



October 3, 2023

**Los Angeles County  
Board of Supervisors**

**Hilda L. Solis**  
First District


**Holly J. Mitchell**  
Second District

**Lindsey P. Horvath**  
Third District

**Janice K. Hahn**  
Fourth District

**Kathryn Barger**  
Fifth District

**TO:** Supervisor Janice Hahn, Chair  
Supervisor Hilda L. Solis  
Supervisor Holly J. Mitchell  
Supervisor Lindsey P. Horvath  
Supervisor Kathryn Barger

**FROM:** Christina R. Ghaly, M.D.   
Director

**SUBJECT: FISCAL YEAR 2022-23 YEAR-END APPROPRIATION  
ADJUSTMENTS (ALL DISTRICTS) (4 VOTES)**

**Christina R. Ghaly, M.D.**  
Director

**Hal F. Yee, Jr., M.D., Ph.D.**  
Chief Deputy Director, Clinical Affairs

**Nina J. Park, M.D.**  
Chief Deputy Director, Population Health

**Elizabeth M. Jacobi, J.D.**  
Administrative Deputy

Request approval of Fiscal Year (FY) 2022-23 year-end appropriation adjustments for the Department of Health Services (DHS).

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve the FY 2022-23 year-end appropriation adjustments (Attachment I) for DHS to adjust its Enterprise Fund obligated fund balance to \$1,791.6 million as of June 30, 2023, including \$325.3 million in funding restricted for Provider Relief Fund (PRF) uses.
2. Approve the FY 2022-23 appropriation adjustments (Attachment II) to realign funding for the Measure B Special Revenue Fund.
3. Approve the FY 2022-23 appropriation adjustments (Attachment III) to adjust Long-Term Receivables (LTRs) for Cost Based Reimbursement Clinics (CBRC), Enhanced Payment Program (EPP), Quality Incentive Program (QIP), and Managed Care Rate Supplement (MCRS) revenues at various DHS facilities.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

DHS is seeking the Board's approval of the recommended actions described in this letter, which will allow DHS to execute its FY 2022-23 year-end appropriation adjustments. The appropriation adjustments (Attachments I, II and III) will:

1. Establish an obligated fund balance of \$1,791.6 million in the DHS Enterprise Fund as of June 30, 2023, resulting from a FY 2022-23 operating surplus of \$277.2 million, a prior-year balance of \$1,504.7 million, and a net increase of \$9.7 million from the reduction in DHS' reserve funds set aside for the

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CBRC, EPP, QIP and MCRS LTRs, and align certain appropriations and revenues within DHS in accordance with its FY 2022-23 financial experience. The DHS Enterprise Fund obligated fund balance includes \$325.3 million of restricted PRF funding;

2. Align appropriations within the Measure B Special Revenue Fund in accordance with DHS' FY 2022-23 financial experience; and
3. Adjust the LTRs for the CBRC, EPP, QIP and MCRS revenues that were accrued in FY 2022-23 for FYs 2020-21 through 2022-23, all of which are expected to be collected after June 30, 2023.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommended actions support Strategic Plan Goal III, Realize Tomorrow's Government Today; Strategy 3 – Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

### **FISCAL IMPACT/FINANCING**

The recommended actions will adjust various departmental budget units to reflect DHS' FY 2022-23 financial experience and adjust the DHS' Enterprise Fund obligated fund balance to \$1,791.6 million from the prior year-end balance of \$1,504.7 million. The adjusted obligated fund balance includes \$325.3 million restricted for PRF uses as of June 30, 2023. Without the funds restricted for PRF uses, the remaining available fund balance for DHS to utilize in future fiscal years is \$1,466.3 million, an increase of \$279.0 million from the prior year-end available balance of \$1,187.3 million.

Per the DHS Fiscal Outlook dated June 27, 2023, DHS continues to forecast a structural deficit for the next several years and estimates the use of sizeable amounts of DHS fund balance will be necessary to balance the Department's budget. As inflation continues, DHS expects the deficit to worsen because our costs continue to increase at a much higher rate than our incoming revenues. The current financial system for public hospital financing is not capable of solving DHS' structural deficit. DHS has been working with other public hospitals to request that the State Department of Health Care Services (DHCS) address county public hospitals' funding shortfalls. The discussions with DHCS are expected to be prolonged as the current financing system for the public hospitals is complicated. Any potential changes that may be forthcoming do not guarantee a resolution to DHS' structural deficit. As a result, DHS is expecting the year-over-year available fund balance to gradually decrease each year until FY 2025-26 when the decrease is substantial. This trend results from certain one-time positive adjustments made to the fund balance in the earlier years which offset the actual annual structural deficit. By FY 2025-26, there are no further positive adjustments available resulting in the significant reduction in available fund balance.

Finally, DHS has reduced the amount of reserve funds set aside for the CBRC, EPP, QIP and MCRS LTRs from \$858.7 million to \$849.0 million. The reserve funds are considered "non-spendable" and DHS will continue to work with the State and to

monitor the timing of collections for these revenue streams to determine if and when these funds will be freed up and could move into the available fund balance. DHS updates these amounts during each fiscal year closing process and will provide updates to your Board on these LTRs in future DHS fiscal outlook updates, as needed.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

During FY 2009-10, Los Angeles County set aside reserve funds to establish a CBRC LTR to offset accounts receivable owed by the State to DHS facilities. The LTR is adjusted each year during the year-end closing process and are made up of outstanding accounts receivable from the State for multiple fiscal years. In the FY 2022-23 year-end closing process, as part of recommendation number three above, there is a net decrease of \$32.5 million for the CBRC LTR, reducing the balance from \$68.7 million to \$36.2 million.

Also, as noted in the DHS Fiscal Outlook, DHCS has changed the time period for setting the annual Medi-Cal Managed Care rates from a fiscal-year basis to a calendar-year basis. This transition impacts when the net annual supplemental payments for the EPP, QIP, and MCRS revenues will actually be received by DHS. Payments previously made at the end of each fiscal year will now be made at the end of each calendar year instead, thus delaying payments to DHS by approximately six months. As a consequence, there is a need to establish LTRs for the EPP, QIP and MCRS. In the FY 2022-23 year-end closing process, as part of recommendation number three above, there is a net increase of \$22.8 million, increasing the balance from \$790.0 million to \$812.8 million.

Overall, the total LTR balance has been adjusted from \$858.7 million to \$849.0 million, fully funded by the reserve funds within the DHS' obligated fund balance for FY 2022-23 (see Attachment IV).

In addition, beginning April 2020, DHS received multiple PRF allocations from the U.S. Department of Health and Human Services (HHS) and those payments were deposited into an interest-bearing trust fund. During FY 2020-21 and FY 2021-22, \$317.4 million was recognized by DHS based on preliminary estimates of allowable expenditure claims, and \$317.4 million was set aside pending final claiming instructions and guidance from HHS. During FY 2022-23, the remaining balance of \$7.8 million in the interest-bearing trust fund was recognized by DHS, increasing the total restricted PRF funding from \$317.4 million to \$325.3 million.

### **CONTRACTING PROCESS**

Not applicable.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

These FY 2022-23 year-end appropriation adjustments have no impact on current services.

Each Supervisor  
October 3, 2023  
Page 4

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#### Attachments

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors  
Auditor-Controller

COUNTY OF LOS ANGELES  
**REQUEST FOR APPROPRIATION ADJUSTMENT**  
DEPARTMENT OF HEALTH SERVICES

DEPT'S. NO. 110

October 2, 2023

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

**FY 2022-23**

4 - VOTES

SOURCES

BA DETAIL - SEE ATTACHMENT PAGES I-B

USES

BA DETAIL - SEE ATTACHMENT PAGES I-B

**SOURCES TOTAL:** \$ 1,664,982,000

**USES TOTAL:** \$ 1,664,982,000

JUSTIFICATION

This budget adjustment is necessary to increase the Department of Health Services (DHS) Enterprise Fund Obligated Fund Balance to \$1,791.6 million, and to align certain appropriations and revenues within DHS with the Department's FY 2022-23 financial experience.

Jean Lo

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Date: 2023.09.07 18:15:06  
-07'00'

AUTHORIZED SIGNATURE Jean Lo, Chief, Controller's Division

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR ---

ACTION

RECOMMENDATION

AUDITOR-CONTROLLER

BY \_\_\_\_\_

B.A. NO. \_\_\_\_\_

20

APPROVED AS REQUESTED

APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY \_\_\_\_\_

20

DEPARTMENT OF HEALTH SERVICES  
YEAR-END BUDGET ADJUSTMENT

FY 2022-23  
4 - VOTES

SOURCES		USES	
<b>LA General Medical Center</b> MN4-HG-2000-60010 Services and Supplies <b>Decrease Appropriation</b>	17,000,000	<b>LA General Medical Center</b> MN4-HG-96-9910-60010 Operating Transfers In - Measure B <b>Decrease Revenue</b>	12,906,000
<b>LA General Medical Center</b> MN4-HG-5500-60010 Other Charges <b>Decrease Appropriation</b>	55,698,000	<b>LA General Medical Center</b> MN4-HG-96-9911-60010 Operating Transfers In <b>Decrease Revenue</b>	54,080,000
		<b>LA General Medical Center</b> MN4-HG-6100-60010 Other Financing Uses <b>Increase Appropriation</b>	5,712,000
Subtotal LA General Medical Center	\$ 72,698,000	Subtotal LA General Medical Center	\$ 72,698,000
<b>Harbor Care South</b> MN1-HH-1000-60020 Salaries and Employee Benefits <b>Decrease Appropriation</b>	14,414,000	<b>Harbor Care South</b> MN1-HH-5500-60020 Other Charges <b>Increase Appropriation</b>	14,514,000
<b>Harbor Care South</b> MN1-HH-2000-60020 Services & Supplies <b>Decrease Appropriation</b>	3,326,000	<b>Harbor Care South</b> MN1-HH-96-9911-60020 Operating Transfers In <b>Decrease Revenue</b>	114,355,000
<b>Harbor Care South</b> MN1-HH-6030-60020 Capital Assets-Equipment <b>Decrease Appropriation</b>	1,105,000	<b>Harbor Care South</b> MN1-HH-6100-60020 Other Financing Uses <b>Increase Appropriation</b>	184,419,000
<b>Harbor Care South</b> MN1-HH-96-9910-60020 Operating Transfers In - Measure B <b>Increase Revenue</b>	873,000		
<b>Harbor Care South</b> MN1-HH-92-943P-60020 Medi-Cal Managed Care <b>Increase Revenue</b>	271,328,000		
<b>Harbor Care South</b> MN1-HH-92-9433-60020 Medi-Cal <b>Increase Revenue</b>	22,242,000		
Subtotal Harbor Care South	\$ 313,288,000	Subtotal Harbor Care South	\$ 313,288,000
<b>Rancho Los Amigos National Rehabilitation Center</b> MN7-HR-1000-60040 Salaries and Employee Benefits <b>Decrease Appropriation</b>	2,597,000	<b>Rancho Los Amigos National Rehabilitation Center</b> MN7-HR-96-9911-60040 Operating Transfers In <b>Decrease Revenue</b>	39,417,000
<b>Rancho Los Amigos National Rehabilitation Center</b> MN7-HR-2000-60040 Services and Supplies <b>Decrease Appropriation</b>	7,779,000	<b>Rancho Los Amigos National Rehabilitation Center</b> MN7-HR-6100-60040 Other Financing Uses <b>Increase Appropriation</b>	108,128,000

DEPARTMENT OF HEALTH SERVICES  
YEAR-END BUDGET ADJUSTMENT

FY 2022-23  
4 - VOTES

SOURCES		USES	
<b>Rancho Los Amigos National Rehabilitation Center</b> MN7-HR-5500-60040 Other Charges <b>Decrease Appropriation</b>	36,794,000		
<b>Rancho Los Amigos National Rehabilitation Center</b> MN7-HR-6030-60040 Capital Assets-Equipment <b>Decrease Appropriation</b>	973,000		
<b>Rancho Los Amigos National Rehabilitation Center</b> MN7-3301 Other Fund Balance Available <b>Decrease Fund Balance</b>	99,402,000		
Subtotal Rancho Los Amigos NRC	\$ 147,545,000	Subtotal Rancho Los Amigos NRC	\$ 147,545,000
<b>Olive View-UCLA Medical Center</b> MN3-HO-1000-60050 Salaries and Employee Benefits <b>Decrease Appropriation</b>	5,472,000	<b>Olive View-UCLA Medical Center</b> MN3-HO-5500-60050 Other Charges <b>Increase Appropriation</b>	64,327,000
<b>Olive View-UCLA Medical Center</b> MN3-HO-2000-60050 Services and Supplies <b>Decrease Appropriation</b>	9,397,000	<b>Olive View-UCLA Medical Center</b> MN3-HO-96-9910-60050 Operating Transfers In - Measure B <b>Decrease Revenue</b>	4,088,000
<b>Olive View-UCLA Medical Center</b> MN3-HO-92-943H-60050 LA Care Managed Care Rate Supplement <b>Increase Revenue</b>	78,637,000	<b>Olive View-UCLA Medical Center</b> MN3-HO-96-9911-60050 Operating Transfers In <b>Decrease Revenue</b>	25,091,000
Subtotal Olive View-UCLA Medical Center	\$ 93,506,000	Subtotal Olive View-UCLA Medical Center	\$ 93,506,000
<b>DHS Enterprise Fund</b> MN2-HS-6100-60070 Other Financing Uses <b>Decrease Appropriation</b>	236,262,000	<b>DHS Enterprise Fund</b> MN2-3078 Committed for DHS <b>Increase Obligated Fund Balance</b>	304,937,000
<b>DHS Enterprise Fund</b> MN2-HS-96-9911-60070 Operating Transfers In <b>Increase Revenue</b>	298,259,000	<b>DHS Enterprise Fund</b> MN2-301G Committed for LA General Medical Center <b>Increase Obligated Fund Balance</b>	4,431,000
<b>DHS Enterprise Fund</b> MN2-HS-96-9912-60070 Operating Subsidy - GF <b>Increase Revenue</b>	68,675,000	<b>DHS Enterprise Fund</b> MN2-3048 Committed for Harbor Care South <b>Increase Obligated Fund Balance</b>	179,735,000
<b>DHS Enterprise Fund</b> MN2-3061 Committed for ValleyCare Network <b>Decrease Obligated Fund Balance</b>	1,679,000	<b>DHS Enterprise Fund</b> MN2-3081 Committed for Rancho <b>Increase Obligated Fund Balance</b>	107,946,000
		<b>DHS Enterprise Fund</b> MN2-304D Committed for Provider Relief Fund <b>Increase Obligated Fund Balance</b>	7,826,000
Subtotal DHS Enterprise Fund	\$ 604,875,000	Subtotal DHS Enterprise Fund	\$ 604,875,000

DEPARTMENT OF HEALTH SERVICES  
YEAR-END BUDGET ADJUSTMENT

FY 2022-23  
4 - VOTES

SOURCES		USES	
<b>Health Services - Realignment</b>		<b>VLFR - Health Services</b>	
A01-HS-88-8914-19999		A01-CB-88-8716-10590-10591	
1991 Realignment-Health Services		State-Vehicle License Fee AB1288	
<b>Increase Revenue</b>	52,210,000	<b>Decrease Revenue</b>	70,930,000
		<b>Ent Sub - DHS Enterprise Fund</b>	
		A01-AC-6100-21200-21236	
		Other Financing Uses	
		<b>Increase Appropriation</b>	68,675,000
<b>Ambulatory Care Network</b>		<b>Ambulatory Care Network</b>	
A01-HN-92-943P-20100		A01-HN-2000-20100	
Medi-Cal Managed Care		Services & Supplies	
<b>Increase Revenue</b>	123,635,000	<b>Increase Appropriation</b>	31,837,000
		<b>Ambulatory Care Network</b>	
		A01-HN-5500-20100	
		Other Charges	
		<b>Increase Appropriation</b>	14,150,000
<b>Health Services - Juvenile Court Health Services</b>		<b>Health Services - Juvenile Court Health Services</b>	
A01-HJ-1000-20600		A01-HJ-2000-20600	
Salaries and Employee Benefits		Services & Supplies	
<b>Decrease Appropriation</b>	594,000	<b>Increase Appropriation</b>	594,000
		<b>Health Services - Health Services Administration</b>	
		A01-HS-88-8750-20000	
		State-Health-Admin	
		<b>Decrease Revenue</b>	29,350,000
<b>LA General Medical Center</b>		<b>LA General Medical Center</b>	
<b>LA General Medical Center Ward 2E Remodel</b>		<b>LA General Medical Center Ward 2E Remodel</b>	
A01-CP-6014-64010-87863		A01-CP-96-9919-64010-87863	
Capital Assets - B&I		Operating Transfers In - Capital Projects	
<b>Decrease Appropriation</b>	3,319,000	<b>Decrease Revenue</b>	3,319,000
<b>LA General Medical Center Capital Improvements</b>			
<b>LA General Medical Center Core Laboratory Equipment Replacement</b>			
A01-CP-6014-64010-87336			
Capital Assets - Building & Improv.			
<b>Decrease Appropriation</b>	359,000		
<b>LA General Medical Center Capital Improvements</b>			
<b>LA General MC Modular Chiller Plant</b>			
A01-CP-6014-64010-87383			
Capital Assets - Building & Improv.			
<b>Decrease Appropriation</b>	261,000		
<b>LA General Medical Center Capital Improvements</b>			
<b>LA General Medical Center Mechanical Upgrade</b>			
A01-CP-6014-64010-87398			
Capital Assets - Building & Improv.			
<b>Decrease Appropriation</b>	150,000		
<b>LA General Medical Center Capital Improvements</b>			
<b>LA General Medical Center USP 800 Pharmacy Upgrade</b>			
A01-CP-6014-64010-87441			
Capital Assets - Building & Improv.			
<b>Decrease Appropriation</b>	1,363,000		



DEPARTMENT OF HEALTH SERVICES  
YEAR-END BUDGET ADJUSTMENT

FY 2022-23  
4 - VOTES

SOURCES	USES
<b>LA General Medical Center Capital Improvements</b> <b>LA General MC Parking Structure 12 Refurbishment</b> A01-CP-6014-64010-87494 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	725,000
<b>LA General Medical Center Capital Improvements</b> <b>LA General MC Outpatient Building Fire Barrier Separation</b> A01-CP-6014-64010-87560 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	176,000
<b>LA General Medical Center Capital Improvements</b> <b>LA General MC Cath Lab Replacement and Room Remodeling Project</b> A01-CP-6014-64010-87582 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	788,000
<b>LA General Medical Center Capital Improvements</b> <b>LA General MC Courtyard Refurbishment and Elevator Addition</b> A01-CP-6014-64010-87492 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	196,000
<b>LA General Medical Center Capital Improvements</b> <b>LA General Women's and Children's Hospital Demolition</b> A01-CP-6014-64010-87476 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	2,196,000
<b>LA General Medical Center Capital Improvements</b> <b>LA General MC Inpatient Tower Kitchen Drain Improvement</b> A01-CP-6014-64010-87732 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	164,000
<b>LA General Medical Center Capital Improvements</b> <b>LA General Medical Center Pipe Corrosion Repairs Project</b> A01-CP-6014-64010-87878 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	329,000
<b>LA General Medical Center Capital Improvements</b> <b>LA General Medical Center ER-CT UPS Installation Project</b> A01-CP-6014-64010-87879 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	605,000
<b>LA General Medical Center Capital Improvements</b> <b>LA General MC Parking Structure 10 Improvements</b> A01-CP-6014-64010-87957 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	117,000
<b>LA General Medical Center Capital Improvements</b> <b>LA General MC Mammography Equipment Replacement and Rm Remodel</b> A01-CP-6014-64010-87963 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	1,270,000

DEPARTMENT OF HEALTH SERVICES  
YEAR-END BUDGET ADJUSTMENT

FY 2022-23  
4 - VOTES

SOURCES	USES
<b>LA General Medical Center Capital Improvements</b>	
<b>LA General MC IR/AG Suites Equip Replacement and Rm Remodel</b>	
A01-CP-6014-64010-87964	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	577,000
<b>Harbor-UCLA Medical Center Capital Improvements</b>	
<b>H-UCLA Medical Center Nuclear Medicine Room Modification</b>	
A01-CP-6014-64015-87320	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	310,000
<b>Harbor-UCLA Medical Center Capital Improvements</b>	
<b>Harbor-UCLA Medical Center USP 800 Pharmacy Upgrade</b>	
A01-CP-6014-64015-87442	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	659,000
<b>Harbor-UCLA Medical Center Capital Improvements</b>	
<b>Harbor-UCLA MC Adult Psychiatric Emergency Svcs. Upgrade</b>	
A01-CP-6014-64015-87557	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	860,000
<b>Harbor-UCLA Medical Center Capital Improvements</b>	
<b>Harbor-UCLA MC Inpatient Pharmacy Expansion</b>	
A01-CP-6014-64015-87558	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	1,139,000
<b>Harbor-UCLA Medical Center Capital Improvements</b>	
<b>Harbor-UCLA Medical Center Radiography Fluoroscopy</b>	
A01-CP-6014-64015-87575	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	24,000
<b>Harbor-UCLA Medical Center Capital Improvements</b>	
<b>H-UCLA MC Cath Lab Replacement and Room Remodeling Project</b>	
A01-CP-6014-64015-87581	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	239,000
<b>Harbor-UCLA Medical Center Capital Improvements</b>	
<b>Harbor-UCLA Medical Center Angiography Room Refurbishment</b>	
A01-CP-6014-64015-87709	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	297,000
<b>Harbor-UCLA Medical Center Capital Improvements</b>	
<b>Harbor-UCLA MC Computed Tomography Scan Room Remodeling</b>	
A01-CP-6014-64015-87704	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	738,000
<b>Harbor-UCLA Medical Center Capital Improvements</b>	
<b>Harbor-UCLA Medical Center Mammography Room Refurbishment</b>	
A01-CP-6014-64015-87747	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	60,000

DEPARTMENT OF HEALTH SERVICES  
YEAR-END BUDGET ADJUSTMENT

FY 2022-23  
4 - VOTES

SOURCES	USES
<b>Martin Luther King Jr. Outpatient Ctr Capital Improvements</b> <b>MLK MC Child and Family Wellbeing Center - HS</b> A01-CP-6014-64020-69846 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	7,000
<b>Martin Luther King Jr. Outpatient Ctr Capital Improvements</b> <b>MLK Clinical Laboratory and Red-bag Storage</b> A01-CP-6014-64020-69857 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	1,911,000
<b>Rancho Los Amigos National Rehab Center Capital Improvements</b> <b>RLANRC Medical Air and Vacuum Remodel</b> A01-CP-6014-64025-87595 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	171,000
<b>Olive View-UCLA Medical Center Capital Improvements</b> <b>OVMC Radiology Phase 2</b> A01-CP-6014-64030-87343 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	71,000
<b>Olive View-UCLA Medical Center Capital Improvements</b> <b>Olive View-UCLA MC SB-1953 Compliance</b> A01-CP-6014-64030-87562 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	6,021,000
<b>Olive View-UCLA Medical Center Capital Improvements</b> <b>Olive View-UCLA MC Emergency Power Upgrade</b> A01-CP-6014-64030-87564 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	132,000
<b>Olive View-UCLA Medical Center Capital Improvements</b> <b>OVMC Cath Lab Replacement and Room Remodeling Project</b> A01-CP-6014-64030-87583 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	614,000
<b>Olive View-UCLA Medical Center Capital Improvements</b> <b>Olive View MC Computerized Tomography Scan Rm Remodeling</b> A01-CP-6014-64030-87607 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	1,198,000
<b>Olive View-UCLA Medical Center Capital Improvements</b> <b>OVMC Single-photon Emission CT Scanner Room Refurbishment</b> A01-CP-6014-64030-87588 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	1,237,000
<b>Olive View-UCLA Medical Center Capital Improvements</b> <b>Olive View-UCLA MC Wireless Access Points Refurbishment</b> A01-CP-6014-64030-87714 Capital Assets - Building & Improv. <b>Decrease Appropriation</b>	30,000

DEPARTMENT OF HEALTH SERVICES  
YEAR-END BUDGET ADJUSTMENT

FY 2022-23  
4 - VOTES

SOURCES	USES
<b>Olive View-UCLA Medical Center Capital Improvements</b>	
<b>Olive View-UCLA Medical Center Mammography Room Refurbishment</b>	
A01-CP-6014-64030-87813	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	263,000
<b>Olive View-UCLA Medical Center Capital Improvements</b>	
<b>OVMC Central Plant Retrofit</b>	
A01-CP-6014-64030-87589	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	1,778,000
<b>Various HS Capital Improvements</b>	
<b>Various Refurbishments</b>	
A01-CP-6014-64035-86937	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	2,568,000
<b>Health Services Administration Capital Improvements</b>	
<b>Health Services Admin Emergency Generator Replacement</b>	
A01-CP-6014-64045-87592	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	593,000
<b>Ambulatory Care Network Capital Improvements</b>	
<b>Roybal Air Handler Replacement Project</b>	
A01-CP-6014-64050-87219	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	94,000
<b>Ambulatory Care Network Capital Improvements</b>	
<b>EI Monte CHC Primary Care Clinic Renovation</b>	
A01-CP-6014-64050-87472	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	455,000
<b>Ambulatory Care Network Capital Improvements</b>	
<b>EI Monte CHC Urgent Care Center Renovation</b>	
A01-CP-6014-64050-87473	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	308,000
<b>Ambulatory Care Network Capital Improvements</b>	
<b>Mid-Valley CHC HVAC and Roof Replacement</b>	
A01-CP-6014-64050-87598	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	1,458,000
<b>Ambulatory Care Network Capital Improvements</b>	
<b>Roybal CHC Restroom Refurbishment</b>	
A01-CP-6014-64050-87703	
Capital Assets - Building & Improv.	
<b>Decrease Appropriation</b>	1,458,000
<b>General Fund</b>	
A01-3306	
Approp for Cont - Canc Comm & A/P	
<b>Decrease Appropriation</b>	5,128,000

DEPARTMENT OF HEALTH SERVICES  
YEAR-END BUDGET ADJUSTMENT

FY 2022-23  
4 - VOTES

SOURCES		USES	
<b>Health Services - Health Services Administration</b> A01-HS-2000-20000 Services & Supplies <b>Decrease Appropriation</b>	154,431,000	<b>PFU-Health Services</b> A01-CB-2000-13749-13763 Services & Supplies <b>Increase Appropriation</b>	210,474,000
<b>Health Services - Health Services Administration</b> A01-HS-5500-20000 Other Charges <b>Decrease Appropriation</b>	59,784,000	<b>Affordable Housing</b> A01-AM-2000-10160 Services & Supplies <b>Increase Appropriation</b>	2,908,000
		<b>Various Capital Projects</b> Rancho Los Amigos Interim Housing Facility Refurbishment A01-CP-6014-65099-87720 Capital Assets - B & I <b>Increase Appropriation</b>	116,000
		Project and Facility Development A01-CF-2000-10190 Services & Supplies <b>Increase Appropriation</b>	117,000
		<b>General Fund</b> <b>A01-3073</b> Committed for Health Services Future Financial Req <b>Increase Obligated FD Bal</b>	600,000
<b>Subtotal General Fund</b>	<b>\$ 433,070,000</b>	<b>Subtotal General Fund</b>	<b>\$ 433,070,000</b>
<b>Total Department</b>	<b>\$ 1,664,982,000</b>	<b>Total Department</b>	<b>\$ 1,664,982,000</b>

Noted & Approved:

Jean Lo

Digitally signed by Jean Lo  
Date: 2023.09.07 18:17:52 -07'00'

Jean Lo, Chief, Controller's Division  
Department of Health Services

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT
DEPARTMENT OF HEALTH SERVICES

DEPT'S. NO. 110

October 2, 2023

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2022-23

3 - VOTES

SOURCES

BA DETAIL - SEE ATTACHMENT PAGE II-B

USES

BA DETAIL - SEE ATTACHMENT PAGE II-B

SOURCES TOTAL: \$ 16,994,000

USES TOTAL: \$ 16,994,000

JUSTIFICATION

This budget adjustment is necessary to reallocate the funding for the Measure B Special Revenue Fund among three DHS hospitals and Health Services Administration-Martin Luther King, Jr. Community Hospital Intergovernmental Transfer (HSA-MLK IGT) in accordance with the FY 2022-23 financial experience.

Jean Lo

Digitally signed by Jean Lo
Date: 2023.09.07 18:20:16 -07'00'

AUTHORIZED SIGNATURE Jean Lo, Chief, Controller's Division

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR ---

[ ] ACTION

[ ] RECOMMENDATION

AUDITOR-CONTROLLER

BY \_\_\_\_\_

B.A. NO. \_\_\_\_\_

20

[ ] APPROVED AS REQUESTED

[ ] APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY \_\_\_\_\_

\_\_\_\_\_ 20

DEPARTMENT OF HEALTH SERVICES  
MEASURE B BUDGET ADJUSTMENT

FY 2022-23  
3 - VOTES

SOURCES		USES	
<b>Measure B - LA General Medical Center</b>		<b>Measure B - Harbor-UCLA Medical Center</b>	
BW9-HS-6100-41010-41014		BW9-HS-6100-41010-41012	
Other Financing Uses		Other Financing Uses	
<b>Decrease Appropriation</b>	12,906,000	<b>Increase Appropriation</b>	873,000
<b>Measure B - Olive View-UCLA Medical Center</b>		<b>Measure B - Administrative/Other</b>	
BW9-HS-6100-41010-41013		BW9-HS-6100-41010-41017	
Other Financing Uses		Other Financing Uses	
<b>Decrease Appropriation</b>	4,088,000	<b>Increase Appropriation</b>	16,121,000
<b>Sources Total</b>	<b>16,994,000</b>	<b>Uses Total</b>	<b>16,994,000</b>

Noted & Approved:

Jean Lo

Digitally signed by Jean Lo  
Date: 2023.09.07 18:26:12 -07'00'

Jean Lo, Chief, Controller's Division  
Department of Health Services

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT
DEPARTMENT OF HEALTH SERVICES

DEPT'S. NO. 110

October 2, 2023

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2022-23

4 - VOTES

SOURCES

BA DETAIL - SEE ATTACHMENT PAGE III-B

USES

BA DETAIL - SEE ATTACHMENT PAGE III-B

SOURCES TOTAL: \$ 615,400,323

USES TOTAL: \$ 615,400,323

JUSTIFICATION

Reflects the adjustment to the Department's long-term receivables for the Cost Based Reimbursement Clinics (CBRC), Enhanced Payment Program (EPP), Global Payment Program (QIP) and Managed Care Rate Supplement (MCRS) revenues at various DHS facilities. The revenues were accrued in FY 2022-23 for FYs 2020-21 through 2022-23, but expected to be collected after June 30, 2024.

Jean Lo

Digitally signed by Jean Lo
Date: 2023.09.07 18:27:27 -07'00'

AUTHORIZED SIGNATURE Jean Lo, Chief, Controller's Division

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

Approval table with columns for Auditor-Controller and Chief Executive Officer, including checkboxes for 'ACTION', 'RECOMMENDATION', 'APPROVED AS REQUESTED', and 'APPROVED AS REVISED', and signature lines.



DEPARTMENT OF HEALTH SERVICES  
NONSPENDABLE FOR LT RECEIVABLES - CBRC, EPP, QIP, MCRS BUDGET ADJUSTMENT

FY 2022-23  
4 - VOTES

SOURCES		USES	
<b>LA GENERAL MEDICAL CENTER ENTERPRISE FUND</b>		<b>LA GENERAL MEDICAL CENTER ENTERPRISE FUND</b>	
MN4-3301		MN4-303K	
OTHER FUND BALANCE AVAILABLE		NONSPENDABLE FOR LT RECEIVABLES EPP	
DECREASE FUND BALANCE	117,088,021	INCREASE OBLIGATED FD BAL	45,324,689
<b>LA GENERAL MEDICAL CENTER ENTERPRISE FUND</b>		<b>LA GENERAL MEDICAL CENTER ENTERPRISE FUND</b>	
MN4-3012		MN4-303L	
NONSPENDABLE FOR LT RECEIVABLES CBRC (HOSP)		NONSPENDABLE FOR LT RECEIVABLES QIP	
DECREASE OBLIGATED FD BAL	21,867,240	INCREASE OBLIGATED FD BAL	13,211,948
		<b>LA GENERAL MEDICAL CENTER ENTERPRISE FUND</b>	
		MN4-303T	
		NONSPENDABLE FOR LT RECEIVABLES MCRS - MCE	
		INCREASE OBLIGATED FD BAL	80,418,624
<b>HARBOR CARE SOUTH ENTERPRISE FUND</b>		<b>HARBOR CARE SOUTH ENTERPRISE FUND</b>	
MN1-3012		MN1-3301	
NONSPENDABLE FOR LT RECEIVABLES CBRC (HOSP)		OTHER FUND BALANCE AVAILABLE	
DECREASE OBLIGATED FD BAL	4,007,497	INCREASE FUND BALANCE	135,339,877
<b>HARBOR CARE SOUTH ENTERPRISE FUND</b>		<b>HARBOR CARE SOUTH ENTERPRISE FUND</b>	
MN1-303S		MN1-303K	
NONSPENDABLE FOR LT RECEIVABLES MCRS -TRAD	38,279,283	NONSPENDABLE FOR LT RECEIVABLES EPP	
DECREASE OBLIGATED FD BAL		INCREASE OBLIGATED FD BAL	46,652,636
<b>HARBOR CARE SOUTH ENTERPRISE FUND</b>		<b>HARBOR CARE SOUTH ENTERPRISE FUND</b>	
MN1-303T		MN1-303L	
NONSPENDABLE FOR LT RECEIVABLES MCRS - MCE		NONSPENDABLE FOR LT RECEIVABLES QIP	
DECREASE OBLIGATED FD BAL	150,515,888	INCREASE OBLIGATED FD BAL	10,810,155
<b>RANCHO LOS AMIGOS NAT REHAB CNTR ENT FD</b>		<b>RANCHO LOS AMIGOS NAT REHAB CNTR ENT FD</b>	
MN7-3012		MN7-3301	
NONSPENDABLE FOR LT RECEIVABLES CBRC (HOSP)		OTHER FUND BALANCE AVAILABLE	
DECREASE OBLIGATED FD BAL	119,564	INCREASE FUND BALANCE	130,651,967
<b>RANCHO LOS AMIGOS NAT REHAB CNTR ENT FD</b>		<b>RANCHO LOS AMIGOS NAT REHAB CNTR ENT FD</b>	
MN7-303S		MN7-303K	
NONSPENDABLE FOR LT RECEIVABLES MCRS -TRAD		NONSPENDABLE FOR LT RECEIVABLES EPP	
DECREASE OBLIGATED FD BAL	82,439,552	INCREASE OBLIGATED FD BAL	5,186,542
<b>RANCHO LOS AMIGOS NAT REHAB CNTR ENT FD</b>		<b>RANCHO LOS AMIGOS NAT REHAB CNTR ENT FD</b>	
MN7-303T		MN7-303L	
NONSPENDABLE FOR LT RECEIVABLES MCRS - MCE		NONSPENDABLE FOR LT RECEIVABLES QIP	
DECREASE OBLIGATED FD BAL	55,354,021	INCREASE OBLIGATED FD BAL	2,074,628
<b>OLIVE VIEW-UCLA MEDICAL CNTR ENTERPRISE FD</b>		<b>OLIVE VIEW-UCLA MEDICAL CNTR ENTERPRISE FD</b>	
MN3-3301		MN3-303K	
OTHER FUND BALANCE AVAILABLE		NONSPENDABLE FOR LT RECEIVABLES EPP	
DECREASE FUND BALANCE	105,876,449	INCREASE OBLIGATED FD BAL	12,029,491
<b>OLIVE VIEW-UCLA MEDICAL CNTR ENTERPRISE FD</b>		<b>OLIVE VIEW-UCLA MEDICAL CNTR ENTERPRISE FD</b>	
MN3-3012		MN3-303L	
NONSPENDABLE FOR LT RECEIVABLES CBRC (HOSP)		NONSPENDABLE FOR LT RECEIVABLES QIP	
DECREASE OBLIGATED FD BAL	4,692,238	INCREASE OBLIGATED FD BAL	5,914,742

DEPARTMENT OF HEALTH SERVICES  
NONSPENDABLE FOR LT RECEIVABLES - CBRC, EPP, QIP, MCRS BUDGET ADJUSTMENT

FY 2022-23  
4 - VOTES

SOURCES		USES	
		<b>OLIVE VIEW-UCLA MEDICAL CNTR ENTERPRISE FD</b>	
		MN3-303S	
		NONSPENDABLE FOR LT RECEIVABLES MCRS -TRAD	
		INCREASE OBLIGATED FD BAL	92,624,454
<b>AMBULATORY CARE NETWORK</b>		<b>GENERAL FUND</b>	
A01-HN-2000-20100		A01-303K	
SERVICES & SUPPLIES		NONSPENDABLE FOR LT RECEIVABLES EPP	
DECREASE APPROPRIATION	33,332,000	INCREASE OBLIGATED FD BAL	30,664,138
<b>GENERAL FUND</b>		<b>GENERAL FUND</b>	
A01-301A		A01-303L	
NONSPENDABLE FOR LT RECEIVABLES CBRC (GF)		NONSPENDABLE FOR LT RECEIVABLES QIP	
DECREASE OBLIGATED FD BAL	1,828,570	INCREASE OBLIGATED FD BAL	4,496,306
		<b>GENERAL FUND</b>	
		A01-3301	
		OTHER FUND BALANCE AVAILABLE	
		INCREASE FUND BALANCE	126
<b>Sources Total</b>	<b>615,400,323</b>	<b>Uses Total</b>	<b>615,400,323</b>

Noted & Approved:

Jean Lo

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Date: 2023.09.07 18:29:05 -07'00'

Jean Lo, Chief, Controller's Division  
Department of Health Services

**COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES**  
**LONG-TERM RECEIVABLES / RESERVE AMOUNT**  
**FISCAL YEAR 2022-23**  
*(\$ in millions)*

**LONG-TERM RECEIVABLES (LTR)**

Revenues	Service Fiscal Year(s)	Beginning Balance	Ending Balance	Change
<b>Cost Based Reimbursement Clinics (CBRC)</b>	FY 2019-20	\$ 9.3	\$ -	\$ (9.3)
	FY 2020-21	31.9	3.5	(28.4)
	FY 2021-22	27.5	18.2	(9.3)
	FY 2022-23	-	14.5	14.5
	<b>CBRC Total</b>		<b>\$ 68.7</b>	<b>\$ 36.2</b>
<b>Enhanced Payment Program (EPP)</b>	FY 2021-22	\$ 304.9	\$ -	\$ (304.9)
	FY 2022-23	-	444.8	444.8
	<b>EPP Total</b>	<b>\$ 304.9</b>	<b>\$ 444.8</b>	<b>\$ 139.9</b>
<b>Quality Incentive Program (QIP)</b>	FY 2021-22	\$ 142.7	\$ -	\$ (142.7)
	FY 2022-23	\$ -	\$ 179.2	179.2
	<b>QIP Total</b>	<b>\$ 142.7</b>	<b>\$ 179.2</b>	<b>\$ 36.5</b>
<b>Managed Care Rate Supplement (MCRS)</b>	FY 2020-21	\$ 109.8	\$ -	\$ (109.8)
	FY 2021-22	232.6	-	(232.6)
	FY 2022-23	-	188.8	188.8
	<b>MCRS Total</b>	<b>\$ 342.4</b>	<b>\$ 188.8</b>	<b>\$ (153.6)</b>
<b>Total</b>		<b>\$ 858.7</b>	<b>\$ 849.0</b>	<b>\$ (9.7)</b>

**RESERVE AMOUNT**

Funding Source	Beginning Balance	Ending Balance	Change
<b>DHS' Obligated Fund Balance</b>	<b>\$ 858.7</b>	<b>\$ 849.0</b>	<b>\$ (9.7)</b>