Health Services
LOS ANGELES COUNTY

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www.dhs.lacounty.gov

To improve health through leadership, service and education.

October 21, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

DEPARTMENT OF HEALTH SERVICES: REQUEST TO ACCEPT COMPROMISE OFFERS OF SETTLEMENT
(First and Second District) (3 Votes)

SUBJECT

On January 15, 2002, the Board adopted an ordinance granting the Interim Director of Health Services (Director) authority to compromise or reduce patient account liabilities when it is in the best interest of the County to do so. Since the compromises referenced below are not within the Director's authority, the Director is requesting Board approval of these compromises.

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Director or his designee, to accept the attached compromise offers of settlement, pursuant to Section 1473 of the Health and Safety Code, of the following individual accounts for patients who received medical care at a County facility:

(1)	Account Number	LAC+USC – Various	$ 30,000
(2)	Account Number	H/UCLA – Various	$ 25,000
(3)	Account Number	LAC+USC – Various	$ 21,317
(4)	Account Number	LAC+USC – Various	$ 8,473
(5)	Account Number	LAC+USC – Various	$ 7,812
(6)	Account Number	LAC+USC – Various	$ 7,644
(7)	Account Number	LAC+USC – 4432789	$ 7,500
(8)	Account Number	LAC+USC – Various	$ 5,468
(9)	Account Number	LAC+USC – 4121527	$ 4,800
(10)	Account Number	H/UCLA – Various	$ 4,778
(11)	Account Number	LAC+USC – Various	$ 4,363
(12)	Account Number	LAC+USC – Various	$ 4,000
(13)	Account Number	LAC+USC – Various	$ 1,959

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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The compromise offers of settlement for patient accounts (1) – (13) are recommended because the patients are unable to pay the full amount of charges and the compromise offers represent the maximum amount the Department will be able to receive under the legal settlement involved in the case.

The best interests of the County would be served by the approval of these compromises, since it will enable DHS to maximize net revenue on these accounts.

Implementation of Strategic Plan Goals

The recommended action will satisfy County Strategic Plan Goal #4, Fiscal Responsibility.

FISCAL IMPACT/FINANCING

This will expedite the County's recovery of revenue totaling approximately $133,114.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Under County Code Chapter Section 2.76.046, the Director has the authority to reduce patient account liabilities by the greater of i) $15,000, or ii) $75,000 or 50% of the account balance, whichever is less. Any reduction exceeding the Director's authority requires Board approval.

Typically, recoveries in legal settlements are divided approximately into thirds between plaintiff, plaintiff's attorney, and all medical lien holders, which would include the County's hospital lien. Factors that contribute to each party receiving more or less than one-third of the recovery include the number of medical lien holders, the patient's attorney retainer agreement, and costs accrued by the patient during the legal process.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Maximizing net revenues on these accounts will help DHS meet its budgeted revenue amounts.

When approved, DHS requires three signed copies of the Board's action.

Respectfully submitted,

John F. Schunhoff, Ph.D.
Interim Director of Health Services

JFS:lg (R:\LMARTINEZ\COMPROMISEBRDLTR#70\LETTER)

Attachments (13)

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 1
DATE: October 21, 2008

Total Charges	$60,820	**Account Number**	6700716 & 6780771
Amount Paid	$0	**Service Type**	Inpatient
Balance Due	$60,820	**Date of Service**	11/27/07-11/30/07 & 12/14/07-12/21/07
Compromise Amount Offered	$30,000	**% Of Charges**	49%
Amount to be Written Off	$30,820	**Facility**	LAC+USC Medical Center

JUSTIFICATION

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at LAC+USC Medical Center and incurred total inpatient charges of $60,820 for medical services rendered. The patient is not eligible for Medi-Cal and did not apply for any of Los Angeles County's low cost/no cost programs. The patient's third party liability (TPL) claim settled for $100,000, the policy limit carried by the party responsible at the time of the accident, and his attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees *	$33,333	$25,000	25%
Lawyer's Cost	$8,920	$8,920	9%
LAC+USC Medical Center **	$60,820	$30,000	30%
Other Lien Holders **	$10,631	$8,195	8%
Patient		$27,885	28%
Total		$100,000	100%

* The patient's attorney agreed to reduce his fees from $33,333 (33%) to $25,000 (25%).
** Lien holders are receiving 38% of the settlement (30% to LAC+USC Medical Center and 8% to others).

Based on the DHS' outside collection agency's assessment and recommendation, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet his obligation to LAC+USC Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 2
DATE: October 21, 2008

Total Charges	$66,089	**Account Number**	Various
Amount Paid	$0	**Service Type**	Inpatient & Outpatient
Balance Due	$66,089	**Date of Service**	Various
Compromise Amount Offered	$25,000	**% Of Charges**	38%
Amount to be Written Off	$41,089	**Facility**	H/UCLA Medical Center

JUSTIFICATION

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at H/UCLA Medical Center and incurred total inpatient and outpatient charges of $66,089 for medical services rendered. The patient did not apply for Medi-Cal or any of Los Angeles County's low cost/no cost programs. The patient's third party liability (TPL) claim settled for $60,000 and his attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees	$20,000	$20,000	33%
Lawyer's Cost	$356.61	$356.61	1%
H/UCLA Medical Center	$66,089	$25,000	42%
Other Lien Holders			
Patient		$14,643.39	24%
Total		$60,000	100%

Based on the DHS' outside collection agency's assessment and recommendation, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet his obligation to H/UCLA Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 3
DATE: October 21, 2008

Total Charges	$86,573	**Account Number**	Various
Amount Paid	$0	**Service Type**	Inpatient & Outpatient
Balance Due	$86,573	**Date of Service**	Various
Compromise Amount Offered	$21,317.29	**% Of Charges**	25%
Amount to be Written Off	$65,255.71	**Facility**	LAC+USC Medical Center

JUSTIFICATION

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at LAC+USC Medical Center and incurred total inpatient and outpatient charges of $86,573 for medical services rendered. The patient was an Ability-to-Pay (ATP) patient with no liability. The patient's third party liability (TPL) claim settled for $75,000, the policy limit carried by the party responsible at the time of the accident, and his attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees *	$30,000	$25,000	33%
Lawyer's Cost	$2,095.98	$2,095.98	3%
LAC+USC Medical Center **	$86,573	$21,317.29	28%
Other Lien Holders **	$9,808.74	$2,166	3%
Patient		$24,420.73	33%
Total		$75,000	100%

* The patient's attorney agreed to reduce his fees from $30,000 (40%) to $25,000 (33%).

** Lien holders are receiving 31% of the settlement (28% to LAC+USC Medical Center and 3% to others). The patient's attorney is not willing to offer more due to the patient's circumstances.

Based on information provided, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet his obligation to LAC+USC Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 4
DATE: October 21, 2008

Total Charges	$39,392	**Account Number**	Various
Amount Paid	$0	**Service Type**	Inpatient & Outpatient
Balance Due	$39,392	**Date of Service**	Various
Compromise Amount Offered	$8,472.75	**% Of Charges**	22%
Amount to be Written Off	$30,919.25	**Facility**	LAC+USC Medical Center

JUSTIFICATION

This patient was involved in an automobile versus automobile accident. As a result of this accident, the patient was treated at LAC+USC Medical Center and incurred total inpatient and outpatient charges of $39,392 for medical services rendered. The patient did not apply for Medi-Cal or any of Los Angeles County's low cost/no cost programs. The patient's third party liability (TPL) claim settled for $30,000, the policy limit carried by the party responsible at the time of the accident, and her attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees *	$12,000	$12,000	40%
Lawyer's Cost	$1,054.50	$1,054.50	4%
LAC+USC Medical Center **	$39,392	$8,472.75	28%
Other Lien Holders **	$23,810.96	$5,713.82	19%
Patient		$2,758.93	9%
Total		$30,000	100%

* The attorney had prepared for trial and a fee of 40% was agreed upon in the retainer agreement between the patient and his attorney.

** Lien holders are receiving 47% of the settlement (28% to LAC+USC Medical Center and 19% to others).

Based on the DHS' outside collection agency's assessment and recommendation, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet her obligation to LAC+USC Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 5
DATE: October 21, 2008

Total Charges	$30,410	**Account Number**	5112751
Amount Paid	$0	**Service Type**	Inpatient
Balance Due	$30,410	**Date of Service**	11/15/06-11/20/06
Compromise Amount Offered	$7,812	**% Of Charges**	26%
Amount to be Written Off	$22,598	**Facility**	LAC+USC Medical Center

JUSTIFICATION

This patient was involved in a "slip and fall" accident. As a result of this accident, the patient was treated at LAC+USC Medical Center and incurred total inpatient charges of $30,410 for medical services rendered. The patient did not qualify for Medi-Cal and has ATP with liability of $3,106. However, acceptance of this compromise offer, which is higher than the patient's ATP liability amount, is considered payment in full and the patient is relinquished from his ATP liability obligation. The patient's third party liability (TPL) claim settled for $28,000 and his attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees *	$11,200	$8,400	30%
Lawyer's Cost	$4,453.47	$4,453.47	16%
LAC+USC Medical Center **	$30,410	$7,812	28%
Other Lien Holders **	$2,263.50	$990	4%
Patient		$6,344.53	22%
Total		$28,000	100%

* The attorney reduced his fees from $11,200 (40%) to $8,400 (30%).

** Lien holders are receiving 32% of the settlement (28% to LAC+USC Medical Center and 4% to others). This is the highest amount the patient's attorney is willing to offer.

Based on the information provided, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet his obligation to LAC+USC Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 6
DATE: October 21, 2008

Total Charges	$49,956	**Account Number**	Various
Amount Paid	$0	**Service Type**	Inpatient & Outpatient
Balance Due	$49,956	**Date of Service**	Various
Compromise Amount Offered	$7,643.68	**% Of Charges**	15%
Amount to be Written Off	$42,312.32	**Facility**	LAC+USC Medical Center

JUSTIFICATION

This patient was a passenger in an automobile accident. As a result of this accident, the patient was treated at LAC+USC Medical Center and incurred total inpatient and outpatient charges of $49,956 for medical services rendered. The patient did not apply for Medi-Cal or any of Los Angeles County's low cost/no cost programs. The patient's third party liability (TPL) claim settled for $28,000 and his attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees *	$11,200	$11,200	40%
Lawyer's Cost	$1,512.65	$1,512.65	5%
LAC+USC Medical Center **	$49,956	$7,643.68	27%
Other Lien Holders **	$6,857	$4,680	17%
Patient		$2,963.67	11%
Total		$28,000	100%

* The attorney had prepared for trial and a fee of 40% was agreed upon in the retainer agreement between the patient and his attorney.

** Lien holders are receiving 44% of the settlement (27% to LAC+USC Medical Center and 17% to others).

Based on the DHS' outside collection agency's assessment and recommendation, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet his obligation to LAC+USC Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 7
DATE: October 21, 2008

Total Charges	$24,238	**Account Number**	4432789
Amount Paid	$0	**Service Type**	Inpatient
Balance Due	$24,238	**Date of Service**	6/10/07-6/14/07
Compromise Amount Offered	$7,500	**% Of Charges**	31%
Amount to be Written Off	$16,738	**Facility**	LAC+USC Medical Center

JUSTIFICATION

This patient was a passenger involved in an automobile accident. As a result of this accident, the patient was treated at LAC+USC Medical Center and incurred total inpatient charges of $24,238 for medical services rendered. The patient did not apply for Medi-Cal or any of Los Angeles County's low cost/no cost programs. The patient's third party liability (TPL) claim settled for $15,000, the policy limit carried by the party responsible at the time of the accident, and the patient is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees *		-	-
Lawyer's Cost *		-	-
LAC+USC Medical Center	$24,238	$7,500	50%
Other Lien Holders			
Patient		$7,500	50%
Total		$15,000	100%

* No attorney was involved in this case. The patient made the compromise offer on her own.

Based on the information provided, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet her obligation to LAC+USC Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 8
DATE: October 21, 2008

Total Charges	$25,128	**Account Number**	Various
Amount Paid	$0	**Service Type**	Inpatient & Outpatient
Balance Due	$25,128	**Date of Service**	Various
Compromise Amount Offered	$5,467.89	**% Of Charges**	22%
Amount to be Written Off	$19,660.11	**Facility**	LAC+USC Medical Center

JUSTIFICATION

This patient was involved in an automobile versus bicycle accident. As a result of this accident, the patient was treated at LAC+USC Medical Center and incurred total inpatient and outpatient charges of $25,128 for medical services rendered. The patient is not eligible for Medi-Cal and did not apply for any of Los Angeles County's low cost/no cost programs. The patient's third party liability (TPL) claim settled for $15,000, the policy limit carried by the party responsible at the time of the accident, and his attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees *	$5,000	$2,084	14%
Lawyer's Cost	$1,564.11	$1,564.11	10%
LAC+USC Medical Center **	$25,128	$5,467.89	37%
Other Lien Holders **	$11,771	$3,800	25%
Patient		$2,084	14%
Total		$15,000	100%

* The attorney agreed to reduce his fees from $5,000 (33%) to $2,084 (14%).

** Lien holders are receiving 62% of the settlement (37% to LAC+USC Medical Center and 25% to others).

Based on the DHS' outside collection agency's assessment and recommendation, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet his obligation to LAC+USC Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 9
DATE: October 21, 2008

Total Charges	$24,776	**Account Number**	4121527
Amount Paid	$0	**Service Type**	Inpatient
Balance Due	$24,776	**Date of Service**	3/29/06-4/1/06
Compromise Amount Offered	$4,800	**% Of Charges**	19%
Amount to be Written Off	$19,976	**Facility**	LAC+USC Medical Center

JUSTIFICATION

This patient was involved in an automobile versus pedestrian accident. As a result of this accident, the patient was treated at LAC+USC Medical Center and incurred total inpatient charges of $24,776 for medical services rendered. The patient did not apply for Medi-Cal or any of Los Angeles County's low cost/no cost programs. The patient's third party liability (TPL) claim settled for $15,000, the policy limit carried by the party responsible at the time of the accident, and his attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees *	$6,000	$3,400	23%
Lawyer's Cost	$1,181.15	$1,181.15	8%
LAC+USC Medical Center **	$24,776	$4,800	32%
Other Lien Holders **	$6,988.50	$2,218.85	15%
Patient		$3,400	23%
Total		$15,000	100%

* The attorney agreed to reduce his fees from $6,000 (40%) to $3,400 (23%).
** Lien holders are receiving 47% of the settlement (32% to LAC+USC Medical Center and 15% to others).

Based on the DHS' outside collection agency's assessment and recommendation, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet his obligation to LAC+USC Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 10
DATE: October 21, 2008

Total Charges	$49,765	**Account Number**	Various
Amount Paid	$0	**Service Type**	Inpatient & Outpatient
Balance Due	$49,765	**Date of Service**	Various
Compromise Amount Offered	$4,778.37	**% Of Charges**	10%
Amount to be Written Off	$44,986.63	**Facility**	H/UCLA Medical Center

JUSTIFICATION

This patient was involved in an automobile versus pedestrian accident. As a result of this accident, the patient was treated at H/UCLA Medical Center and incurred total inpatient and outpatient charges of $49,765 for medical services rendered. The patient did not apply for Medi-Cal or any of Los Angeles County's low cost/no cost programs. The patient's third party liability (TPL) claim settled for $15,000, the policy limit carried by the party responsible at the time of the accident, and his attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees	$5,000	$5,000	33%
Lawyer's Cost	$443.25	$443.25	3%
H/UCLA Medical Center *	$49,765	$4,778.37	32%
Other Lien Holders *	$6,205.09	$3,731.82	25%
Patient		$1,046.56	7%
Total		$15,000	100%

* Lien holders are receiving 57% of the settlement (32% to LAC+USC Medical Center and 25% to others).

Based on the DHS' outside collection agency's assessment and recommendation, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet his obligation to H/UCLA Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 11
DATE: October 21, 2008

Total Charges	$90,598	**Account Number**	Various
Amount Paid	$0	**Service Type**	Inpatient & Outpatient
Balance Due	$90,598	**Date of Service**	Various
Compromise Amount Offered	$4,362.50	**% Of Charges**	5%
Amount to be Written Off	$86,235.50	**Facility**	LAC+USC Medical Center

JUSTIFICATION

This patient was involved in an automobile versus pedestrian accident. As a result of this accident, the patient was treated at LAC+USC Medical Center and incurred total inpatient and outpatient charges of $90,598 for medical services rendered. The patient did not apply for Medi-Cal or any of Los Angeles County's low cost/no cost programs. The patient's third party liability (TPL) claim settled for $15,000, the policy limit carried by the party responsible at the time of the accident, and his attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees *	$6,000	$6,000	40%
Lawyer's Cost	$1,148	$1,148	8%
LAC+USC Medical Center **	$90,598	$4,362.50	29%
Other Lien Holders **	$5,123	$1,500	10%
Patient		$1,989.50	13%
Total		$15,000	100%

* Attorney's fee of 40% was agreed upon in the retainer agreement between the patient and his attorney.

** Lien holders are receiving 39% of the settlement (29% to LAC+USC Medical Center and 10% to others).

Based on the DHS' outside collection agency's assessment and recommendation, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet his obligation to LAC+USC Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 12
DATE: October 21, 2008

Total Charges	$45,422	**Account Number**	Various
Amount Paid	$0	**Service Type**	Inpatient & Outpatient
Balance Due	$45,422	**Date of Service**	Various
Compromise Amount Offered	$4,000	**% Of Charges**	9%
Amount to be Written Off	$41,422	**Facility**	LAC+USC Medical Center

JUSTIFICATION

This patient was involved in an automobile versus motorcycle accident. As a result of this accident, the patient was treated at LAC+USC Medical Center and incurred total inpatient and outpatient charges of $45,422 for medical services rendered. The patient was an Ability-to-Pay (ATP) patient with no liability. The patient's third party liability (TPL) claim settled for $15,000, the policy limit carried by the party responsible at the time of the accident, and his attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees *	$5,000	$4,500	30%
Lawyer's Cost	$25	$25	1%
LAC+USC Medical Center **	$45,422	$4,000	27%
Other Lien Holders **	$1,409	$1,409	9%
Patient		$5,066	33%
Total		$15,000	100%

* The patient's attorney agreed to reduce his fees from $5,000 (33%) to $4,500 (30%).
** Lien holders are receiving 36% of the settlement (27% to LAC+USC Medical Center and 9% to others).

Based on information provided, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet his obligation to LAC+USC Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 13
DATE: October 21, 2008

Total Charges	$39,542	**Account Number**	Various
Amount Paid	$0	**Service Type**	Inpatient & Outpatient
Balance Due	$39,542	**Date of Service**	Various
Compromise Amount Offered	$1,959	**% Of Charges**	5%
Amount to be Written Off	$37,583	**Facility**	LAC+USC Medical Center

JUSTIFICATION

This patient was involved in an automobile versus motorcycle accident. As a result of this accident, the patient was treated at LAC+USC Medical Center and incurred total inpatient and outpatient charges of $39,542 for medical services rendered. The patient did not apply for Medi-Cal or any of Los Angeles County's low cost/no cost programs. The patient's third party liability (TPL) claim settled for $8,000 and his attorney is proposing the following disbursement of the proceeds:

Disbursement	Total Claim	Proposed Settlement	Percent of Settlement
Lawyer's Fees *	$3,200	$3,200	40%
Lawyer's Cost	$883	$883	11%
LAC+USC Medical Center	$39,542	$1,959	25%
Other Lien Holders			
Patient		$1,958	24%
Total		$8,000	100%

* Attorney's fee of 40% was agreed upon in the retainer agreement between the patient and his attorney. This settlement distribution is consistent with the Hospital Lien Act (California Civil Statute 3045) which indicates that lien holders are entitled to 50% of the settlement after deducting attorney's fees and cost.

Based on the DHS' outside collection agency's assessment and recommendation, it appears that the patient is unable to pay the full amount of charges and has no source of income, or personal or real property to meet his obligation to LAC+USC Medical Center. This compromise offer of settlement is recommended because it represents the maximum amount the Department will be able to receive under the legal settlement involved in the case