THAT FROM THE 208, WHAT DO YOU
12 GET? 135, IS THAT CORRECT?

13

14 **ALLAN WECKER:** 73 MILLION.

15

16 **SUP. MOLINA:** 73. WHAT DID YOU SAY MY DEFICIT WAS GOING TO BE
17 AT THE END OF THE DAY? 72.

18

19 **C.E.O. FUJIOKA:** WE WILL, BUT--

20

21 **SUP. MOLINA:** NUMBERS, NUMBERS, NUMBERS.

22

23 **C.E.O. FUJIOKA:** THE BIGGEST ISSUE IS WE WILL HAVE REVENUE LOSS
24 IF YOU REDUCE THE COST AT THE M.L.K. M.A.C.C. WHAT IS GOING TO



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1 HAPPENS IS BECAUSE WE HAVE COST-BASED REIMBURSEMENT AT THE
2 M.A.C.C. ON THE OUTPATIENT, WE'RE NOW GOING TO LOSE REVENUE.

3

4 **SUP. MOLINA:** I UNDERSTAND. BUT YOU LOSE THAT REVENUE ANYWAY
5 WHEN YOU DON'T HAVE THOSE VISITS. YOU LOSE IT ANYWAY. SO NOW
6 YOU'RE FUNDING IT FOR SOMETHING YOU'RE NOT GETTING YET. NOW,
7 IF YOU DON'T HAVE THE VISITS -- OKAY. BUT LET'S ESTIMATE
8 DIFFERENTLY, THEN. LET'S GO WITH YOUR 152 PROJECTED. SO NOW
9 YOU TAKE 100 -- WAIT A MINUTE. IT WOULD GIVE YOU THE SAME
10 THING, APPLES AND APPLES. HIGH DESERT M.A.C.C. COST, WHICH IS
11 1,133, RIGHT? TIMES 152 VISITS, WHICH IS WHAT YOU'RE
12 PROJECTING, YOU GET 172 MILLION.

13

14 **DR. JOHN SCHUNHOFF:** RIGHT. BUT THESE ARE NOT APPLES AND
15 APPLES.

16

17 **SUP. MOLINA:** YES, THEY ARE, SIR.

18

19 **DR. JOHN SCHUNHOFF:** NO, THEY'RE NOT, THERE'S A DIFFERENCE.

20

21 **SUP. MOLINA:** YES, THEY ARE. WELL, I KNOW. BUT THEY'RE GOING TO
22 TAKE ME ALL OVER TOWN ABOUT HOW IT'S DIFFERENT. THE CARPETING
23 IS DIFFERENT. YOU NEED MORE JANITORS TO VACUUM THAT CARPETING
24 COMPARED TO THE CARPETING OVER HERE.

25



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1 **SUP. YAROSLAVSKY:** IF I'M HEARING HIM CORRECTLY, IT'S AN ISSUE
2 OF THE IMPLICATIONS OF THE DRAWDOWN? IS THAT WHAT YOU'RE
3 SAYING?

4
5 **DR. JOHN SCHUNHOFF:** NO. I'M SAYING TWO THINGS. THERE'S
6 DIFFERENT FIXED COSTS AT EACH FACILITY. AND SECONDLY, THE MIX
7 OF SERVICES MAY BE DIFFERENT. SO YOU MAY HAVE A DIFFERENT MIX
8 OF HIGHER ACUITY CLINICS AND WHERE YOU NEED MORE WORKUPS, MORE
9 ANCILLARY THAN YOU DO AT OTHERS. KING HAS AN AGREEMENT WITH
10 HARBOR AT THIS POINT THAT WHEN PEOPLE COME INTO THE URGENT
11 CARE, THEY WILL DO A FULL WORKUP BEFORE THEY TRANSFER THEM TO
12 THE HARBOR E.R. THAT ADDS COST. I DON'T DISAGREE THAT WE
13 SHOULD TRY TO GET THE VARIABLE COSTS TO KING FOR THE M.A.C.C.
14 TO BE THE SAME AS IT IS AT HIGH DESERT. BUT IT NEEDS TO BE
15 ADJUSTED FOR A FEW OF THOSE FACTORS.

16
17 **SUP. YAROSLAVSKY:** WHY DO YOU DO A WORKUP AT KING AND NOT AT
18 HIGH DESERT?

19
20 **DR. JOHN SCHUNHOFF:** BECAUSE OF THE ARRANGEMENT TO TRY TO
21 MINIMIZE THE IMPACT ON THE HARBOR E.D., THE EMERGENCY
22 DEPARTMENT.

23
24 **C.E.O. FUJIOKA:** THE KING URGENT CARE AND THE KING OUTPATIENT
25 CLINICS, WHICH INCLUDES AN ARRAY OF SPECIALTY CLINICS, ARE



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1 CONFIGURED DIFFERENTLY THAN WHAT WE HAVE AT HIGH DESERT. AND
2 THE WAY IT'S STRUCTURED NOW, IT REPRESENTS THE FEEDER
3 SPECIALTY CLINIC, AND EVEN MORE IMPORTANT URGENT CARE FOR
4 HARBOR. I UNDERSTAND THE CONCEPT YOU'RE PRESENTING TODAY. ALL
5 I ASK -- AND I ALSO UNDERSTAND THE FRUSTRATION AND TIME IT
6 TAKES, BUT I'D ASK THAT WE NOT MAKE A CHANGE LIKE THIS SITTING
7 AT THIS TABLE TODAY, AND THAT WE'RE GIVEN A COUPLE OF DAYS.
8 BECAUSE THERE IS A SIGNIFICANT DIFFERENCE IN WHAT WE HAVE AT
9 KING. THE HIGH DESERT M.A.C.C. IS A MUCH SMALLER INSTITUTION
10 EVEN IN PHYSICAL SIZE THAN WHAT WE HAVE AT KING. EVEN THOUGH
11 THE INPATIENT SERVICES HAVE BEEN CLOSED AT KING, FOR ALL
12 INTENTS, WE'RE STILL SUPPORTING THEIR ENTIRE FACILITY. IT ALSO
13 NEEDS TO BE RECOGNIZED THAT THE OUTPATIENT CLINICS AT KING ARE
14 NOT IN A SEPARATE BUILDING. THEY WERE EMBEDDED ON EACH FLOOR
15 OF THE INPATIENT FACILITY SO THAT THEY WOULD BE IN CLOSE
16 PROXIMITY TO THE INPATIENT SERVICE. SO EVEN THOUGH WE'RE
17 OPERATING AT A MUCH SMALLER OPERATIONAL STRUCTURE, WE'RE STILL
18 IN THE ENTIRE BUILDING. AND SO THE NUMBER OF, FOR EXAMPLE,
19 TIME MANAGEMENT STAFF SUPPORTING KING ARE SIGNIFICANTLY HIGHER
20 THAN THE PLANT MANAGEMENT STAFF SUPPORTING SOMEPLACE LIKE THE
21 ANTELOPE VALLEY M.A.C.C. AND SO WE CAN PROVIDE -- CAN YOU TELL
22 US WHEN WE CAN GIVE THAT INFORMATION? WE CAN DO IT VERY
23 QUICKLY. AND I KNOW OUR DEFINITION OF QUICKLY ISN'T THE BEST
24 DEFINITION. BUT HOW QUICKLY CAN YOU GIVE THAT?

25



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1 **SUP. YAROSLAVSKY:** IF I CAN --

2

3 **DR. JOHN SCHUNHOFF:** TWO WEEKS.

4

5 **SUP. YAROSLAVSKY:** THIS IS NOT THE FIRST TIME THIS ISSUE GAS
6 CAME UP.

7

8 **SUP. MOLINA:** IT COMES UP EVERY TIME.

9

10 **SUP. YAROSLAVSKY:** IT'S COME UP ALMOST THE ENTIRE YEAR SINCE WE
11 CLOSED THE HOSPITAL, WHICH IS 10 MONTHS AGO. AND I DON'T KNOW
12 HOW MANY TIMES THE OTHER MEMBERS HAVE RAISED IT. I'VE RAISED
13 IT SO MANY TIMES THAT I'M FEELING LIKE A BROKEN RECORD AND I
14 DON'T WANT TO BE OVERBEARING ABOUT IT. I KEEP ASKING: WHAT
15 HAPPENED TO THE CONSULTANT'S REPORT? WHY HAVEN'T WE BROUGHT
16 OUR STAFFING DOWN TO THE LEVEL THAT EVEN OUR CONSULTANT HAD
17 RECOMMENDED? IT'S STILL WAY UP THERE. WAY ABOVE THE
18 CONSULTANT'S REPORT. IT'S COSTING US MILLIONS OF DOLLARS TO
19 KEEP THE M.A.C.C. STAFF AT THE LEVEL IT IS. MAYBE I HAVEN'T
20 BEEN PAYING ATTENTION. THIS IS THE FIRST TIME I'VE HEARD THIS
21 LEVEL OF DETAIL ABOUT WHY WE HAVE -- THAT WE ARE DOING WORKUPS
22 ON PEOPLE COMING INTO THE M.A.C.C. I DIDN'T KNOW THAT IT WAS -
23 - THAT THAT WAS GOING ON OR THAT IT HAD SUCH AN IMPACT ON THE
24 STAFFING. I HAVE NEVER HEARD FROM THE CONSULTANT, THE
25 CONSULTANT'S NEVER BROUGHT THAT TO OUR ATTENTION. MR.



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1 FUJIOKA'S NEVER BROUGHT THAT TO OUR ATTENTION. YOU HAVEN'T
2 BEEN IN CHARGE, BUT I NEVER HEARD DR. CHERNOF BRING THAT TO
3 OUR ATTENTION. NOW, MAYBE AGAIN BURIED IN AN EMAIL LAST
4 DECEMBER 32ND. BUT I HAVEN'T SEEN IT. AND I HAVE BROUGHT THIS
5 UP. AND IT'S EMBARRASSING. WITH ALL DUE RESPECT, YOU CAN'T
6 SOLVE THIS PROBLEM JUNE 16TH. THE TIME TO SOLVE THIS PROBLEM
7 IS EARLY IN THE FISCAL YEAR. EVEN IF WE MADE A DECISION TODAY,
8 IT WOULD BE BETTER THAN NOTHING. BUT BY THE TIME YOU GET IT
9 IMPLEMENTED, IT WON'T GET IMPLEMENTED UNTIL WELL INTO THE NEXT
10 FISCAL YEAR. SO THE VALUE OF THE SAVINGS THAT HAS BEEN
11 QUANTIFIED BY THE CONSULTANT AND BY YOUR STAFF WILL HAVE BEEN
12 MINIMIZED. AND SO HERE WE ARE INTO THE NEXT -- NOW WE'RE INTO
13 THE SECOND FISCAL YEAR SINCE THE CLOSURE OF MARTIN LUTHER KING
14 HOSPITAL, AND WE'RE STILL DOING THE SAME DARN THING WE WERE
15 DOING BEFORE, WHICH IS SPENDING MORE MONEY PER PATIENT IN THAT
16 COMPLEX THAN WE ARE SPENDING AT ANY OTHER PLACE IN THE COUNTY.
17 IT'S THE SAME BUSINESS. AND I DON'T KNOW WHAT THE REASON IS.
18 IT CAN'T BE JUST THIS, THAT YOU'VE RAISED TODAY, BECAUSE IT'S
19 NEVER BEEN RAISED BEFORE. IT'S GOT TO BE JUST A RETICENCE TO -
20 -

21

22 **SUP. MOLINA:** RESISTANCE TO CHANGE IT.

23

24 **SUP. YAROSLAVSKY:** TO LAY PEOPLE OFF OR TO MOVE PEOPLE OUT OR I
25 DON'T KNOW WHAT IT IS.



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1
2 **C.E.O. FUJIOKA:** LET ME INTERJECT SOMETHING. WE HAVE TO
3 SEPARATE THE REDUCTION OF STAFF FROM HOW THEY CHANGED THE
4 BUSINESS PRACTICES THERE. THE CONSULTANT HAS IDENTIFIED I'LL
5 CALL IT AN OPTIMAL NUMBER FOR STAFFING AT KING. BUT TO TAKE IT
6 DOWN FROM THE PHYSICAL BODIES WHO ARE THERE TO THIS LOWER
7 NUMBER, THEY'RE LITERALLY IN THE LAST FEW MONTHS, THEY'VE
8 FOCUSED ON CHANGING THE BUSINESS PRACTICES, THE POLICIES AND
9 PROCEDURES. FOR EXAMPLE, AS A PERSON PRESENTS HIMSELF AT KING,
10 AT ONE POINT THAT PERSON HAS TO GO BACK AND FORTH TO THE
11 INTAKE DESK THREE TIMES. THEY'RE LITERALLY REWRITING AND
12 CHANGING THE PROCEDURES FOR THE PATIENT FINANCIAL SERVICES
13 STAFF AND THE INTAKE STAFF, AND ALSO THE TRIAGE STAFF. AND SO
14 IF IT WAS JUST A MATTER OF LOOKING AT A STAFFING MODEL AND SAY
15 WE HAVE 809 IT SHOULD BE IN THE MID 600S, THAT'S ONE SIMPLE
16 MOVE. BUT THE ACTUAL WORK, AND I BELIEVE THE MEAT OF THE WORK
17 BEING DONE BY THE CONSULTANT IS CHANGING NOT ONLY THE BUSINESS
18 PRACTICES BUT GETTING DOWN TO THE INDIVIDUAL DUTIES AND
19 RESPONSIBILITIES FOR EACH POSITION, SO THAT TRIAGE NURSE,
20 INSTEAD OF GOING THROUGH, SAY MULTIPLE ASSESSMENTS FOR THE
21 INDIVIDUAL, INSTEAD OF THREE PEOPLE DOING IT, THEY'RE GOING TO
22 HAVE ONE PERSON DOING IT. AND THEY'RE WRITING THE PROTOCOLS,
23 THEY'RE WRITING THE PROCEDURES. THERE HAS BEEN A DELAY AS A
24 CONSEQUENCE. WE'VE MADE SOME CHANGES AND PUT SOME ADDITIONAL
25 STAFF OUT THERE TO ACCELERATE IT. BUT THIS IS NOT A SIMPLE



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1 PROCESS OF LOOKING AT FIVE POSITIONS SAYING TWO PEOPLE COULD
2 DO IT.

3

4 **SUP. YAROSLAVSKY:** YEAH, MR. FUJIOKA, IT'S NOT A SIMPLE
5 PROCESS, BUT IT'S BEEN ALMOST A YEAR.

6

7 **SUP. MOLINA:** THAT'S RIGHT.

8

9 **SUP. YAROSLAVSKY:** IT'S BEEN THREE QUARTERS OF A YEAR THAT
10 WE'VE BEEN ASKING ABOUT THIS. AND EVERY TIME WE ASK ABOUT IT,
11 THERE'S ANOTHER SET OF ANECDOTAL RATIONALES FOR WHY WE HAVEN'T
12 DONE IT. I'VE RAISED IT WITH YOU PRIVATELY. I RAISED IT WITH
13 CHERNOF, WHEN HE WAS HERE, PRIVATELY. WE'VE RAISED IT
14 PUBLICLY, AND NOTHING CHANGES. SO I'M SYMPATHETIC TO WHAT
15 SUPERVISOR MOLINA SAYS, WHICH IS IF WE GIVE YOU A WEEK, WE'RE
16 JUST GOING TO HAVE ANOTHER MEMO WITH A NUMBER OF OTHER REASONS
17 WHY THIS CAN'T BE DONE RIGHT AWAY. IT'S OVERLY SIMPLISTIC, IN
18 ONE WAY, TO DESCRIBE THE SITUATION THE WAY GLORIA DESCRIBES
19 IT. ON THE OTHER HAND, IT REALLY IS THERE IS A LOT OF MERIT TO
20 IT. BECAUSE EITHER -- I TRY TO BE DELICATE ABOUT IT. BUT IN AN
21 ORGANIZATION THIS BIG, RESPONSES TO THESE KINDS OF ISSUES NEED
22 TO BE HIGHLY PROFESSIONAL AND BACKED UP WITH DATA. NOT
23 ANECDOTES. IF I TOLD YOU EVERY EXCUSE THAT GOES ON IN EVERY
24 OFFICE I'VE EVER WORKED IN ABOUT WHY THINGS DON'T WORK THE WAY
25 THEY SHOULD WORK, YOU WOULDN'T KEEP ME IF I WORKED FOR YOU.



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1 AND THIS SITUATION IS VERY SIMPLE. WE HAVE ASKED -- WE PAID A
2 LOT OF MONEY FOR A CONSULTANT. BECAUSE WE WANTED AN OUTSIDE
3 INDEPENDENT, SUCH AS IT WAS ASSESSMENT OF WHAT WAS GOING ON
4 THE AFTERMATH, THE CLOSURE OF THE HOSPITAL. THEY CAME BACK
5 WITH AN ASSESSMENT. I'M NOT SURE THAT I AGREE WITH THAT
6 ASSESSMENT, BUT I'M NOT GOING TO QUESTION IT. I THOUGHT WHEN
7 IT WAS ALL SAID AND DONE THAT EVEN THEIR RECOMMENDATION WAS A
8 LITTLE TOP HEAVY. BUT THEIR RECOMMENDATION WAS WHAT? 600 AND
9 SOMETHING PERSONNEL, F.T.E.S AT THE M.A.C.C.?

10

11 **DR. JOHN SCHUNHOFF:** THEIR ORIGINAL RECOMMENDATIONS WERE
12 BETWEEN 660 AND 730. AND THEN WHEN THEY FINALIZED THOSE, THEY
13 BROUGHT THEM DOWN TO ABOUT 625 TO 640.

14

15 **SUP. YAROSLAVSKY:** OKAY. SO LET'S SAY 640. GIVE YOU THE BENEFIT
16 OF THE DOUBT. HOW MANY DO WE HAVE OUT THERE NOW?

17

18 **DR. JOHN SCHUNHOFF:** THEY'RE SOMEHOW SHORT OF 800 POSITIONS.

19

20 **SUP. YAROSLAVSKY:** SO I'M LESS INTERESTED IN WHO HAS TO WALK
21 DOWN WHAT HALL AND COME BACK AND HOW LONG IT TAKES TO DO THIS,
22 AND WHAT PAPERWORK HAS TO BE DONE, AND WHAT THE EXCUSES ARE
23 THAN I AM ABOUT WHY DO WE HAVE A 640 RECOMMENDATION FROM A
24 CONSULTANT, WHICH I TAKE IT IS IN LINE WITH WHAT WE DO AT THE
25 OTHER M.A.C.C., IS THAT CORRECT?



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1

2 **DR. JOHN SCHUNHOFF:** THAT'S CORRECT

3

4 **SUP. YAROSLAVSKY:** OKAY. WHY CAN'T WE, AFTER NINE MONTHS, WHY
5 CAN'T WE HAVE BROUGHT IT DOWN?

6

7 **DR. JOHN SCHUNHOFF:** WELL, SUPERVISOR, THE TEAM OF THE
8 DEPARTMENT AND THE C.E.O. IS PREPARED TO IMPLEMENT IT. IT'S
9 NOT TO SAY THAT HASN'T TAKEN A LONG TIME.

10

11 **SUP. YAROSLAVSKY:** BUT YOU GUYS SAID THAT A LONG TIME AGO.

12

13 **DR. JOHN SCHUNHOFF:** AUGUST 1 IS WHEN THE --

14

15 **SUP. YAROSLAVSKY:** WHAT ARE YOU GOING TO DO BETWEEN NOW AND
16 AUGUST 1ST TO THE GET YOURSELF DOWN TO 640?

17

18 **DR. JOHN SCHUNHOFF:** WELL, THE TEAM OF C.E.O., STAFF, AND OTHER
19 STAFF FROM OTHER DEPARTMENTS THAT HAVE BEEN IN THERE HAVE BEEN
20 WORKING TO DO ALL THE PREPARATIONS, TO DETERMINE OF THE
21 CONTRACT STAFF, OF THE COUNTY STAFF, WHICH ONES WE'LL NEED TO
22 FIT INTO THOSE 637 SLOTS, WHICH IS WHAT THEY'RE DOWN TO AT
23 THIS POINT. AND THE NECESSARY CONSULTATION WITH THE UNION IS
24 ABOUT TO HAPPEN. AND THEN THE VARIOUS ACTIONS TO GIVE PEOPLE
25 LETTERS TO MITIGATE THEM TO OTHER FACILITIES IF THEY'RE



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1 LEAVING, TO TERMINATE THE CONTRACT STAFF, ALL OF THAT IS
2 POISED TO HAPPEN ON AUGUST 1ST.

3

4 **SUP. YAROSLAVSKY:** SO WHAT HAPPENS ON AUGUST 1ST? IS IT FULLY
5 IMPLEMENTED BY AUGUST 1ST, OR DOES THE IMPLANTATION COMMENCE
6 ON AUGUST 1ST?

7

8 **SUP. MOLINA:** WE DID NOT KNOW THIS. WHEN DID YOU DECIDE TO DO
9 THIS? BUT YOU HAVE NOT TOLD US.

10

11 **C.E.O. FUJIOKA:** WE HAVE BEEN WORKING ON THIS PLAN FOR MONTHS.

12

13 **SUP. MOLINA:** BUT IT'S NOT IN THE BUDGET.

14

15 **C.E.O. FUJIOKA:** WHAT'S NOT IN THE BUDGET?

16

17 **SUP. MOLINA:** HERE IS ANOTHER PIECE OF INFORMATION THAT I HAVE
18 NOT GOTTEN.

19

20 **SUP. BURKE, CHAIR:** ONE SECOND. LET HIM FINISH.

21

22 **SUP. YAROSLAVSKY:** I AGREE WITH HER. I DID INTERRUPT HER. SHE
23 WAS VERY GENEROUS. COULD YOU JUST ANSWER THAT ONE QUESTION AND
24 THEN I THINK HER FOLLOW UP IS APPROPRIATE. IT'S A GOOD FOLLOW



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1 UP. IS AUGUST 1ST THE COMMENCEMENT OF THE IMPLEMENTATION OR IS
2 IT THE COMPLETION OF THE IMPLEMENTATION?

3

4 **DR. JOHN SCHUNHOFF:** IT IS THE COMPLETION OF THE SUBSTANTIAL
5 IMPLEMENTATION. THERE WILL BE OBVIOUSLY SOME FOLLOW UP. BUT
6 THE POSITIONS, THEY'RE ALL GOING TO BE DONE AT ONCE AND ALL OF
7 THE MITIGATIONS WILL OCCUR ON AUGUST 1ST. THAT'S THE TIMELINE
8 THAT WE HAVE WITH THE TEAM THAT BILL HAS GIVEN US AND OUR OWN
9 FACILITY.

10

11 **SUP. YAROSLAVSKY:** SO YOU BUILT IN AN 11-MONTH SAVINGS?

12

13 **SUP. MOLINA:** NO, HE DIDN'T. IT'S NOT IN THE BUDGET.

14

15 **DR. JOHN SCHUNHOFF:** THE BUDGET HAS ALREADY TAKEN THE POSITIONS
16 IN THE M.A.C.C. DOWN TO 730. AND THAT REPRESENTED ABOUT \$7.8
17 MILLION GROSS AND ABOUT \$6.2 MILLION NET THAT'S ALREADY TAKEN
18 OUT OF THE BUDGET. WHEN WE FINISHED THE REDUCTION FOR THE NEXT
19 STAGE, WE'RE ESTIMATING THAT THAT'S GOING TO TAKE ANOTHER \$4.3
20 MILLION OUT OF THE BUDGET, THE NET COUNTY COST REDUCTION OF
21 THAT WILL BE \$3.4 MILLION. SO THOSE -- THAT'S JUST ON THE
22 STAFFING SIDE. IT DOESN'T ADDRESS SOME OF THE SUPPLIES AND
23 SERVICES ISSUES THAT WILL GO ALONG WITH IT.

24



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1 **SUP. BURKE, CHAIR:** SUPERVISOR MOLINA, AND THEN I WOULD LIKE AN
2 OPPORTUNITY TO SAY A FEW WORDS.

3

4 **SUP. MOLINA:** ABSOLUTELY. UNBELIEVABLE. ALL RIGHT. SO NOW YOU
5 THREW ME ANOTHER CURVE. THERE IS A REDUCTION IN THIS BUDGET OR
6 NOT?

7

8 **DR. JOHN SCHUNHOFF:** THERE IS.

9

10 **SUP. MOLINA:** WHAT IS IT?

11

12 **DR. JOHN SCHUNHOFF:** IT TAKES THE STAFFING OF THE M.L.K.
13 M.A.C.C. DOWN TO 730 PERSONS.

14

15 **SUP. MOLINA:** ALL RIGHT. WHICH COST US HOW MUCH?

16

17 **DR. JOHN SCHUNHOFF:** THAT WAS ABOUT \$7.8 MILLION GROSS, \$6.2
18 MILLION OF NET COUNTY COST.

19

20 **SUP. MOLINA:** ABOUT 208 MILLION. TAKE ME, WHAT'S THE NUMBER
21 THAT I PLUG IN?

22

23 **DR. JOHN SCHUNHOFF:** I'M SORRY. FROM THE 208 MILLION?

24

25 **SUP. MOLINA:** THAT'S WHAT YOUR BUDGETED AMOUNT IS.



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1

2 **DR. JOHN SCHUNHOFF:** IT TAKES 6 MILLION OFF OF THAT.

3

4 **SUP. MOLINA:** SO NOW IT'S 2.2?

5

6 **DR. JOHN SCHUNHOFF:** BUT IT'S ALREADY INCLUDED IN THE PLACE WE
7 STARTED THE BUDGET.

8

9 **SUP. MOLINA:** SO IT'S REALLY ACTUALLY 208 AGAIN? 208.

10

11 **DR. JOHN SCHUNHOFF:** YES.

12

13 **SUP. MOLINA:** SO IT'S STILL 208? MR. YAROSLAVSKY'S GETTING THE
14 IMPRESSION -- THEY ALREADY -- IT'S STILL \$208 MILLION. IT'S
15 NOT ANY LOWER THAN THAT.

16

17 **SUP. BURKE, CHAIR:** WHEN YOU'RE FINISHED CAN I --

18

19 **SUP. MOLINA:** NO, I'M NOT FINISHED.

20

21 **SUP. BURKE, CHAIR:** AS SOON AS YOU'RE FINISHED, I'D LIKE TO
22 BRING UP SOMETHING. OKAY. AN ITEM IN HERE.

23

24 **SUP. MOLINA:** WELL WAIT A MINUTE, THIS IS THE PROBLEM IN THAT
25 WE DON'T KNOW WHAT THESE FIGURES ARE. I'M A COUNTY SUPERVISOR.



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1 I'M HERE VOTING ON A VERY IMPORTANT BUDGET. AND I CAN'T GET
2 ANSWERS, WHETHER IT BE FROM YOU, WHETHER IT BE FROM THE C.E.O.
3 I ASKED THIS QUESTION WHEN WE DID THE PROPOSED BUDGET. AND
4 WHEN I STARTED DOING THE PER UNIT COST OR THE PER VISIT COST,
5 YOU ALL LOOKED AT ME AND SAID "OH NO THAT'S NOT APPLES AND
6 APPLES. THAT'S DIFFERENT." AND I'VE BEEN TRYING TO ISOLATE
7 THESE NUMBERS. YOU DON'T WANT TO HEAR WHAT I'VE HAD TO SAY TO
8 SHEILA ABOUT THIS STUFF OR THE C.E.O. IT IS YOUR
9 RESPONSIBILITY TO TELL ME WHAT THE UNIT COST IS. IT IS YOUR
10 RESPONSIBILITY TO TELL ME WHAT I'M SUPPOSED TO BE SPENDING. I
11 AM NOT GOING TO FUND A STRUCTURAL DEFICIT. YOU ARE ASKING ME
12 TO FUND A FLAWED DEFICIT. WHAT WE NEED TO DO IS WE NEED TO PUT
13 IT IN LINE. SO THEN YOU'RE TELLING ME THAT THE \$208 MILLION
14 FIGURE, THEN I AM STILL CORRECT, I AM STILL CORRECT ABOUT THE
15 PER UNIT COST. IT STILL COST US \$1,483 PER VISIT. CORRECT?

16

17 **DR. JOHN SCHUNHOFF:** THAT'S FULLY ALLOCATED COSTS.

18

19 **SUP. MOLINA:** FULLY ALLOCATED COSTS WHICH IS IN THE BUDGET.

20

21 **ALLAN WECKER:** YES, THAT'S WHAT'S IN THE BUDGET.

22

23 **SUP. MOLINA:** THAT'S WHAT'S IN THE BUDGET. ALL RIGHT. NOW LET'S
24 GO BACK AGAIN. SO IF IN FACT WE WERE TO PLUG IN THE \$1,133,
25 THAT'S WHAT YOU SHOULD BE ACHIEVING NO MATTER WHAT. RIGHT?



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1

2 **ALLAN WECKER:** THAT'S THE COST AT HIGH DESERT M.A.C.C., THE
3 FULLY ALLOCATED.

4

5 **SUP. MOLINA:** ALL RIGHT. AND UNTIL YOU CAN SPECIFICALLY TELL ME
6 WHAT THE DIFFERENCE IS -- AND I DON'T KNOW ABOUT THIS FULL
7 ASSESSMENT AND NON-ASSESSMENT. PEOPLE GO INTO A M.A.C.C.,
8 THERE'S A STANDARD OF CARE. WE'RE TALKING AN AVERAGE HERE.
9 WE'RE NOT TALKING ABOUT, YOU KNOW, SOME OF IT IS HIGHER OR
10 SOME OF IT IS LOWER. AND I'D HAVE TO LOOK AT THE PATIENT
11 VISITS TO GET A BETTER UNDERSTANDING OF THEM. IF IN FACT YOU
12 SAY YOU'RE GOING TO GET 152,000 VISITS AT M.L.K., CORRECT?

13

14 **ALLAN WECKER:** YES.

15

16 **SUP. MOLINA:** AS COMPARED TO THE ASSUMED VISITS AT HIGH DESERT
17 OF 60,000, THIS IS, AGAIN, OVER ALMOST 30,000 MORE VISITS THAN
18 YOU GOT LAST YEAR. ALL RIGHT? SO IF YOU WERE TO DO THAT, WHAT
19 WOULD BE THE AMOUNT? I TAKE IT THAT IT WOULD BE \$1,133 TIMES
20 152,000. WHAT'S THAT NUMBER?

21

22 **C.E.O. FUJIOKA:** IF I CAN INTERJECT SOMETHING ELSE.

23

24 **SUP. MOLINA:** SOMETHING ELSE.

25



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1 **C.E.O. FUJIOKA:** THERE IS SOMETHING ELSE. A REPORT WAS GIVEN
2 THAT IDENTIFIED THE COST PER VISIT NOT ONLY AT OUR M.A.C.C.
3 BUT ALSO AT OUR HOSPITALS AND ALSO AT EACH HEALTH CENTER.
4 YOU'LL NOTICE THAT THERE ISN'T A STANDARD COST PER VISIT AT,
5 LET'S CALL IT OUR HEALTH CENTERS. IT TENDS TO VARY SOMEWHAT.
6 AND IF YOU LOOK AT SOME FACILITIES, IT WILL VARY AS MUCH AS 40
7 TO 50 PERCENT. AGAIN, WHAT'S CRITICAL IN THAT CALCULATION IS
8 THE TYPE OF PROGRAMS AND SERVICES OFFERED AT THAT HEALTH
9 CENTER. IF THAT PARTICULAR HEALTH CENTER, I'LL GIVE YOU AN
10 EXAMPLE. IF YOU HAVE A VERY COMPREHENSIVE PRENATAL PROGRAM,
11 THE COSTS ASSOCIATED WITH THE COMPREHENSIVE PRENATAL PROGRAM
12 FROM ALL THE DIAGNOSTIC PROCEDURES, THE PHARMACEUTICAL
13 PROTOCOLS, AND YOU GO DOWN THE LIST, WILL CREATE A HIGHER COST
14 PER VISIT FOR THAT PARTICULAR CLINIC THAN ANYWHERE ELSE.
15 YOU'VE GOT TO LOOK AT THE CLINIC CONFIGURATION FOR A FACILITY
16 AND WHAT THAT --

17

18 **SUP. MOLINA:** BILL, YOU KNOW, I DID. IF I DIDN'T, I'D SAY THIS
19 FAIR -- LET ME GIVE YOU AN IDEA, OKAY? OUTPATIENT L.A. COUNTY
20 U.S.C., 374 PER VISIT. QUAD HUDSON, 232 PER VISIT. HARBOR
21 U.C.L.A., 305 PER VISIT. SAN FERNANDO VALLEY, OLIVE VIEW
22 HOSPITAL, 444. YES, THERE'S VARIATIONS, OKAY? HIGH DESERT,
23 309. M.L.K., 1056. YOU'RE TALKING ABOUT A BIG DRAMATIC
24 DIFFERENCE.

25



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The Los Angeles County Board of Supervisors

1 C.E.O. FUJIOKA: OH, I TOTALLY AGREE WITH THAT. THAT'S WHY --

2

3 SUP. MOLINA: I UNDERSTAND. SO IT'S NOT EVEN NEAR THE RADAR
4 SCREEN. I COULD SEE IF YOU'RE SITTING HERE, RIGHT NOW OLIVE
5 VIEW COSTS US 444 COMPARED TO L.A. COUNTY U.S.C., 341,
6 COMPARED TO HARBOR 305. WE'RE TALKING 1,056, BILL.

7

8 C.E.O. FUJIOKA: WELL, THE REPORT I SAW FOR HIGH DESERT, I
9 THOUGHT IT WAS IN THE HIGH 600 RANGE.

10

11 SUP. MOLINA: I ASKED YOU FOR YOUR OWN FIGURES. YOUR OWN
12 FIGURES SAY THAT.

13

14 C.E.O. FUJIOKA: I'M NOT GOING TO DEFEND WHAT'S AT KING,
15 BECAUSE IT IS VERY, VERY HIGH.

16

17 SUP. MOLINA: COME ON. WHAT YOU ARE ASKING ME TO DO IS TO WAIT
18 SOME MORE. I ASKED THIS IN THE PROPOSED BUDGET. YOU'RE ASKING
19 ME TO VOTE FOR A BUDGET TODAY. I'M TRYING TO FIGURE OUT. I
20 CAN'T GET THIS DEPARTMENT TO RESPOND TO ME. WE ARE CHASING
21 AROUND NUMBERS.

22

23 C.E.O. FUJIOKA: I UNDERSTAND.

24



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1 **SUP. MOLINA:** YOU KNOW, I DIDN'T COME HERE TO THIS BOARD TO
2 TURN AROUND AND CHASE AROUND BUDGET FOLKS ALL DAY LONG. I'M
3 SUPPOSED TO TRUST BUDGET NUMBERS. I'M SUPPOSED TO MAKE POLICY
4 DECISIONS BASED ON THE INFORMATION THAT'S PRESENTED BY THE
5 PROFESSIONALS THAT ARE SITTING BEFORE US. WHAT I AM TRYING TO
6 TELL YOU IS THAT THIS NUMBER IS SO OFF BASE, SO OFF THE CHART,
7 IT'S NOT EVEN CLOSE. I MEAN, IF THE OTHERS ARE IN THE TENS,
8 THIS IS IN THE THOUSANDS. NOT CLOSE. ALL RIGHT?

9

10 **C.E.O. FUJIOKA:** I'M NOT GOING TO DISAGREE. I AGREE WITH YOU ON
11 THAT.

12

13 **SUP. MOLINA:** IT'S NOT AS DEFENDABLE AS IT LOOKS. SO WHAT I'M
14 SAYING TO YOU IS, RUN IT CLOSER. THAT'S WHY I'D EVEN GO
15 THROUGH THESE NUMBERS. I STARTED WITH THE OVERALL NUMBER OF,
16 WHICH WAS CLOSER, HIGH DESERT M.A.C.C. IS 1,133. M.L.K.
17 M.A.C.C., EVEN WITH ALL OF THE GENEROSITY THROWN IN, IS 1,368.
18 I'M SAYING CUT THAT 200 BUCKS OFF. \$200 ON AVERAGE PER VISIT.
19 BRING IT BACK TO EQUALIZE WHAT HIGH DESERT IS DOING ON
20 AVERAGE. I'M NOT EVEN SAYING FUND IT TO THE LEVEL OF VISITS
21 THEY HAD LAST YEAR. I'M SAYING FUND IT THE ADDITIONAL 30 SOME
22 THOUSAND MORE VISITS. BUT WHAT THAT TELLS YOU IT'S A STILL A
23 \$148 MILLION BUDGET AS COMPARED TO 208 MILLION. THAT IS A
24 SAVINGS OF OVER \$60 MILLION THAT WE ARE BUDGETING. NOW COME
25 SEPTEMBER AND YOU CAN'T GET THAT BY AUGUST AND YOU CAN'T START



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1 THAT, THEN MAYBE WE CAN MAKE AN ADJUSTMENT. BUT WHY NOT PLUG
2 IN A NUMBER, JUST LIKE YOU'RE PLUGGING IN NUMBERS ALL DAY
3 LONG, AND GIVE THE M.L.K. M.A.C.C. RIGHT NOW 148 MILLION
4 BUCKS. WHY NOT? AND SAY LIVE WITHIN 148 MILLION. COME BACK TO
5 ME IN SEPTEMBER AND TELL ME WHY YOU CAN'T LIVE WITHIN THE 148
6 MILLION.

7

8 **C.E.O. FUJIOKA:** WE CAN DO THAT.

9

10 **SUP. MOLINA:** IS THAT ACCEPTABLE?

11

12 **SUP. BURKE, CHAIR:** WHILE YOU'RE CONSIDERING THAT, MAY I JUST
13 BRING UP AN ISSUE THAT RELATES TO THIS? AND I WOULD LIKE TO
14 CALL YOUR ATTENTION -- MAY I JUST GET YOUR ATTENTION FOR A
15 MOMENT? I'D LIKE TO CALL YOUR ATTENTION TO THE MEMO OF JUNE
16 13TH, SNAPSHOT OF BUDGETED VACANT POSITIONS FOR THE DEPARTMENT
17 OF HEALTH SERVICES WHERE YOU REVIEW THE M.A.C.C.S. AND YOU
18 TALK ABOUT THE SOUTHWEST NETWORK. AND WHAT YOU SAY IS
19 BASICALLY THAT DUE TO THE NEED FOR EXPEDIENCY, THE 180 SALARY
20 AND EMPLOYEE BENEFIT CATEGORIES WERE NOT FULLY ALIGNED TO THE
21 CORRECT CATEGORIES. AS A RESULT, THERE IS SUFFICIENT SURPLUS
22 FUNDING WITHIN THE SOUTHWEST NETWORK TO COVER THE SHORTFALL.
23 AND THE SHORTFALL IS OF 180 FUNDED POSITIONS. SO ACTUALLY WHAT
24 DID YOU DO? SUMMARIZE AND PUT THE ADDITIONAL AMOUNT INTO THOSE



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1 POSITIONS? INTO THE SOUTHWEST NETWORK AND INTO M.L.K.

2 M.A.C.C.? IS THAT WHAT HAPPENED?

3

4 **DR. JOHN SCHUNHOFF:** YES.

5

6 **SUP. BURKE, CHAIR:** IS THAT WHAT HAPPENED?

7

8 **DR. JOHN SCHUNHOFF:** THAT'S RIGHT.

9

10 **SUP. BURKE, CHAIR:** SO THAT AMOUNTS ABOUT HOW MUCH?

11

12 **DR. JOHN SCHUNHOFF:** ABOUT 50,000 PER F.T.E.

13

14 **SUP. BURKE, CHAIR:** THAT'S 180 TIMES 50,000?

15

16 **DR. JOHN SCHUNHOFF:** THAT'S RIGHT.

17

18 **SUP. BURKE, CHAIR:** 180 POSITIONS. I WOULD THINK SO. BUT MAYBE

19 NOT. THAT'S LOW. THAT'S LOW, LOW, LOW FOR THOSE POSITIONS. SO

20 WHAT THEY DID, BASICALLY, IS THAT THEY JUST TOOK ALL THAT

21 SURPLUS AND ATTRIBUTED IT TO M.L.K. YOU KNOW, YOUR POINT IS

22 WELL TAKEN. BECAUSE THERE ARE A LOT OF IMPLICATIONS FROM

23 HAVING THESE HIGH VISIT NUMBERS FOR THAT M.A.C.C. FOR ONE

24 THING, IT MAKES IT IMPOSSIBLE TO GET REIMBURSEMENT IN MANY

25 INSTANCES, FROM PRIVATE CARRIERS OR FROM ANYBODY ELSE. SO AS A



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1 RESULT, IT'S JUST -- EVEN WITH C.H.P., IT THROWS C.H.P. OFF.
2 YOU CAN'T GET CONTRACTS BECAUSE THE AMOUNT IS SO HIGH THAT NO
3 ONE'S GOING TO PAY THAT KIND OF A VISIT AMOUNT. SO THAT I
4 THINK YOUR POINT IS WELL-TAKEN, SUPERVISOR MOLINA. YOU DO NEED
5 TO COME BACK WITH SOME FIGURES. AND IF WE HAVE A REPORT BACK
6 ON THIS IN AUGUST AS IT RELATES TO THESE ITEMS?

7

8 **SUP. MOLINA:** WELL, I WANT TO DO IT DIFFERENTLY. I WANT TO DO
9 IT, PLUG IN THE 148. APPROVE THE BUDGET AT 148.

10

11 **SUP. BURKE, CHAIR:** WHAT IS THE DIFFERENCE OF IT? THE
12 DIFFERENCE BETWEEN THE -- ON THAT ITEM, WHAT IS THAT
13 DIFFERENCE?

14

15 **SUP. MOLINA:** IT'S 208 MINUS 148. IT'S A STRUCTURAL DEFICIT.

16

17 **SUP. BURKE, CHAIR:** IT'S THE 48 PLUS THE 35, OR THE 48
18 STRUCTURAL DEFICIT?

19

20 **SUP. MOLINA:** THAT ISN EVEN THE GENEROUS SIDE. YOU TAKE 208
21 NOW AND MINUS THE 148.

22

23 **SUP. BURKE, CHAIR:** I THINK THEY CAN PICK IT UP FROM THIS ITEM.

24



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The Los Angeles County Board of Supervisors

1 **SUP. KNABE:** THAT'S \$60 MILLION YOU'RE DEALING WITH STRUCTURAL
2 DEFICIT.

3

4 **SUP. BURKE, CHAIR:** RIGHT. OKAY. THEY CAN PICK UP A PORTION OF
5 THAT FROM THIS ITEM RIGHT HERE, THE SOUTHWEST. THEY JUST THREW
6 EVERYTHING IN THERE FOR EXPEDIENCY. I UNDERSTAND.

7

8 **SUP. MOLINA:** I UNDERSTAND. BUT DO YOU UNDERSTAND WHAT I'M
9 SAYING? IS THAT THIS WAY YOU'RE WORKING TOWARD THAT?

10

11 **C.E.O. FUJIOKA:** HE HAS AN ANSWER FOR YOU.

12

13 **SUP. MOLINA:** HE HAS AN ANSWER FOR ME, YEAH.

14

15 **DR. JOHN SCHUNHOFF:** IF I UNDERSTAND WHAT YOU'RE PROPOSING,
16 BECAUSE THERE HAVE BEEN A LOT OF NUMBERS, THAT YOU'RE
17 PROPOSING WE TAKE \$200 A VISIT OFF OF THE M.L.K. M.A.C.C. I
18 THINK WE NEED TO MAKE SURE HOW MUCH WE'VE ALREADY TAKEN OFF OF
19 THAT IN THE BUDGET. BUT AS FAR AS I'M CONCERNED, THE
20 DIFFERENCE IS A GOAL TO WHICH WE SHOULD ASPIRE. AND SO YOU
21 COULD IMPLEMENT IT IN THE BUDGET.

22

23 **SUP. KNABE:** BUT I MEAN, YOU HAVEN'T TAKEN ANYTHING OFF YET
24 BECAUSE YOU'RE STILL SPENDING AT THE FULL SPENDING AMOUNT.



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1 YOU'VE GOT THE PLUGGED HOLE THAT YOU'RE PROJECTING BUT YOU
2 STILL HAVEN'T REDUCED THE SPENDING.

3

4 **SUP. MOLINA:** AND THAT'S THE ISSUE. WE'RE NOT FUNDING YOU PER
5 VISIT. WE'RE FUNDING YOU FOR THE FULL AMOUNT. IT WOULD BE NICE
6 BECAUSE YOU CAN SAY WELL WE HAVEN'T CALCULATED. WE ONLY HAD
7 DIFFERENT -- WHAT I'M SAYING IS I'M ESTIMATING, AND ON THE
8 HIGHER END, THAT'S PRETTY GENEROUS. RIGHT NOW YOU ONLY HAVE
9 120,000 VISITS. WE'RE DOING 152. AT THE AVERAGE OF THE OLIVE
10 VIEW. SO THAT BRINGS YOU TO 148. SO JUST GO TO STAY THERE.
11 JUST STAY AT THAT NUMBER.

12

13 **C.E.O. FUJIOKA:** THE OLIVE VIEW IS 1,000 WHAT?

14

15 **SUP. MOLINA:** 1,133.

16

17 **C.E.O. FUJIOKA:** AND 130,000 VISITS?

18

19 **SUP. MOLINA:** NO. 60. OH NO 152,000 FOR M.L.K.

20

21 **C.E.O. FUJIOKA:** 150,000 TIMES 1,000 SOMETHING.

22

23 **SUP. MOLINA:** TIMES \$1,133.

24

25 **C.E.O. FUJIOKA:** SO THE PLUGGED NUMBER WOULD BE?



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1

2 **SUP. MOLINA:** AGAIN. THIS IS A BUDGET. WE KNOW WE'RE GOING TO
3 COME BACK IN SEPTEMBER. BUT YOU INSTEAD OF DOING IT THE OTHER
4 WAY AROUND, BILL, WE CONSTANTLY ARE WAITING FOR REPORTS. WE
5 ARE CONSTANTLY TOLD WE ARE GOING TO GET THIS NUMBER. I'M
6 PLUGGING IN THE NUMBER.

7

8 **C.E.O. FUJIOKA:** SO BASED ON THE NUMBER OF VISITS AND HIGH
9 DESERT COST PER VISIT, I BELIEVE THE NUMBER IS, DID YOU SAY
10 172 MILLION?

11

12 **SUP. YAROSLAVSKY:** CAN WE DO THIS? I MEAN, THIS IS NOT GIVING
13 ME A HELL OF A LOT CONFIDENCE. DO YOU HAVE A CALCULATOR UP
14 THERE?

15

16 **SUP. MOLINA:** I GOT ONE.

17

18 **SUP. YAROSLAVSKY:** THAT'S NOT EXACTLY THE WAY I WOULD DO IT
19 EITHER. BUT I THOUGHT YOU WERE DOING IT LONGHAND. IS IT
20 POSSIBLE FOR YOU TO -- DO WE HAVE IN YOUR BUDGET, THE BUDGET
21 OF THE COMMITTEE OF THE WHOLE ON THE HEALTH DEPARTMENT
22 TOMORROW. CAN WE PULL THE HEALTH DEPARTMENT'S BUDGET OUT OF
23 THIS ACTION TODAY, PUT THIS OVER UNTIL TOMORROW? YOU KNOW WHAT
24 WE'RE AFTER HERE.

25



**The Meeting Transcript of
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1 **SUP. MOLINA:** WHY ARE WE VOTING ON THE BUDGET, THEN IF IT'S
2 NOT--

3

4 **SUP. YAROSLAVSKY:** WELL, WE'LL PUT THE WHOLE BUDGET OVER UNTIL
5 TOMORROW. IT'S ALL RIGHT WITH ME. I JUST WANT TO MAKE SURE
6 THAT WE'RE NOT FORCING THEM INTO DOING SOMETHING THAT IS GOING
7 TO POP UP.

8

9 **SUP. MOLINA:** IT'S GOING TO FORCE THEM TO PROBABLY GIVE US THE
10 INFORMATION THAT WE'VE BEEN ASKING.

11

12 **SUP. YAROSLAVSKY:** I THINK WE CAN DO THAT IN 24 HOURS.

13

14 **SUP. KNABE:** TO BACK UP WHAT ZEV'S SAYING, THE OTHER THING YOU
15 DON'T WANT TO HAPPEN, JUST BECAUSE YOU WANT TO PLUG IN A
16 NUMBER FOR THIS HOSPITAL TO PUSH THOSE DOLLARS TO THE OTHER
17 HOSPITALS, PUSH THEM OUT TO AFFECT BIG COUNTY, RANCHO, OLIVE
18 VIEW, HARBOR U.C.L.A. I MEAN, WE'VE GOT TO BE CAREFUL. I MEAN,
19 THEY'RE GOING TO GO SOMEPLACE. AND TO ME THE ONLY WAY YOU'RE
20 GOING TO GET THE NUMBER YOU WANT, AND THIS IS THE NUMBER WE'VE
21 BEEN ASKING FOR, IS THE REDUCTION IN EMPLOYEES.

22

23 **SUP. BURKE, CHAIR:** THERE'S 180 OVER THERE. THERE'S 180 THEY
24 CAN PULL IT FROM THAT'S RIGHT HERE.

25



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1 **SUP. YAROSLAVSKY:** BUT WHAT BOTHERED ME A MINUTE AGO, IF I CAN
2 JUST PIGGYBACK ON DON'S COMMENT. JOHN, YOU SAID EARLIER, OR
3 MAYBE IT WAS YOU, BILL, I DON'T KNOW, THAT SOME OF THESE
4 PEOPLE WHO ARE IN THIS GAP BETWEEN 640 AND 770, THAT JUST
5 BECAUSE YOU PULL THEM OUT OF THE KING M.A.C.C. DOESN'T MEAN
6 THEY'RE OFF THE PAYROLL. THAT THEY END UP GETTING DISTRIBUTED
7 INTO OTHER PARTS OF THE SYSTEM. WHY WOULD THEY BE DISTRIBUTED
8 INTO OTHER PARTS OF THE SYSTEM? WHY WOULDN'T THERE BE A NET
9 REDUCTION OF 130 F.T.E.S WITH THE SAVINGS TO BOOT, TO MATCH?

10

11 **DR. JOHN SCHUNHOFF:** BECAUSE THERE WILL BE SOME REDUCTION IN
12 THE SENSE OF REGISTRY WHEN NURSES GET TRANSFERRED TO OTHER
13 SITES WHERE WE'VE BEEN USING REGISTRY. BUT THERE'S A QUESTION
14 OF WHETHER YOU WANT TO GO THROUGH AN ENTIRE CASCADE OR A
15 RELATIVELY SMALL NUMBER OF PEOPLE OR WHETHER YOU MITIGATE. AND
16 SO THE BASIC APPROACH ON THIS IS YOU MITIGATE TO OTHER
17 FACILITIES. AND THROUGH ATTRITION, YOU BRING DOWN THE
18 WORKFORCE.

19

20 **SUP. YAROSLAVSKY:** BUT WHEN THIS SO-CALLED MITIGATION WAS
21 TALKED ABOUT LAST SUMMER AND LAST FALL, AND LAST WINTER, IT
22 WAS WITH THE IDEA OF TAKING A NURSE FROM HERE, FROM KING,
23 PUTTING THAT NURSE IN ANOTHER FACILITY AND NOT REQUIRING THE
24 USE OF A TRAVELING NURSE, WHICH COSTS A LOT MORE MONEY. IS
25 THAT WHAT YOU'RE STILL TALKING ABOUT HERE?



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1

2 **DR. JOHN SCHUNHOFF:** THAT'S PARTLY IT, YES.

3

4 **SUP. YAROSLAVSKY:** SO WHAT'S THE OTHER PART?

5

6 **C.E.O. FUJIOKA:** EXCUSE ME. YOU HAVE A HOST OF CLASSIFICATIONS.

7 WHEN I MENTIONED THAT, IF WE CAN HAVE A SHORT TIME, EVEN

8 TOMORROW. BECAUSE RATHER THAN DOING IT AT THE TABLE RIGHT

9 HERE.

10

11 **SUP. YAROSLAVSKY:** I'M NOT ASKING YOU TO DO IT AT THE TABLE.

12

13 **C.E.O. FUJIOKA:** WHAT I AM SAYING THOUGH, IS THAT NOT ONLY IS

14 THERE THE FINANCIAL CALCULATION, BUT THERE'S A DIRECT AND THEN

15 THE INDIRECT CONSEQUENCES TO WHAT WE'RE DOING TODAY. AND I

16 WANT TO MAKE SURE EVERYONE UNDERSTANDS. BECAUSE YOU'RE RIGHT,

17 TO FULLY ACHIEVE THE SAVINGS, IT'S NOT MOVING STAFF TO OTHER

18 FACILITIES AND HAVING THOSE FACILITIES INCUR THE COSTS. BUT

19 BEFORE WE GET -- HERE WITH THE COUNTY STAFF, I THINK WE

20 UNDERSTAND WHICH WAY WE'RE GOING, BUT WE HAVE EXTERNAL

21 PARTNERS THAT WE NEED TO BE -- WE NEED TO APPROACH THIS

22 CAREFULLY SO THAT WE DON'T HAVE ANY MISUNDERSTANDINGS.

23

24 **SUP. YAROSLAVSKY:** I WANT TO GET BACK. I APPRECIATE THAT. I

25 WANT TO GET BACK TO THE QUESTION, THOUGH. WHAT ARE THE OTHER



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1 THINGS OTHER THAN -- LET'S TAKE A NURSE F.T.E. OTHER THAN THE
2 SAVINGS THAT WOULD ACCRUE AS A RESULT OF MOVING HIM OR HER TO
3 ANOTHER HOSPITAL, REPLACING A TRAVELING NURSE, WHICH IS A MUCH
4 MORE EXPENSIVE F.T.E. THAN OUR OWN EMPLOYEE, THAT WOULD BE A
5 SAVINGS. WHAT COUNTERACTS THAT SAVINGS?

6

7 **DR. JOHN SCHUNHOFF:** I THINK IT'S THE SAME POINT THAT MR.
8 FUJIOKA MADE. THERE ARE CERTAIN CLASSIFICATIONS WHERE WE DON'T
9 USE REGISTRY. AND IF WE TRANSFER AN ADMINISTRATIVE PERSON TO
10 ANOTHER FACILITY --

11

12 **SUP. YAROSLAVSKY:** OKAY. HANG ON. THEN WHAT YOU'RE TELLING ME
13 AND THE BOARD BASICALLY IS, JUST TELL ME WHY THIS IS NOT, WHAT
14 I'M ABOUT TO SAY IS NOT ACCURATE. WHAT YOU'RE SAYING IS,
15 "BOARD, THERE'S REALLY NO WAY WE CAN SAVE MONEY BY REDUCING
16 THE F.T.E.S AT KING BECAUSE NO MATTER WHAT YOU DO, IT'S GOING
17 TO COST YOU SOMEWHERE ELSE." IS THAT WHAT YOU'RE SAYING?

18

19 **DR. JOHN SCHUNHOFF:** NO. I'M SAYING THAT THE NET WILL NOT
20 IMMEDIATELY BE THE COST OF THOSE EMPLOYEES WHO WERE
21 TRANSFERRED BECAUSE --

22

23 **SUP. YAROSLAVSKY:** 100 PERCENT OF THE COST. WHAT PERCENTAGE DO
24 YOU THINK IT WOULD BE?

25



The Meeting Transcript of
The Los Angeles County Board of Supervisors

1 **DR. JOHN SCHUNHOFF:** UNTIL I SEE EXACTLY WHICH POSITIONS THERE
2 ARE, I WOULD NOT GIVE YOU --

3

4 **SUP. YAROSLAVSKY:** WOULD IT BE MORE THAN HALF THE COST?

5

6 **DR. JOHN SCHUNHOFF:** IF THE POSITIONS BEING TRANSFERRED ARE
7 MORE HEAVILY CLINICAL AND TECHNICAL, YES. IF THEY'RE NOT, IT
8 WOULDN'T. I HAVEN'T SEEN THE FINAL LIST.

9

10 **SUP. MOLINA:** NOBODY HAS.

11

12 **SUP. YAROSLAVSKY:** WHAT IS IN THE PROCESS OF COMING UP RIGHT
13 NOW.

14

15 **SUP. MOLINA:** CAN I ASK A QUESTION ON THAT ITEM? HOW MANY
16 REGISTRY NURSES DO WE HAVE AT THE M.L.K. M.A.C.C.?

17

18 **DR. JOHN SCHUNHOFF:** VERY FEW. THE COST OF REGISTRY AT THE
19 M.L.K. M.A.C.C. HAS GONE DOWN SIGNIFICANTLY OVER THE PERIOD OF
20 TIME.

21

22 **SUP. MOLINA:** HOW MANY?

23

24 **DR. JOHN SCHUNHOFF:** SUPERVISOR, OUR FULL YEAR ESTIMATE FOR
25 REGISTRY FOR THIS YEAR AT THE KING M.A.C.C. IS ABOUT \$4.6



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1 MILLION. LAST YEAR IT WAS \$40 MILLION. AND BEFORE, THE YEAR
2 BEFORE IT WAS \$63 MILLION.

3

4 **SUP. MOLINA:** ALL RIGHT. SO THAT FOR SURE IS MONEY THAT CAN BE
5 PULLED RIGHT OFF, THE 4.6. ALL RIGHT. SO IF YOU TOOK THE
6 REGISTRY NURSES AT HARBOR, WHAT WOULD THAT NUMBER BE?

7

8 **DR. JOHN SCHUNHOFF:** PROJECTION OF TOTAL REGISTRY, THE NUMBER I
9 GAVE YOU FOR KING WAS TOTAL REGISTRY, TOO. I CAN FIND THE
10 NUMBER FOR NURSES. BUT IF YOU INCLUDE TOTAL REGISTRY AT
11 HARBOR, IT'S PROJECTED TO BE 10.9 MILLION, ALMOST 11 MILLION.
12 10.6.

13

14 **SUP. MOLINA:** WHAT ABOUT U.S.C.?

15

16 **DR. JOHN SCHUNHOFF:** 46.2.

17

18 **SUP. MOLINA:** DO YOU SEE WHAT THAT MEANS, AS WELL? YOU DON'T
19 HAVE TO TELL US THAT THERE NEEDS TO BE A RIFT HERE AT ALL
20 BECAUSE YOU START LOOKING AT THOSE NURSES AND WHETHER IT BE
21 SOME AT THE 10.9 MILLION OR SOME AT THE 46.9 MILLION, YOU
22 START REDUCING REGISTRY NURSES IN THE OTHER AREAS, YOU CAN
23 TRANSFER THOSE EMPLOYEES, THOSE NURSES. AND THAT'S JUST
24 NURSES. WHAT I'M SAYING, BILL, IS THAT I'M FORCING THIS TO
25 HAPPEN. BECAUSE I CAN'T GET YOU AND THIS DEPARTMENT TO LISTEN



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1 TO WHAT WE'RE SAYING WHEN IT COMES TO THIS DEFICIT. I CANNOT
2 SIT HERE AND FUND A DEFICIT. YOU'RE ASKING ME TO FUND A
3 DEFICIT, PARTICULARLY WHEN THERE ARE REMEDIES IN PLACE. NOW,
4 MAYBE IT IS TOO SIMPLISTIC, WHAT I'M ASKING. BUT, YOU KNOW,
5 IT'S HARD FOR ME TO BE SHOIVING MONEY INTO SOMETHING LIKE THIS
6 AND CALLING IT A DEFICIT, WANTING ME TO RUN UP TO SACRAMENTO
7 AND DO OTHER KINDS OF THINGS ABOUT THIS PROBLEM WHEN WE AREN'T
8 REALLY LOOKING AT THOSE REMEDIES OURSELVES. I AM CONCERNED. I
9 HAVE ALWAYS SEEN THE COST UNFORTUNATELY AT MARTIN LUTHER KING,
10 PER VISIT, HOSPITAL INPATIENT, WHATEVER, IT WAS ALWAYS HIGHER.
11 AND THERE WAS ALWAYS REASONS. AND THE POINT IS THAT WE SHOULD
12 TRY AND FIND A WAY TO EQUALIZE IT. NOW, IT CAN'T BE EQUAL. IT
13 CANNOT BE AND I UNDERSTAND THAT. I LOOK AT THOSE FIGURES RIGHT
14 NOW AT OLIVE VIEW, AT HARBOR, AT L.A. COUNTY U.S.C., THEY'RE
15 ALL DIFFERENT. BUT THEY'RE WITHIN 20 TO \$30, TO \$60 TO \$120
16 DIFFERENCE. NOT TO \$800 DIFFERENCE. THAT'S A BIG JUMP. SO ANY
17 WHICH WAY YOU GUYS RUN THESE NUMBERS AROUND ME, I AM TIRED OF
18 PAYING FOR A DEFICIT. I'D RATHER DO IT THE OTHER WAY AROUND. I
19 WANT TO GIVE YOU AS MUCH MONEY AS YOU HONESTLY NEED THAT I SEE
20 THAT YOU HONESTLY NEED BY GIVING YOU THE HIGH END OF THE
21 VISITS YOU'VE ESTIMATED. NOT THE 120 YOU HAD. THE 152,000. AND
22 PAYING YOU THE AVERAGE OF HIGH DESERT, WHICH IS NOT JUST THE
23 600 BUCKS THAT'S ON HERE. IT'S THE \$1,133 WHEN YOU TAKE IN ALL
24 THE ASSOCIATED COSTS AND ALL OF THE HIGH-END STAFF.

25



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **C.E.O. FUJIOKA:** THE DEPARTMENT, I BELIEVE, HAS ALREADY STATED
2 IT IS REASONABLE. WE JUST NEED SOME TIME TO VERIFY WHETHER OR
3 NOT SOME OF THOSE COSTS AND SAVINGS HAVE BEEN -- THAT'S
4 TOMORROW.

5

6 **SUP. MOLINA:** BILL, IF I GIVE YOU TWO MORE HOURS, I CAN ASSURE
7 YOU THAT WHEN IT COMES TO 1 HOUR AND 55 MINUTES, YOU WILL GIVE
8 ME A REPORT AND I WILL GET A WHOLE FIVE MINUTES TO REVIEW IT.
9 AND THEN I'LL HAVE QUESTIONS ABOUT IT. AND THEN WE'LL CONTINUE
10 IT. I'LL COME TO MY CONCLUSION, YOU'LL COME TO MY -- ISN'T
11 THIS WHAT HAPPENS EVERY SINGLE TIME I ASK QUESTIONS? I ASKED
12 THIS QUESTION ON THE PROPOSED BUDGET WAY BACK IN APRIL. 8:30
13 LAST NIGHT, SIR. THAT'S INAPPROPRIATE.

14

15 **C.E.O. FUJIOKA:** THE PROBLEMS AT D.H.S. HAVE NOT DEVELOPED
16 RECENTLY. AS FAR AS FUNDING THE DEFICIT WITH ONE-TIME MONEY,
17 THAT'S BEEN DONE MORE THAN JUST THIS YEAR.

18

19 **SUP. MOLINA:** I UNDERSTAND THAT. AND WE HAVE BEEN MORE THAN
20 SYMPATHETIC ON THIS SIDE OF THE TABLE.

21

22 **C.E.O. FUJIOKA:** OH, ABSOLUTELY.

23

24 **SUP. MOLINA:** SO WHAT'S I'M SAYING IS YO BASTA. IN SPANISH, NO
25 MORE.



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The Los Angeles County Board of Supervisors

1

2 **C.E.O. FUJIOKA:** I KNOW WHAT THAT MEANS. AND I AGREE. BUT I
3 ALSO KNOW THE COMMENTS ABOUT US UNDERSTANDING OR APPRECIATE
4 THE DEFICIT. WE HAVE BEEN WORKING ON THAT. THERE ARE SEVERAL
5 INITIATIVES THAT I FEEL WILL START TO BEAR FRUIT, IF I CAN USE
6 THAT ANALOGY. IT'S SOMETHING WE ARE WORKING ON. BUT TO ACHIEVE
7 SOME OF THE SAVINGS AS IT RELATES NOT ONLY TO THIS ISSUE BUT
8 ALSO OTHER ISSUES WE DISCUSSED SUCH AS WHAT'S HAPPENING IN
9 L.A.C.+U.S.C. OR AT RANCHO. WITH IT WILL COME SOME VERY HARD
10 DECISIONS. BECAUSE TO TRULY ACHIEVE THE COST SAVINGS THAT I
11 BELIEVE WE NEED TO ACHIEVE FOR THE DEFICIT, WE'RE GOING TO
12 HAVE TO COME BACK TO YOU AND TALK ABOUT A WORKFORCE REDUCTION.

13

14 **SUP. MOLINA:** I UNDERSTAND THAT. THEN LET'S LOOK AT IT THAT
15 WAY.

16

17 **C.E.O. FUJIOKA:** I'M MORE THAN WILLING TO.

18

19 **SUP. MOLINA:** WHY NOT FUND IT? MY NUMBER COMES OUT TO 148. ALL
20 RIGHT? YOU SAY IT'S 172. LET'S SAY I BUY YOUR NUMBER. LET'S
21 START WITH THAT. LET'S START WITH 172. THAT'S A TREMENDOUS
22 SAVINGS.

23

24 **C.E.O. FUJIOKA:** AND WE AGREE. AND WE'RE AGREEING RIGHT NOW. I
25 THINK YOU HEARD THE DEPARTMENT SAY EARLIER WE AGREE.



The Meeting Transcript of
The Los Angeles County Board of Supervisors

1

2 **SUP. MOLINA:** YOU'LL PLUG IN THAT NUMBER, INSTEAD.

3

4 **C.E.O. FUJIOKA:** EVEN IF IT'S AT 150-PLUS THOUSAND VISITS WITH
5 A MINIMUM THOUSAND VISITS, THAT IS AT LEAST 150 MILLION. BUT I
6 BELIEVE THE COST PER VISIT WAS HIGHER, THE NUMBER OF VISITS
7 WAS HIGHER, AND SO THE MATH WOULD COME TO ABOUT 172. WE SHOULD
8 PLUG THAT IN, I AGREE WITH YOU.

9

10 **SUP. MOLINA:** SO THAT'S A TREMENDOUS SAVINGS.

11

12 **C.E.O. FUJIOKA:** IT'S TREMENDOUS.

13

14 **SUP. MOLINA:** ALL RIGHT, THEN I AMEND THAT IT INCLUDE THAT
15 NUMBER.

16

17 **SUP. YAROSLAVSKY:** WELL, I THOUGHT WE WERE GOING TO LET THEM
18 HAVE 24 HOURS.

19

20 **SUP. MOLINA:** NO. BUT THEY JUST SAID THEY COULD DO IT. THAT'S
21 GIVING THEM THE HIGHER END OF THE NUMBERS, ZEV, BECAUSE THE
22 LOWER NUMBER WOULD BE, THE TRUE NUMBER WOULD BE 148.

23

24 **SUP. YAROSLAVSKY:** ARE YOU CONFIDENT WITH THE NUMBER, MR.
25 WECKER?



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The Los Angeles County Board of Supervisors

1

2 **ALLAN WECKER:** IF WE COULD HAVE 24 HOURS JUST TO GO OVER
3 EVERYTHING JUST TO MAKE SURE, BECAUSE WE ARE CHANGING.

4

5 **SUP. YAROSLAVSKY:** YOU CAN CLOBBER THEM TOMORROW. I JUST THINK
6 I'D RATHER HAVE HIM COMFORTABLE THAT WE'RE ON THE SAME --
7 WE'RE NOT DOING SOMETHING UNINTENDED.

8

9 **ALLAN WECKER:** IF WE COULD HAVE 24 HOURS. WE UNDERSTAND WHAT
10 YOU'RE ASKING FOR. LET US JUST VERIFY EVERYTHING. WE'LL
11 PREPARE A SCHEDULE.

12

13 **SUP. BURKE, CHAIR:** SO THIS ITEM WILL GO OVER UNTIL TOMORROW.
14 AND WE'LL JUST CONSIDER THE REST OF THE BUDGET. ACTUALLY, YOU
15 WERE GOING TO ASK FOR THIS TO COME BACK IN AUGUST, WEREN'T
16 YOU, THIS ITEM?

17

18 **SUP. YAROSLAVSKY:** I DON'T THINK WE WANT THIS TO COME BACK IN
19 AUGUST.

20

21 **SUP. BURKE, CHAIR:** WELL, THE WHOLE THING IS GOING TO COME BACK
22 IN AUGUST. THIS WHOLE ITEM. BUT THIS PORTION OF IT CAN COME
23 BACK TOMORROW.

24



The Meeting Transcript of
The Los Angeles County Board of Supervisors

1 **SUP. YAROSLAVSKY:** THE HEALTH DEPARTMENT BUDGET I THINK WE WANT
2 TO RESOLVE TOMORROW.

3

4 **SUP. BURKE, CHAIR:** AS IT RELATES THAT HEALTH DEPARTMENT WE'RE
5 GOING TO VOTE TOMORROW.

6

7 **SUP. KNABE:** MADAME CHAIR? QUESTION. AND AGAIN SO WE DON'T GET
8 CONFUSED, SOMETIMES YOU TALK FROM TWO DIFFERENT THINGS. ONE IS
9 A FISCAL FORECAST AND THE BUDGET. AND I THINK THE FRAME OF
10 REFERENCE OF WHAT WE WANT IS FROM THE BUDGET. NOT THE FISCAL
11 FORECAST BECAUSE THE FISCAL FORECAST IS IN OUT YEARS AND TOO
12 HARD TO PREDICT. SO WHATEVER NUMBERS WE'RE WORKING OFF, WE
13 WANT TO WORK OFF "THE BUDGET." OKAY? WE CLEAR ON THAT?

14

15 **SUP. MOLINA:** CAN I ASK FOR A CLARIFICATION? IN 23 HOURS AND 55
16 MINUTES, WHAT REPORT WILL I GET?

17

18 **ALLAN WECKER:** WE WILL WALK THROUGH AND TAKE A LOOK AT WHAT THE
19 HIGH DESERT COST PER IS JUST TO VERIFY EVERYTHING.

20

21 **SUP. MOLINA:** YOU MEAN THAT WASN'T A REAL NUMBER?

22

23 **ALLAN WECKER:** NO. I JUST WANT THE MAKE SURE.

24

25 **SUP. MOLINA:** YOU MEAN YOU WEREN'T GIVING ME REAL NUMBERS?



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The Los Angeles County Board of Supervisors

1

2 **SUP. BURKE, CHAIR:** MAY I CORRECT WHAT YOU'RE SAYING IS YOU
3 WILL GO THROUGH AND SEE WHAT SERVICES ARE INCLUDED IN HIGH
4 DESERT? AND WHAT SERVICES ARE INCLUDED IN M.L.K., RIGHT?

5

6 **ALLAN WECKER:** I JUST WANT TO MAKE SURE LIKE ONCOLOGY. ONCOLOGY
7 IS A VERY EXPENSIVE SERVICE. I JUST WANT TO DOUBLE-CHECK.

8

9 **SUP. MOLINA:** MR. WECKER, YOU SAT THERE IN APRIL AND YOU
10 PROMISED "OH NO PROBLEM, I CAN GET YOU THAT." I'VE BEEN
11 WAITING FOR YOU TO GET ME THAT REPORT SINCE APRIL. AND YOU CAN
12 SEE POOR SHEILA, WHAT SHE'S HAD TO PUT UP WITH ME BECAUSE YOU
13 HAVEN'T DELIVERED THE GOODS. YOU'RE TELLING ME THAT BY
14 TOMORROW YOU'RE GOING TO DO ALL THIS EVALUATION OF ALL OF THE
15 SPECIAL ONCOLOGY AT HIGH DESERT AS COMPARED TO WHAT -- YOU
16 DON'T KNOW THAT AND YOU'RE NOT GOING TO BE ABLE TO DO IT. WHY
17 ARE YOU KIDDING US?

18

19 **ALLAN WECKER:** WHAT WE'VE DONE IS IF YOU LOOK AT ONE OF THE
20 DOCUMENTS THAT WE DID SEND THROUGH, IT DOES LIST ALL THE
21 SERVICES. WE JUST WANT TO MAKE SURE.

22

23 **SUP. MOLINA:** I UNDERSTAND. BUT I ASSUMED THAT \$1,133 WAS
24 AVERAGE. THAT MEANS SOME ARE HIGHER AND SOME ARE LOWER.

25



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **ALLAN WECKER:** YES.

2

3 **SUP. MOLINA:** YOU GAVE ME THAT AVERAGE. IS IT NOT A CORRECT
4 AVERAGE?

5

6 **ALLAN WECKER:** NO. IT IS A CORRECT AVERAGE.

7

8 **SUP. MOLINA:** SO WHY WOULD I NOT GIVE YOU BACK YOUR OWN
9 AVERAGE?

10

11 **DR. JOHN SCHUNHOFF:** SUPERVISOR, I THINK WE JUST WANT A CHANCE
12 TO LOOK AT THE IMPLICATIONS OF THAT NUMBER, OF THE 172 MILLION
13 THAT YOU PROPOSED AND SEE WHERE WE ARE.

14

15 **SUP. MOLINA:** 200 WHAT MILLION?

16

17 **DR. JOHN SCHUNHOFF:** YOU SAID 172 MILLION, I THOUGHT.

18

19 **SUP. MOLINA:** I SAID 148. YOU'RE GOING TO SUBSTANTIATE YOUR
20 172. I MIGHT GO BACK AND LOOK AT MY 148. NOW LET ME
21 UNDERSTAND. WHAT WILL I GET? 23 HOURS AND 55 MINUTES FROM
22 RIGHT NOW?

23

24 **ALLAN WECKER:** WE WILL SHOW YOU A SCHEDULE WITH THE ADJUSTED
25 BUDGET FOR MARTIN LUTHER KING M.A.C.C. HOSPITAL, MARTIN LUTHER



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 KING M.A.C.C. WE'LL START WITH WHAT'S IN THE BUDGET OF 208 AND
2 WE'LL SHOW HOW WE GET TO THE NEW NUMBER.

3

4 **SUP. BURKE, CHAIR:** MAY I JUST ASK FOR ONE THING? WOULD YOU
5 COMPARE, IF YOU'RE GOING TO USE HIGH DESERT, THAT YOU HAVE THE
6 SERVICES THAT ARE PROVIDED AT HIGH DESERT AND YOU HAVE THOSE
7 OVER AT M.L.K., ON YOUR CHART. AND THEN IF THERE ARE
8 ADDITIONAL SERVICES THAT ARE PROVIDED AT M.L.K. THAT ARE NOT
9 PROVIDED AT HIGH DESERT, THAT YOU LIST THOSE SEPARATELY? WILL
10 YOU DO THAT?

11

12 **ALLAN WECKER:** YES, WE WILL.

13

14 **C.E.O. FUJIOKA:** WE WILL DO IT. BUT I BELIEVE THE GOAL IS TO
15 REDUCE THE BUDGETED AMOUNT FOR KING FROM THE 208 TO THE 172.
16 AND WHAT WILL WE'LL HAVE IN THE REPORT TOMORROW WILL BE HOW WE
17 GET TO THAT NUMBER. HOW WE GET TO THAT NUMBER. NOT IF, BUT HOW
18 WE GET TO THAT NUMBER. BUT WE JUST WANT TO MAKE SURE THAT SOME
19 OF THAT HAS NOT BEEN EMBEDDED IN THE CURRENT BUDGET. WE HEAR
20 LOUD AND CLEAR, WE HEAR LOUD AND CLEAR THAT THE GOAL IS TO
21 REDUCE THE BUDGETED AMOUNT FOR THE M.A.C.C. AT KING FROM 208
22 TO 172. BUT I THINK WHAT ALLAN SAID EARLIER, HE JUST WANTS TO
23 MAKE SURE SOME OF THAT IS NOT ALREADY THERE. BUT WE WILL
24 REPORT BACK. IT'S CURRENTLY AT 208. I UNDERSTAND THE GOAL IS
25 TO REDUCE IT TO 172. WE JUST WANT TO MAKE SURE THAT SOME OF



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1 THAT HAS NOT ALREADY BEEN IDENTIFIED OR IS CURRENTLY IN THE
2 BUDGET. BUT WE WILL COME BACK WITH THAT FROM 208 TO 172. I
3 BELIEVE THAT'S WHAT THE DISCUSSION HAS FOCUSED ON.

4

5 **SUP. YAROSLAVSKY:** SO THERE'S 35, \$36 MILLION IMPROVEMENT IN
6 THE HOLE, BUT YOU STILL HAVE A HOLE OF 170 SOME ODD MILLION?

7

8 **C.E.O. FUJIOKA:** ACTUALLY THE HOLE IS CLOSER TO 100 MILLION
9 RIGHT NOW, RIGHT? THERE WAS THE EARLIER CONVERSATION ABOUT
10 USING THE ONE-TIME MONEY TO GET TO THAT 100.

11

12 **SUP. BURKE, CHAIR:** I THOUGHT HE SAID IT WAS 48 PLUS 35.

13

14 **SUP. YAROSLAVSKY:** YOUR DOCUMENT SHOWS 197.8.

15

16 **C.E.O. FUJIOKA:** WELL YOU ARE REDUCING THAT.

17

18 **SUP. YAROSLAVSKY:** THAT 197.8 IS GOING DOWN BY 36, 38 MILLION
19 WHATEVER THAT DIFFERENCE IS.

20

21 **SUP. BURKE, CHAIR:** ACCORDING TO THE LAST YOU GAVE US.

22

23 **SUP. YAROSLAVSKY:** SO THAT TOMORROW WHEN WE HAVE THIS ITEM
24 BEFORE US AND YOU HAVE FIGURED THIS OUT, WE WILL STILL BE
25 APPROVING A BUDGET WITH A PLACEHOLDER OF HOW MUCH?



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The Los Angeles County Board of Supervisors

1

2 **ALLAN WECKER:** PROBABLY ABOUT 80 TO 90 MILLION. IF YOU REDUCE
3 AT KING, THERE WILL BE SOME --

4

5 **SUP. YAROSLAVSKY:** SPEAK IN THE MIC.

6

7 **C.E.O. FUJIOKA:** SPEAK IN THE MIC.

8

9 **ALLAN WECKER:** IF WE REDUCE APPROXIMATELY \$30 MILLION FROM
10 M.L.K., WE'RE GOING TO LOSE REVENUE OF PROBABLY ABOUT 6
11 MILLION, PUT YOU ABOUT NET 24. SO YOU TAKE ABOUT 85, PROBABLY
12 AROUND \$60 MILLION WOULD BE WHAT THE PLUG WOULD BE.

13

14 **SUP. YAROSLAVSKY:** AND HOW DID YOU GET TO 60 FROM 170
15 SOMETHING?

16

17 **ALLAN WECKER:** WE HAD THE C.B.R.C., WHICH IS WORTH ABOUT \$96
18 MILLION.

19

20 **SUP. YAROSLAVSKY:** WHICH IS NOT INCLUDED IN THE 197.8.

21

22 **ALLAN WECKER:** CORRECT, WHICH IS NOT INCLUDED.

23

24 **SUP. YAROSLAVSKY:** SO THAT'S WHAT MR. FUJIOKA WAS ALLUDING TO A
25 MINUTE AGO, OKAY.



The Meeting Transcript of
The Los Angeles County Board of Supervisors

1

2 **ALLAN WECKER:** YES.

3

4 **SUP. YAROSLAVSKY:** THANK YOU.

5

6 **SUP. BURKE, CHAIR:** OKAY.

7

8 **SUP. YAROSLAVSKY:** I JUST DIDN'T WANT ANY SURPRISES TOMORROW.

9

10 **CLERK SACHI HAMAI:** SO MADAME CHAIR, ITEM 13.

11

12 **SUP. BURKE, CHAIR:** IS REPORT BACK IN AUGUST, IS THAT CORRECT?

13

14 **CLERK SACHI HAMAI:** NO. IT IS BE CONTINUED TOMORROW.

15

16 **SUP. BURKE, CHAIR:** A PORTION OF IT TOMORROW.

17

18 **CLERK SACHI HAMAI:** I BELIEVE THE C.E.O. WOULD LIKE THE ENTIRE

19 ITEM CONTINUED TO TOMORROW?

20

21 **SUP. MOLINA:** THAT WOULD BE BETTER.

22

23 **SUP. BURKE, CHAIR:** JUST THE HEALTH DEPARTMENT.

24



The Meeting Transcript of
The Los Angeles County Board of Supervisors

1 **C.E.O. FUJIOKA:** I THINK AT THIS POINT IN TIME, GIVEN THAT IT'S
2 ONLY TOMORROW, THAT WE CAN CARRY ALL OF IT OVER, KEEP IT REAL
3 NEAT AND CLEAN. DO IT ALL AT ONCE.

4

5 **SUP. BURKE, CHAIR:** YOU MEAN THE WHOLE BUDGET OR ITEM 13?

6

7 **C.E.O. FUJIOKA:** WHAT WE'VE ASKED ALREADY IS THROUGH YOUR
8 EXECUTIVE OFFICE IS A PLACEHOLDER TO 2:00. SO WE'LL JUST DO
9 THE WHOLE THING AT THIS POINT IN TIME.

10

11 **SUP. BURKE, CHAIR:** SO WE WILL CONTINUE THE WHOLE ITEM. SHOULD
12 WE GO AND FINISH EVERYTHING ELSE THAT WE WOULD DO ORDINARILY?

13

14 **CLERK SACHI HAMAI:** RIGHT. BUT ITEM 13 WILL BE CARRIED OVER TO
15 TOMORROW.

16

17 **SUP. BURKE, CHAIR:** I THINK HE WANTS TO CARRY THE WHOLE BUDGET
18 OVER, TOO?

19

20 **CLERK SACHI HAMAI:** BILL? MR. FUJIOKA, DO YOU WANT TO CARRY THE
21 WHOLE BUDGET OR JUST THE HEALTH PORTION? OR JUST ITEM 13?

22

23 **C.E.O. FUJIOKA:** WE CAN.

24



**The Meeting Transcript of
The Los Angeles County Board of Supervisors**

1 **DEBBIE LIZZARI:** SUPERVISORS, THERE ARE THREE ITEMS IN THE
2 HEALTH DEPARTMENT THAT AFFECT THE GENERAL FUND SIDE OF THE
3 BUDGET. SO PROBABLY THE NEATEST WAY TO DO IT IS CONTINUE.
4 HOWEVER IF YOU CHOOSE TO ADOPT THE REST OF THE BUDGET TODAY,
5 THEN I WOULD SUGGEST THAT THESE THREE ITEMS HAVE TO BE
6 MODIFIED FROM ITEM 4.

7

8 **C.E.O. FUJIOKA:** REMEMBER THERE ARE SOME CAPITAL COSTS INVOLVED
9 THAT MAY IMPACT--

10

11 **SUP. YAROSLAVSKY:** LET ME MAKE A SUGGESTION I THINK WILL BE
12 SIMPLE. LET'S GO THROUGH THIS BUDGET, THE REST OF THE AGENDA
13 TODAY. AND THEN FINISH IT WITHOUT ACTUALLY ADOPTING IT. HOLD
14 IT OVER UNTIL TOMORROW. IT WILL SAVE YOU A LOT OF PAPERWORK.
15 AND THEN WE'LL HAVE THE OTHER ITEM AND WE CAN MERGE THEM
16 TOGETHER.

17

18 **SUP. KNABE:** WE SCHEDULED THE TIME.

19

20 **SUP. BURKE, CHAIR:** ONE PERSON HAS ASKED TO SPEAK. NANCY
21 WATSON. SO ON THIS ITEM, MR. FUJIOKA, HOW DO YOU WANTED TO
22 TREAT THIS AS WE GO THROUGH NOW, WITH THE IDEA THAT THE WHOLE
23 BUDGET'S GOING TO BE CONTINUED, HOW DO YOU WANT THE ITEM 13
24 TREATED?

25



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1 **C.E.O. FUJIOKA:** I STILL THINK WE CAN CONTINUE WITH THE
2 DISCUSSION PHASE OF THIS PROCESS AND GO OVER THE REMAINING
3 ITEMS, 15, 16, 17. AND THEN 18, 19, 20. AND THEN WE COME BACK
4 TOMORROW AND VOTE ON ITEM NO. 4.

5

6 **SUP. MOLINA:** NO, ON NO. 18, THE ENTIRE BUDGET.

7

8 **SUP. BURKE, CHAIR:** 13, ALSO, RIGHT?

9

10 **C.E.O. FUJIOKA:** IT WILL BE IMPACTED BY WHAT WE DO WITH THE
11 REST OF THE ITEMS.

12

13 **CLERK SACHI HAMAI:** ITEM 13 IS BEING CARRIED UNTIL TOMORROW.

14

15 **SUP. BURKE, CHAIR:** AND 4 IS CARRIED. YES, I'M SORRY. PLEASE
16 STATE YOUR NAME.

17

18 **NANCY WATSON:** NANCY WATSON, COMMUNITY HEALTH COUNCIL. I
19 PLANNED JUST TO SPEAK ON THE P.P.P. ISSUE, BUT JUST WITH
20 REGARDS TO THE M.L.K. M.A.C.C., ESPECIALLY CARE REMAINS A
21 CONCERN IN THE SOUTH L.A. AREA. CERTAINLY WE HAD HOPED TO SEE
22 A HIGHER LEVEL OF VISITS AT THE FACILITY, AROUND 200 I THINK
23 WAS PROMISED. AND YOU'RE AT ABOUT 150. SO IF YOU BRING DOWN
24 THE BUDGET, DOES THAT IMPACT THE ABILITY TO PROVIDE THAT
25 NUMBER OF VISITS? I WASN'T QUITE CLEAR.



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1

2 **SUP. BURKE, CHAIR:** I THINK THAT THE INTENTION WAS TO KEEP THE
3 NUMBER OF VISITS IN THERE. I THINK THAT WAS WHAT HER --

4

5 **C.E.O. FUJIOKA:** THAT IS THE INTENT. IT WON'T AFFECT THE NUMBER
6 OF VISITS OR CARE WE'RE PROVIDING.

7

8 **NANCY WATSON:** THE SOUTH L.A. SPECIALTY COLLABORATIVE IS
9 WORKING HARD TO MAKE REFERRALS TO BRING THOSE VISIT NUMBERS
10 UP. BUT IT'S A MATTER OF EDUCATION. AND WE JUST STARTED
11 MEETING. BUT HOPEFULLY THOSE NUMBERS SHOULD COME UP. WITH
12 RESPECT TO THE P.P.P. ISSUE, I JUST WANTED TO -- WE DID
13 TESTIFY IN APRIL IN SUPPORT OF THE 2008 NEED FORMULA BEING
14 APPLIED BY THE END OF THE YEAR. I BELIEVE THE BOARD DECIDED TO
15 NOT IMPLEMENT THE FORMULA BUT, INSTEAD, AS MENTIONED EARLIER,
16 LOOK AT THE USE OF TOBACCO FUNDS. GIVEN THE BUDGET CRISIS,
17 THAT LOOKS TO BE A TOUGH, A TOUGH, A TOUGH SALE MOST LIKELY.
18 AND I JUST WANTED TO REITERATE THAT SEVERAL OF OUR SPAS,
19 ACTUALLY FOUR SPAS ARE ONLY GETTING ABOUT HALF OF WHAT THEY
20 NEED TO MEET THE UNINSURED AND POVERTY LEVELS THAT THEY HAVE
21 IN THEIR COMMUNITIES. THE ARGUMENTS FOR NOT HAVING IMPLEMENTED
22 THE FORMULA WERE THAT IT WOULD RESULT IN LARGE SHIFTS OF FUNDS
23 BETWEEN SPAS AND HAVE A POTENTIAL IMPACT ON PATIENTS RECEIVING
24 SERVICES. AGAIN, WE THINK WE SHOULD ASSESS THIS MORE
25 CAREFULLY. THOSE ARGUMENTS WEREN'T TO ME SUBSTANTIATED BY ANY



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1 FURTHER ANALYSIS OR SUPPORT, OTHER THAN JUST THOSE OPINIONS.
2 AND AGAIN, THESE COMMUNITIES DESERVE EQUITY AND CARE AS MUCH
3 AS THOSE THAT ARE BEING OVER FUNDED AT THIS TIME. AND WE URGE
4 YOU TO LOOK AT THAT ISSUE MORE CAREFULLY AS YOU BRING IT BACK
5 BEFORE IN AUGUST, THANK YOU.

6

7 **SUP. BURKE, CHAIR:** ALL RIGHT. THANK YOU VERY MUCH. SO ITEM 13
8 IS BEING CONTINUED TO TOMORROW WITHOUT OBJECTION. ITEM 14?

9

10 **C.E.O. FUJIOKA:** ONE QUICK THING. 13 IS SEPARATE AND APART FROM
11 THE HEALTH SERVICES BUDGET. THAT IS, WE ASKED IF WE CAN --
12 TOMORROW. OKAY. WE'LL DO IT TOMORROW.

13

14 **SUP. MOLINA:** I MEAN I ALREADY HAD IT. BUT THERE'S NOT ANYTHING
15 YOU CAN ADD TO THIS ONE RIGHT NOW. TOMORROW. I MEAN, I THINK
16 THEY DIDN'T REALLY LOOK AT THEIR BUDGET. BUT THAT'S A
17 DIFFERENT PROBLEM. BUT I DON'T KNOW THAT ANYTHING BY TOMORROW
18 IS GOING TO CHANGE ON THAT NUMBER.

19

20 **C.E.O. FUJIOKA:** I DON'T THINK SO.

21

22 **SUP. MOLINA:** SO YOU DON'T NEED TO CONTINUE IT. ALTHOUGH IT
23 DOESN'T MEAN ANYTHING RIGHT NOW TO ME. I THINK THAT WE NEED TO
24 FIND THAT P.P.P. MONEY. I THINK THAT IN THE LONG RUN --

25



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1 C.E.O. FUJIOKA: AND THAT'S OUR INTENT.

2

3 SUP. MOLINA: I UNDERSTAND. BUT IN THIS BUDGET, IT'S NOT IN
4 THERE.

5

6 C.E.O. FUJIOKA: WE UNDERSTAND THAT. THAT'S WHY WE ASKED FOR
7 ADDITIONAL TIME.

8

9 SUP. MOLINA: I KNOW. AND IN SEPTEMBER WE HOPE THAT WE WILL
10 FIND THAT \$40 MILLION OR TAKE THIS TOBACCO MONEY, WHICH IS
11 PREVENTION MONEY, AND PUT IT INTO THAT. BUT RIGHT NOW I DON'T
12 THINK THIS NUMBER IS GOING TO CHANGE BETWEEN TODAY AND
13 TOMORROW.

14

15 C.E.O. FUJIOKA: LET'S CONTINUE. DO YOU WANT TO, SACHI,
16 CONTINUE IT?

17

18 CLERK SACHI HAMAI: I THINK YOU SHOULD JUST CONTINUE THE ITEM
19 SINCE YOU'RE CARRYING THE ENTIRE BUDGET OVER. AND THEN
20 TOMORROW YOU CAN CONTINUE IT TO AUGUST. IF THAT'S OKAY WITH
21 THE SUPERVISORS.

22

23 C.E.O. FUJIOKA: ACTUALLY IT'S A REPORT BACK AT AUGUST.

24



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1 **SUP. MOLINA:** I'M SURE I'LL GET IT THE DAY, OR THE HALF HOUR
2 BEFORE THE REAL MEETING. 45 MINUTES BEFORE THE REAL MEETING.
3 I'M KEEPING TRACK.

4
5 **C.E.O. FUJIOKA:** I'M AT A LOSS FOR WORDS.

6
7 **CLERK SACHI HAMAI:** ITEM 14?

8
9 **C.E.O. FUJIOKA:** ITEM 14, LET ME GET TO IT. THERE'S A REPORT
10 HERE THAT SPEAKS TO THE SAVINGS ASSOCIATED WITH OUR HOMELESS
11 PREVENTION PROGRAMS. BUT IT ALSO STATES THAT WE HAVE FIVE
12 MAJOR PROGRAMS THAT ARE CURRENTLY IN PLACE WHERE WE NEED TIME
13 TO IDENTIFY THE SAVINGS ASSOCIATED WITH IT FOR A COUPLE OF
14 PROGRAMS. LET ME SEE WHAT WE HAVE HERE. WE HAVE A COUPLE OF
15 PROGRAMS, SUCH AS THE GENERAL RELIEF HOUSING SUBSIDY AND THE
16 CASE MANAGEMENT PROJECT CAN SAVE BETWEEN 5.4 MILLION AND \$10.3
17 MILLION OVER A PERIOD OF FIVE YEARS. WHAT WE WANT IS THE TIME
18 TO LOOK AT OUR EMERGENCY ASSISTANCE, PREVENTION EVICTION FOR
19 CALWORKS AND NONWELFARE TO WORK HOMELESS FAMILIES. WE HAVE THE
20 HOMELESS RECUPERATIVE CARE BEDS. THAT WOULD HAVE A VERY LARGE
21 IMPACT ON D.H.S. WE HAVE A PROJECT 50 THAT I MENTIONED. WE
22 HAVE ACCESS TO HOUSING FOR HEALTH. AND WE HAVE THE SKID ROW'S
23 FAMILY DEMONSTRATION PROJECT. AND SOMEWHAT ON THE PERIPHERY,
24 WE ALSO HAVE THE G.R. PROGRAM TO SUPPORTIVE SERVICES. EACH OF
25 THESE PROGRAMS WILL HAVE AN IMPACT TO A LARGE EXTENT ON D.H.S.



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1 BECAUSE AS PEOPLE CAN MOVE INTO THESE PROGRAMS, IT CAN HELP
2 WITH THE QUALITY OF LIFE. AND WITH THAT, ADDRESS SOME OF THEIR
3 HEALTHCARE NEEDS. ANY QUESTIONS ON THIS ONE?

4

5 **SUP. BURKE, CHAIR:** SUPERVISOR KNABE? AND SUPERVISOR
6 YAROSLAVSKY.

7

8 **SUP. KNABE:** PART OF THIS OBVIOUSLY WAS A MOTION THAT I BROUGHT
9 IN AND I REALLY APPRECIATE THE REPORT. BUT I THINK AS WE DEAL
10 WITH THIS WHOLE 100 MILLION AND ALL THE VARIOUS GOOD PROGRAMS
11 AND THE GOOD REPORTING WE'VE DONE, I REALLY THINK WE NEED TO
12 FIGURE OUT SOMEHOW TO MEASURE THE SUCCESS OF THESE PROGRAMS.
13 AND I THINK THAT'S THE KEY. I MEAN, PART OF OUR RATIONALE ON
14 ALL THIS IS COST AVOIDANCE. COST SAVINGS TO OUR JAILS,
15 HOSPITALS, WELFARE SYSTEMS, ALL OF THAT. I'M NOT SURE HOW
16 WE'RE GOING TO DO IT, BUT UNLESS THERE'S SOME METHOD, I MEAN,
17 I DON'T KNOW THAT WE CAN REALLY PROVE WHAT WE THINK WE'RE
18 DOING. BUT I THINK IT'S REALLY IMPORTANT THAT WE FIND SOME WAY
19 TO MONITOR THIS, TO VALIDATE -- \$100 MILLION IS A VERY
20 SIGNIFICANT COMMITMENT. GRANTED, A LOT OF PEOPLE SAY IT'S NOT
21 ENOUGH. AND OBVIOUSLY IT ISN'T. BUT IN ORDER TO PROCEED DOWN
22 THE ROAD, TO PUT MORE MONEY INTO A PROGRAM, WE CERTAINLY NEED
23 TO BE ABLE TO SHOW SOME VALIDATION OF SUCCESS, NOT JUST
24 NECESSARILY WHERE WE SPENT THE MONEY, BUT WHAT COSTS WERE
25 AVOIDED BECAUSE OF THIS EFFORT. AND I THINK IT'S VERY



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1 SIGNIFICANT. SO I THANK YOU FOR THE REPORT. GOOD JOB. BUT
2 HOPEFULLY OUT OF THIS IN A VERY SHORT PERIOD OF TIME WE CAN
3 COME UP WITH A WAY TO MEASURE THE COST AVOIDANCE.

4

5 **MIGUEL SANTANA:** SUPERVISOR, THIS IS JUST THE BEGINNING IN
6 TERMS OF ESTABLISHING THIS METHODOLOGY THAT YOU REQUESTED. AND
7 SO WHAT WE'RE HOPING TO DO, AS THE C.E.O. MENTIONED, IS
8 EVALUATE ALL OF OUR PROGRAMS AND REALLY BE ABLE TO COME UP
9 WITH A TANGIBLE COST AVOIDANCE. BUT WE'RE ALSO LOOKING AT THE
10 EFFECTIVENESS OF THESE PROGRAMS. AND IT'S NOT JUST ABOUT
11 SAVING DOLLARS, BUT IT'S ALSO ABOUT GETTING PEOPLE FROM STREET
12 TO HOME. SO THIS IS THE BEGINNING OF AN OVERALL REVIEW OF THE
13 ENTIRE 100 MILLION.

14

15 **SUP. KNABE:** YEAH, YOU'RE RIGHT. IT'S NOT JUST A MATTER OF JUST
16 GIVING PEOPLE MONEY OR THAT WHOLE TRANSITION. BUT IN THAT
17 TRANSITION, OBVIOUSLY, THERE IS GOING TO BE SIGNIFICANT COST
18 AVOIDANCE FOR THE SYSTEM. AND THAT'S WHAT WE NEED TO VALIDATE.

19

20 **MIGUEL SANTANA:** AND THE OTHER THING, TOO, IS THAT WHAT WE'RE
21 DOING IS THIS INFORMATION IS INFORMING OTHER PROJECTS. IN THE
22 BUDGET IS THE G.R. TO S.S.I. PILOT PROGRAM WHERE WE'RE GOING
23 AFTER THE 1,000 MOST CHRONIC G.R. RECIPIENTS. AND A LOT OF
24 THAT CAME FROM THE WORK THAT WE'VE BEEN DOING IN THE H.P.I. SO



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1 IT'S NOT JUST ABOUT ONE-TIME PROGRAMS BUT ALSO CHANGING THE
2 WAY WE DO BUSINESS ON AN ONGOING BASIS.

3

4 **SUP. KNABE:** THANK YOU.

5

6 **SUP. BURKE, CHAIR:** SUPERVISOR YAROSLAVSKY?

7

8 **SUP. YAROSLAVSKY:** YEAH, I JUST HAD ONE COMMENT. AS I
9 UNDERSTAND IT, ONE OF THE WAYS YOU'RE GOING TO TRY -- ON THE
10 ISSUE OF QUANTIFYING THE COST AVOIDANCE IS THAT YOU WERE GOING
11 TO LOOK AT OTHER MODELS AROUND THE COUNTRY. I'M BOTHERED BY
12 THAT. I THINK THAT'S REALLY NOT THE WAY TO DO IT. I THINK WE
13 OUGHT TO TRY TO FIGURE OUT WHAT THE -- FIND OUT ACTUALLY WHAT
14 WE ARE SAVING. EVEN IF IT'S NOT 100 PERCENT A WASH OUT, WHICH
15 IT PROBABLY WON'T BE, I THINK TO HAVE A FAIR AND HONEST
16 ASSESSMENT YOU NEED TO KNOW WHAT'S HAPPENING HERE IN L.A.
17 COUNTY. BECAUSE IT'S DIFFERENT IN NEW YORK, NEW YORK CITY,
18 IT'S DIFFERENT IN HOUSTON AND IT'S DIFFERENT IN ATLANTA. AND I
19 THINK ONE OF THE FLAWS IN THE HOMELESS CENSUS, FRANKLY, IS ALL
20 THE EXTRAPOLATIONS THAT ARE DONE THAT END UP BALLOONING THINGS
21 BEYOND ALL CREDIBILITY. I'M JUST REMINDED, I THINK THE CENSUS
22 -- WHAT DID THE CENSUS SAY ABOUT HOMELESSNESS IN SKID ROW IS
23 ABOUT 3,000? AND WHEN WE ACTUALLY WENT OUT AND DID THE COUNT
24 IN DECEMBER, IT WAS 471. SO IT WAS 8-1/2 TIMES GROWTH,
25 INFLATION IN THAT. SO I THINK IF YOU CAN FOCUS ON THAT, YOU



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1 MIGHT WANT TO COMPARE IT TO WHAT OTHER JURISDICTIONS HAVE DONE
2 AND SEE HOW WE SIZE UP AGAINST THEM, BUT I THINK YOU'VE GOT TO
3 ACTUALLY PUT PENCIL TO PAPER ON WHAT WE ARE SAVING IN OUR
4 JAILS. WHAT WE ARE SAVING IN OUR EMERGENCY ROOMS OR WHAT WE
5 WOULD HAVE SAVED, ETC. THAT'S MY ONLY COMMENT ON THIS. CAN YOU
6 ASSURE ME THAT THAT'S WHERE YOU'RE HEADED WITH THAT?

7

8 **MIGUEL SANTANA:** AS A STARTING POINT, WHAT WE DO, BECAUSE WE
9 KNOW WHO THESE INDIVIDUALS ARE IN PROJECT 50, FOR EXAMPLE. SO
10 WHAT WE DO IS WE ACTUALLY TRACK BACKWARDS, ALL THE SERVICES
11 THAT THEY UTILIZED IN THE LAST 5 TO 10 YEARS. AND SO THAT'S
12 THE STARTING POINT. AND BY HOUSING THEM, WE COULD PROJECT HOW
13 MUCH WE WOULD HAVE ANTICIPATED THEY WOULD HAVE USED IN TERMS
14 OF THE EMERGENCY ROOM VISITS, IN TERMS OF INCARCERATION, IN
15 TERMS OF G.R., IF WE GET THEM ONTO S.S.I. SO IT STARTS WITH
16 THAT. IT STARTS WITH ACTUALLY LINKING THE SERVICES THAT THESE
17 INDIVIDUALS HAVE USED. I THINK THE OFFICE OF URBAN RESEARCH
18 WANTS TO PUT IT WITHIN THE FRAMEWORK AND METHODOLOGY THAT'S
19 USED NATIONALLY SO IT HAS SOME ABILITY TO HAVE SUBSTANCE. BUT
20 IN TERMS OF OUR PURPOSES, YOU'RE RIGHT. I THINK WE SHOULD
21 FOCUS ON HOW TANGIBLE THAT NUMBER IS BASED ON PAST
22 UTILIZATION. THAT'S HOW WE START OFF.

23

24 **SUP. YAROSLAVSKY:** AND HOW MUCH -- WHAT A NIGHT IN JAIL COSTS
25 LOS ANGELES COUNTY MAY BE DIFFERENT THAN WHAT A NIGHT IN JAIL



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1 COSTS IN NEW YORK CITY? WHAT A NIGHT IN OUR EMERGENCY ROOM
2 MEETING DIFFERENT AND MAY COST OUR GENERAL FUND OR THE WHOLE
3 TAXPAYER POPULATION, DIFFERENT THAN WHAT IT COSTS IN NEW YORK
4 CITY. I'D LIKE TO KNOW WHAT WE'RE SAVING HERE IN LOS ANGELES
5 COUNTY BECAUSE IT'S LOS ANGELES COUNTY DOLLARS THAT ARE THE
6 HOMELESS INITIATIVE, HOMELESS PREVENTION INITIATIVE, SOURCE OF
7 H.P.I, HOMELESS PREVENTION INITIATIVE FUNDS. SO I THINK THAT'S
8 THE FIRST THING. HOW YOU WANT TO GROW THE ANALYSIS FROM THERE
9 IS FINE. BUT LET'S START, MAKE SURE WE HAVE A SELF-CONTAINED
10 L.A. COUNTY IMPACT, THANKS.

11

12 **SUP. BURKE, CHAIR:** ALL RIGHT. ANY OTHER QUESTIONS? ARNOLD
13 SACHS? AND WE'RE ON HOMELESS ITEM 14.

14

15 **ARNOLD SACHS:** GOOD AFTERNOON, ARNOLD SACHS, LET ME SEE IF I
16 CAN GET THIS RIGHT. I'M CONCERNED ABOUT TWO THINGS ABOUT THIS.
17 NUMBER 1, I BELIEVE THE CHIEF EXECUTIVE OFFICER, MR. FUJIOKA,
18 SAID SOMETHING ABOUT ONLY 30 PEOPLE SO FAR HAVE BEEN
19 RECOGNIZED FOR THIS HOMELESS PROGRAM. AND YOU'RE GOING TO DO A
20 COST EVALUATION. YOU'RE STILL 20 PEOPLE SHORT. HOW CAN YOU DO
21 A COST EVALUATION BASED UPON 30 PEOPLE WHEN THE PROGRAM IS
22 ACTUALLY 50 PEOPLE? IT'S ALMOST HALF A YEAR THAT'S PASSED. THE
23 PROGRAM IS GOING TO LAST TWO YEARS. THE EVALUATION PERIOD IS
24 THREE YEARS. SO UNTIL YOU GET THE OTHER 20 PEOPLE IN -- AND
25 HOW LONG WILL THAT TAKE? YOU SPENT HALF A MILLION DOLLARS



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1 IDENTIFYING THE 50 MOST HOMELESS PEOPLE. NOW YOU HAVE TO GO
2 BACK AND ROUND THEM UP. THIS IS ALL FROM THE JANUARY MEETING.
3 WHEN DO WE HEAR ABOUT HAVING 50 PEOPLE HOUSED AND THEN THE
4 TRUE EVALUATION CAN TAKE PLACE? THANK YOU FOR YOUR TIME, YOUR
5 ANSWERS AND YOUR ATTENTION.

6

7 **SUP. BURKE, CHAIR:** THANK YOU VERY MUCH. ON THIS ITEM, IS THIS
8 A RECEIVE AND FILE?

9

10 **CLERK SACHI HAMAI:** YES.

11

12 **SUP. BURKE, CHAIR:** MOVED BY YAROSLAVSKY, SECONDED BY
13 ANTONOVICH; WITHOUT OBJECTION, SO ORDERED ON 14. ITEM 15.

14

15 **C.E.O. FUJIOKA:** THE REST OF THE ITEMS, I THINK I MISSPOKE
16 EARLIER, THEY'RE PREDICATED UPON APPROVING THE ENTIRE BUDGET.
17 BECAUSE THEY'RE ENABLING MOTIONS. SO I WOULD SUGGEST AT THIS
18 POINT IN TIME.

19

20 **SUP. BURKE, CHAIR:** 17, ALSO?

21

22 **C.E.O. FUJIOKA:** ALL THE WAY THROUGH.

23



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1 **DEBBIE LIZZARI:** YEAH, I WOULD SAY 17 DOES INCLUDE
2 APPROPRIATION LIMITS FOR THE MUSEUM. SO IT SHOULD BE CARRIED
3 OVER, AS WELL.

4

5 **CLERK SACHI HAMAI:** THERE IS SOMEBODY WHO WOULD LIKE TO SPEAK
6 ON ITEM 20, UNLESS YOU'D LIKE TO CARRY THAT TO TOMORROW.

7

8 **SUP. BURKE, CHAIR:** MR. SACHS? OKAY. ALL RIGHT, FINE, THANK YOU
9 VERY MUCH. SO THE MOTION IS TO CONTINUE THE BUDGET TO
10 TOMORROW?

11

12 **CLERK SACHI HAMAI:** WE'RE CONTINUING ITEM 4, ITEM 13, ITEM 15,
13 16, 17, AND 18 UNTIL TOMORROW.

14

15 **SUP. BURKE, CHAIR:** SO MOVED BY KNABE. SECONDED BY MOLINA.
16 WITHOUT OBJECTION, SO ORDERED.

17

18 **CLERK SACHI HAMAI:** AND PLEASE BE ADVISED THAT THE NEXT REGULAR
19 MEETING OF THE BOARD IS TOMORROW, TUESDAY, JUNE 17TH, 2008, AT
20 9:30 A.M. ALSO THE SPECIAL MEETING FOR THE 2008-2009 BUDGET
21 DELIBERATIONS WILL CONTINUE TO JUNE 17TH, 2008 AT 2 P.M. THANK
22 YOU.

23

24 **SUP. BURKE, CHAIR:** CAN IT BE AT THE CONCLUSION OF THE OTHER
25 ITEMS?



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1

2 **CLERK SACHI HAMAI:** WOULD YOU LIKE IT?

3

4 **SUP. BURKE, CHAIR:** OR NO LATER THAN 2? COUNTY COUNSEL? CAN WE
5 HAVE THE BUDGET CONTINUED AT THE CONCLUSION OF THE REGULAR
6 MEETING OF THE BOARD OR AT NO LATER THAN 2?

7

8 **RAY FORTNER, COUNSEL: ATTORNEY:** YES, MADAME CHAIR.

9

10 **CLERK SACHI HAMAI:** AT THE CONCLUSION OF OF TOMORROW'S REGULAR
11 MEETING.

12

13 **SUP. BURKE, CHAIR:** AGENDA.

14

15 **CLERK SACHI HAMAI:** THANK YOU.

16

17 **SUP. BURKE, CHAIR:** OKAY. WITHOUT OBJECTION.

18

19

20

21

22

23

24

25



**The Meeting Transcript of
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1 I, JENNIFER A. HINES, Certified Shorthand Reporter

2 Number 6029/RPR/CRR qualified in and for the State of
3 California, do hereby certify:

4 That the transcripts of proceedings recorded by the
5 Los Angeles County Board of Supervisors June 16, 2008

6 were thereafter transcribed into typewriting under my
7 direction and supervision;

8 That the transcript of recorded proceedings as
9 archived in the office of the reporter and which

10 have been provided to the Los Angeles County Board of
11 Supervisors as certified by me.

12 I further certify that I am neither counsel for, nor
13 related to any party to the said action; nor

14 in anywise interested in the outcome thereof.

15 IN WITNESS WHEREOF, I have hereunto set my hand this
16 19th day of June 2008 for the County records to be used only
17 for authentication purposes of duly certified transcripts
18 as on file of the office of the reporter.

19

20 JENNIFER A. HINES

21 CSR No. 6029/RPR/CRR

22

23

24

25