LOS ANGELES COUNTY – DEPARTMENT OF HEALTH SERVICES
HOSPITALS AND HEALTHCARE DELIVERY COMMISSION
September 4, 2025

Commissioners	Present	Absent
David Marshall, D.N.P., Chair	**X**	
William McCloud, M.H.A., F.A.C.H.E., Vice Chair	**X**	
Christopher Bui, M.D.		**X**
Michael Cousineau, MPH, Ph. D	**X**	
Laura LaCorte, J.D.	**X**	
Patrick Ogawa	**X**	
Elisa Nicholas, M.D.	**X**	
Margaret Farwell Smith	**X**	
Stanley Toy, M.D.		**X**
Rosemary C. Veniegas, Ph.D.	**X**	
Tia Delaney-Stewart	**X**	
Jennifer Sudarsky		**X**
DHS Staff		
Allen Gomez	**X**	
Connie Salgado-Sanchez	**X**	
Rubie Gonzalez Parra	**X**	
County Counsel		
Natasha Mosely	**X**	
Members of the Public		
Victoria Gomez	**X**	
Shelby Eidson	**X**	
Stacy Dagleish	**X**	

1. **Call to Order**
   The meeting was called to order at 10:30 by Commission Chair David Marshall. Quorum was not met, and a fifteen-minute recess was called.

2. **Roll Call**
   Allen Gomez, Commission staff, called the roll. Quorum was not met, and a recess was called. At 10:45, quorum was not met, so another recess was called. At 10:55 another Commissioner arrived and quorum was achieved.

3. **Welcome and Introductions**
   Commission Chair Marshall welcomed all members of the commission, staff, and guests.

4. **Action Item:**
   - Approval of August 7, 2025 Minutes: Minutes approved.

5. **Presentation – General Discussion with Christina Ghaly or Designee – Dr. Nina Park will be presenting in her absence**

• Few changes or clarifications so far from the federal government on the implementation of the provisions of	

the "Big Beautiful Bill" including the Medi-Cal cuts to DHS. • Will share the known impacts of the proposed cuts to DHS and the patients. • Fiscal Outlook presentation at the Board at the end of the month – the CFO will present on fiscal and revenue changes expected for this fiscal forecast. • Closed the books with a $140 million deficit for the first time in decades. • The deficit was smaller than anticipated due to many of the reasons described by the CEOs about efforts to reduce costs and increase efficiencies. • The deficit is likely to grow due to increasing costs of providing healthcare, pharmaceuticals, supplies and labor • The $5000 bonus for SEIU will cost DHS $100 million • Wanted to clarify that it was inaccurately noted at a Board meeting that there would be hospital closures; currently there are actually no closures or layoffs planned • DHS will continue to maintain its level of service we have and plans to hire nurses and doctors to meet staffing ratios and need.	

6. **General Discussion with DHS Hospital CEOs: Jorge Orozco, CEO LA General; Dr. Ben Waterman, Chief Medical Officer (on behalf of Edgar Solis), Olive View-UCLA Medical Center; Konita Wilks, CEO, Rancho Los Amigos National Rehabilitation Center; Andrea Turner, CEO Harbor-UCLA Medical Center**

The Commission expressed interest in hearing about how hospitals are adapting to emerging challenges. LA General Medical Center: • 80% of the patients served are on Medi-Cal. Federal changes present significant financial challenges. • Currently working on a 3% reduction target in their budget, which is close to $70 million. • With the hiring freeze, they are being very careful about the use of overtime, registry, lab and seeking ways to save money. They have some reserves to carry them over for a couple of years, but the hospital has a structural deficit. • They are expecting a 4th LeapFrog A Safety Grade, which is challenging to maintain because 15%-20% of patients are experiencing homelessness, and the rating takes into account safety and outcomes. • Working with a developer to re-envision the use of the west campus and the historic LA Gen hospital building. There is consideration to create interim housing with urgent care services that include mental health services and a sobering center.	

- There are currently 600 DHS employees at the old hospital that would have to be relocated upon losing the space. That's a challenge.

Question – as part of the budget challenge, you noted that you're watching expenses like registry. Can you talk about how that happens? Are numbers going down anyway?

- Registry and contracts are important tools to deliver timely care to our patients and we will continue to rely on them
- The cost of hiring full time staff can be higher than registry when including benefits.
- Registry use has decreased since the pandemic, so it is not as costly a budget item, but it is still part of a dynamic process where we look at fluctuations in our workload to assess appropriate use.

Harbor-UCLA Medical Center:

- Working toward a Leapfrog A grade in two quarters or so. Quality metrics have been improving. As an example, the hospital has gone three months with no CAUTIs or HAPIs.
- In 2028 they will be moving to new hospital. The current building is 60 years old. There are currently 4 to a room which presents logistical challenges.
- Another challenge is managing the 3% reduction in budget, which is approximately $55 million.
- Culture change is one of their significant improvements, and they are making overtures into the community, which is a proud moment.
- The Joint Commission surveyed the hospital to be a primary Stroke Center in addition to being a Trauma Level 1 center.
- This is the only campus in the country that is doing a full set rebuild.
- They have been contacted by Olympics team to be surveyed in February 2028 at the new hospital to have it be a designated as an Olympic hospital.
- One of their opportunities is to leverage resources as a DHS health system and improve efficiencies system-wide.
- Another opportunity is to further improve coordination of care and utilization management, such as getting pre-authorizations for care from managed care organizations to ensure that they can get reimbursed.
- There is a misunderstanding that the county is funding the hospitals, it's not. That's why hospitals need to do due diligence to ensure that they get preauthorization, when possible.
- They also remind patients to do their part to fill out paperwork to stay on Medi-Cal.
- The coming Medicaid changes with work, community service or volunteering requirement will present new challenges.
- They're exploring the feasibility of providing volunteer opportunities to patients to meet the volunteer requirement and continue to get care.

Question – As we consider the closure of community programs – what is happening with holistic health care journey?

- Answer: Patients who are high risk will continue to get ECM services. Health plans will continue to provide funding for those services. There will be fewer places to refer our patients, which is a community wide issue. For those not in the ECM category, there are still care managers and primary care settings that work with patients as part of a discharge plan.
- Interagency conversations are critical to ensure that wraparound services are still available
- There has been intentionality to address constraints.

Olive View-UCLA Medical Center (Olive View)

- Olive View is expecting a" B" in Leapfrog – which is an improvement. Much has gone on to address metrics. They are cautiously optimistic for an "A" in the foreseeable future.
- Aging infrastructure is a significant challenge faced by the hospital. Olive View is old and there are no single occupancy rooms, which affects patient experience.
- Olive View is not a trauma center. The payer mix is different. In trauma, anyone can be seen.
- The Olive View payer mix leans toward Medi-Cal and uninsured. They have a low Medicare population.
- Patient experience, payor mix, and the low Medicare population all impact the hospital's Leapfrog scores.
- In cost reductions they have been informed that approximately $30 million will be cut from Olive View.
- Using a systems approach to figure out how to consolidate services and using innovation to reduce costs and maintain the same high-quality services. As an example, in Radiology, the hospital is leveraging DHS system resources to have images read quickly. There are operational hurdles to consider, such as requiring system-wide credentialing and IT accessibility. They have been working on data analytics to understand the workforce they have; seeking opportunities to improve productivity; figuring out where resources are not being used and shifting them to other areas to cover gaps.

Question/Comment: mental health is a consumer of resources, and it is part of the medical cycle, because if you don't address the mental health needs of your patients, that's one clear indicator they will find their way back.

- Answer: There are a lot of cases of dual diagnosis – they were working with UCLA to address patients with significant mental illness that are also within their primary care facilities to offer additional supports. That had been funded by the federal government and the funds have been retracted.
- Olive View has an Urgent Care mental health facility, and an outpatient clinic run by DMH on campus.

Rancho Los Amigos National Rehabilitation Center (Rancho) • Rancho moved up three positions in the US News and World Report rankings; now in top 25 rehabilitation hospitals in the nation; #2 in California. • Rancho is waiting to hear about its magnet status • There are efforts to share insight into the implications of coming changes at the federal level that require more fiscal diligence. This is one of the "silver linings" is that the DHS Workforce, which is typically primarily mission-driven, has learned more about finance, cost accounting and creating efficiencies as a result of this budget crisis. • The outpatient clinic was "refreshed" with a redesign to improve workflow • Working on efficiencies to shorten wait list on rehab and occupational services that are in high demand. • Converted 25 beds from med surg to rehab and restructured physician resources without needing new providers. General Discussion: The CEOs discussed efforts to continue to leverage resources across DHS, such as in Radiation Oncology, Pediatrics and Lab. They discussed opportunities to create Centers of Excellence across the system. They noted that cuts are not just relating to Medi-Cal but there also are expected reductions in Health exchange subsidies and DSH funding. This is at a time when emergency rooms expect increasing usage. How can the Commission support the CEOs and the hospitals? 1. Advocacy: Both to support the patient population losing insurance and to maintain Social Determinants of Health. 2. Find ways to mine philanthropic connections to draw more financial and other support and resources. As an example, LA General, Rancho and more recently Harbor, have foundations to help support their work. The members thanked the CEOs for taking time from their schedules to present to the Commission.	

7. **Items for discussion and possible action:**

	DISCUSSION/FINDINGS	**RECOMMENDATIONS, ACTIONS, FOLLOW-UP**
a. Assess the Hospital Commission	Commissioner Cousineau presented on the proposed changes to the Commission Bylaws.	The Commissioners would like to have a more robust

Bylaws for relevance and propose revisions to enhance operational effectiveness	• Commissioner McCloud cautioned the Health Deputies to remember that the Commission meets only once per month and the added responsibilities would be challenging for a volunteer Commission. • The Behavioral Health Commission bylaws changed and that is why SD 2 is revisiting the other bylaws. • The changes to the Behavioral Health bylaws were also changed due to legislative changes. • Concerns about the proposed legal authority • Expansive jurisdiction and oversight that is new from current proposed language. • Concerns about shift from advisory position to oversight position. • Some of the proposed language feels like management role vs. advisory role. Advising on DHS' hiring roles feels hands on and possibly bureaucratic role. • Additional questions were raised about the quorum requirements.	discussion on the proposed changes to the bylaws. Requested extending next month's meeting time to discuss the Bylaws. Between now and next meeting – Commissioners will craft some questions County Counsel should review language from the Commission Services to review legal language which can and should vary from the language from the Behavioral Health Commission.
b. 2024 Annual Report		Continued to October
c. Discussion Commission Site Visits		Continued to October
d. Discussion – Commission Guest Speakers	January – Johan Julian February – Dr. Christina Ghaly March – Dr. Jennifer Hunt (ODR) April – LA Care May – Dr. Clemens Hong June – Sarah Mahin, Housing for Health July – meeting dark August – Dr. Nina Park and Liz Jacobi September - Hospital CEOs October – Hospital COOs November - Aries Limbaga, Chief Deputy Director of Operations/ Sylvia Miller-Martin, DHS Systems Chief Operating Officer December – Coral Itzcalli	Continued to October
e. Discussion – 2025 Strategic Priorities		Continued to October
f. Discussion –		Continued to October

	Department of Health Services Dashboard		
g.	Discussion on State and Federal Legislative Policy Updates		Continued to October

8. **Items not on the posted agenda for matters requiring immediate action because of an emergency, or where the need to take immediate action came to the attention of the Commission after the posting of the agenda.**

9. **Public Comment –** Health Deputy Victoria Gomez, from Supervisorial District 2 spoke about the background on the proposed changes to the bylaws. She informed that the proposed changes are a draft and feedback is welcome.

   Stacy Dalgliesh commented on the Behavioral Health Commission's adoption of their bylaws.

10. **Adjournment**

    The meeting adjourned at 12:39 p.m. Next regular meeting is scheduled for October 2, 2025.