

ADOPTED

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

44 October 8, 2024

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Los Angeles County Board of Supervisors

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October 08, 2024

EDWARD YEN

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Elizabeth M. Jacobi, J.D.

Dear Supervisors:

REQUEST TO ACCEPT COMPROMISE OFFERS OF SETTLEMENT FOR PATIENTS SEEN UNDER THE TRAUMA CENTER SERVICE AGREEMENT (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

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"To advance the health of our patients and our communities by providing extraordinary care"

<u>SUBJECT</u>

Request authorization from the Los Angeles County (LA County) Board of Supervisors (Board) for the Director of Health Services (Director), or designee, to accept compromise offers of settlement for patients who received medical care at either LA County facilities and/or at non-County operated facilities under the Trauma Center Service Agreement. The compromise offers of settlement referenced below are not within the Director's authority to accept.



IT IS RECOMMENDED THAT THE BOARD:

Authorize the Director, or designee, to accept the attached compromise offers of settlement, pursuant to Section 1473 of the Health and Safety Code, for the following individual accounts:

- LA General Medical Center Account Number 100138191 in the amount of \$4,000.00 (Attachment I).
- Harbor UCLA Medical Center Account Number 102578777 in the amount of \$23,615.00 – (Attachment II).
- LA General Medical Center Account Number 102119914 in the amount of \$5,000.00 – (Attachment III).

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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The compromise offer of settlement for patient accounts of patients who received medical care at LA County facilities is recommended because the patients are unable to pay the full amount of charges and the compromise offers represent the maximum amount the Department of Health Services (DHS) was able to negotiate or was offered.

It is in the best interest of LA County to approve the acceptance of these compromise offers, as it will enable the DHS to maximize net revenue on these accounts.

<u>Implementation of Strategic Plan Goals</u>

The recommended actions support LA County's Strategic Plan North Star 3 – Realize Tomorrow's Government Today, Focus Area Goal G – Internal Controls and Processes, Strategy 1 – Maximize Revenue.

FISCAL IMPACT/FINANCING

The approval will recover revenue totaling \$32,615.00 in charges.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

On January 15, 2002, the Board adopted an ordinance granting the Director, or designee, authority to compromise or reduce patient account liabilities when it is in the best interest of LA County to do so.

On November 1, 2005, the Board approved a revised ordinance granting the Director, or designee, authority to reduce, on an account specific basis, the amount of any liability owed to LA County which relates to medical care provided by third parties for which LA County is contractually obligated to pay and related to which LA County has subrogation or reimbursement rights. The revised ordinance was adopted by the Board on December 8, 2005.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Maximizing net revenues on patients who received medical care at LA County facilities will help DHS meet its budgeted revenue amounts.

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Respectfully submitted,

Christina R. Ghaly, M.D.

Director

CRG:CB:VP

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Enclosures

c: Chief Executive Office
County Counsel

Executive Office, Board of Supervisors

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES TRANSMITTAL 24-03-A

Amount of Aid	\$28,597.00	Account Number	100138191
Amount Paid	\$0.00	Name	Adult Female
Balance Due	\$28,597.00	Service Date	02/28/2022 – 11/0/2023
Compromise Amount Offered	\$4,000.00	Facility	LA General Medical Center
Amount to be	. ,	Service	
Written Off	\$24,597.00	Type	Inpatient

JUSTIFICATION

The patient was treated at LA General Medical Center at a total cost of \$28,597.00. The patient has a total of \$68,090.00 in medical bills and attorney fees.

The attorney has settled the case in the amount of \$15,000.00. Due to the low recovery and the insufficient funds to fully satisfy all liens and fees the attorney proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$6,000.00	\$6,000.00	40.00%
Attorney Cost	\$4,896.03	\$4,896.03	32.64%
Other lien holders	\$28,597.00	\$0.00	0.00%
Los Angeles Department of Health Services (LA General MC)	\$28,597.00	\$4,000.00	26.67%
Net to Client (Heirs)	\$0.00	\$103.97	0.69%
Total	\$68,090.03	\$15,000.00	100.00%

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES TRANSMITTAL 24-03-B

Amount of Aid	\$94,420.00	Account Number	102578777
Amount Paid	0.00	Name	Adult Male
	_	Service	
Balance Due	\$94,420.00	Date	01/31/2023 – 12/29/2023
Compromise			
Amount Offered	\$23,615.00	Facility	Harbor UCLA Medical Center
Amount to be		Service	
Written Off	\$70,805.00	Туре	Inpatient

JUSTIFICATION

The patient was treated at Harbor UCLA Medical Center at a total cost of \$94,420.00. The patient has a total of \$137,471.00 in medical bills and attorney fees.

The attorney has settled the case in the amount of \$100,000.00. Due to the low recovery and the insufficient funds to fully satisfy all liens and fees the attorney proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$40,000.00	\$40,000.00	40.00%
Attorney Cost	\$195.00	\$195.00	0.20%
Other lien holders	\$2,856.00	\$2,856.00	2.86%
Los Angeles Department of Health Services (Harbor UCLA MC)	\$94,420.00	\$23,615.00	23.62%
Net to Client (Heirs)	\$0.00	\$33,334.00	33.33%
Total	\$137,471.00	\$100,000.00	100.00%

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES TRANSMITTAL 24-03-C

Amount of Aid	\$103,748.00	Account Number	102119914
Amount Paid	\$0.00	Name	Adult Female
Balance Due	\$103,748.00	Service Date	06/11/2023 – 08/03/2023
Compromise Amount Offered	\$5,000.00	Facility	LA General Medical Center
Amount to be Written Off	\$98,748.00	Service Type	Inpatient

JUSTIFICATION

The patient was treated at LA General Medical Center at a total cost of \$103,748.00. The patient has a total of \$227,769.96 in medical bills and attorney fees.

The attorney has settled the case in the amount of \$25,000.00. Due to the low recovery and the insufficient funds to fully satisfy all liens and fees the attorney proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$8,332.50	\$8,332.50	33.33%
Attorney Cost	\$0.00	\$0.00	0.00%
Other lien holders	\$115,689.46	\$575.50	2.30%
Los Angeles Department of Health Services (LA General MC)	\$103,748.00	\$5,000.00	20.00%
Net to Client (Heirs)	\$0.00	\$11,092.00	44.37%
Total	\$227,769.96	\$25,000.00	100.00%