

MOTION BY SUPERVISORS JANICE HAHN

April 4, 2023

AND HILDA SOLIS

Equitable Access To Healthcare For Contracted Employees

Los Angeles County (County) depends on a contracted workforce of over 2,000 security, janitorial, environmental and food service workers - with the bulk of this contracted workforce servicing Department of Health Services (DHS) operated facilities. These contracted workers provide critical services that keep DHS hospitals, clinics, and juvenile halls operational. Many of these contracts are governed by Proposition A (Prop A) which allows for outsourcing of services normally performed by County employees.

While contracted security, janitorial, environmental and food service workers play an essential role in County operations - they are compensated below the industry standard. In fact, an April 30, 2018, report by the County Chief Executive Office (CEO) on Prop A contracts confirmed that the County's current outsourcing practices generate savings through lowered employee benefits. These frontline workers predominantly come from low-income communities and communities of color throughout the County. Low standards for County contracted workers bring down standards across these already low wage service industries, exacerbating high rates of turnover and insecurity for precarious workers.

MOTION

SOLIS _____

MITCHELL _____

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Many governmental entities in California - most recently San Diego County - have set contracting standards to ensure that public dollars are not driving poverty in low-income communities and communities of color. Such standards help reduce turnover, retain a qualified workforce, minimize labor disruption, and improve the level of services rendered to the County. On December 13, 2021, San Diego County Supervisors voted to enact a responsible contractor policy that ensures labor harmony and minimum wage and benefit standards for contract employees. Additionally, the Counties of Santa Clara and San Francisco have similar policies in place.

Furthermore, the Los Angeles County Board of Supervisors passed motions to study this issue. A motion by Supervisors [Hilda Solis and Janice Hahn on December 7, 2021](#), directed the CEO, DHS, County Counsel and the Internal Services Department to assess the feasibility of including healthcare and other benefits for Prop A contracts. The follow up [report authored by CEO on June 30, 2022](#) did not identify any legal or technical barriers to requiring contractors to provide healthcare for employees. On [September 13, 2022, Supervisor Solis](#) introduced a motion to assess healthcare benefits specifically the areas of security, janitorial, environmental and food services workers who work at DHS facilities. The Director of [DHS produced a report on January 13, 2023](#), that expanded on the feasibility and estimated cost to provide contracted workers with healthcare at the level of the ACA Gold Plan Individual Coverage.

It is our moral imperative to ensure that workers providing critical services in DHS managed facilities through Prop A contracts have minimum standards for healthcare benefits. And this should be an example of how departments throughout the County should evaluate proposals.

WE, THEREFORE, MOVE that the Board of Supervisors:

1. Direct the Chief Executive Office along with the Department of Health Services, County Counsel, and Internal Services Department to:
 - a. Develop and implement a policy to require all new Proposition A contracts for security, janitorial, environmental and food services at County Hospitals managed by the Department of Health Services in Fiscal Year 2023-2024 to require 100% employer-paid healthcare benefits for employees who work 30 hours or more per week at the minimum level of the Affordable Care Act Gold Level. This requirement shall be implemented as soon as practical but no later than December 31st, 2023. The implementation of this requirement shall not result in a reduction in wages or other benefits;
 - b. Require a Labor Peace Agreement for all new Proposition A contracts for security, janitorial, environmental and food services at County Hospitals managed by the Department of Health Services;
 - c. Provide quarterly written reports in the status of implementation this policy which should include benefits/impact to service delivery, and challenges with recommendations associated with implementation and maintenance of this policy;
2. Direct the Chief Executive Office to explore options for implementation of a policy to require all new, renewed or extended Los Angeles County Proposition A contracts outside of Department of Health Services with similar service industries to require Labor Peace Agreements and 100% employer-paid healthcare benefits

for employees who work 30 hours or more per week at the minimum level of the Affordable Care Act Gold Level, with a written report back in 180-days, or sooner, on the aforementioned options.

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