



SACHI A. HAMAI  
EXECUTIVE OFFICER

# COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

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July 13, 2010

TO: William T Fujioka  
Chief Executive Officer

FROM: Sachi A. Hamai  
Executive Officer

SUBJECT: CONTINGENCY PLAN TO ADD 150 BEDS AT LAC+USC MEDICAL  
CENTER

At the Board of Supervisors' meeting held July 13, 2010, during the discussion of Agenda Item No. 2, Supervisor Antonovich instructed you, in coordination with the Interim Director of Health Services, to report back to the Board within 45 days with the following:

1. A transformation plan to the Board detailing the programmatic, clinical and operational changes that will be required in accordance with the Health Management Associates' report, to fulfill the commitments made in the State waiver proposal, and to meet the requirements under Health Insurance Reform.
2. The estimated "transformation" costs. This cost analysis should include the costs of upgrades or improvements to information technology, clinical staffing for specialty and primary care services, additional clinics and contracts to meet access requirements, internal and external marketing and infrastructure improvement.
3. Any projections of the number of current Department of Health Services patients who will be insured as a result of both the proposed waiver and health insurance reform. Also, if a gap analysis has been done, comparing this potentially newly insured population with the current health care system capacity under managed care requirements, this analysis should be provided.
4. What steps the department is taking to address the potential funding shortfall if the anticipated revenue does not materialize. Given all this information and the forecast deficit of \$600 million in Fiscal Year 2010-11, the report should detail how the Chief Executive Officer will fund the capital and operational costs necessary to operate additional beds.

William T Fujioka  
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5. The number of licensed, unbudgeted beds in each of the hospitals, by service type.

Attached is a copy of the transcript to assist you in preparing your report.

SAH:ieu

Attachment

c: Each Supervisor  
Interim Director of Health Services  
Laurie Vasquez

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