



Los Angeles County Board of Supervisors

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The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

**Dear Supervisors:** 

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

Christina R. Ghaly, M.D.

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#### SUBJECT

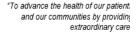
Request authorization from the Los Angeles County (LA County) Board of Supervisors (Board) for the Director of Health Services (Director), or designee, to accept compromise offers of settlement for patients who received medical care at either Los Angeles County (LA County) facilities and/or at non-County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

#### IT IS RECOMMENDED THAT THE BOARD:

Authorize the Director of Health Services (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:

Patients who received medical care at County facilities:

- LA General Medical Center Account Number 100892999 in the amount of \$4,500.00 – (Attachment I).
- LA General Medical Center Account Number 102971908 in the amount of \$2,000.00 – (Attachment II).





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- LA General Medical Center Account Number 102846645 in the amount of \$2,000.00 (Attachment III).
- LA General Medical Center Account Number 101651373 in the amount of \$20,300.00 (Attachment IV).
- LA General Medical Center Account Number 102964400 in the amount of \$3,484.24 (Attachment V).
- Harbor UCLA Medical Center Account Number 100358885 in the amount of \$1,647.33 – (Attachment VI).
- Rancho Los Amigos National Rehabilitation Center Account Number 102732938 in the amount of \$1,000.00 – (Attachment VII).

### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The compromise offers 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.

## Implementation of Strategic Plan Goals

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 \$34,931.57 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,

The Honorable Board of Supervisors 7/29/2025 Page 3

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.

# <u>IMPACT ON CURRENT SERVICES (OR PROJECTS)</u>

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

Respectfully submitted,

Christina R. Ghaly, M.D.

Director

CRG:CB:vp

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Enclosures

Chief Executive Office County Counsel

Executive Office, Board of Supervisors

# COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES TRANSMITTAL 25-02-A

Amount of Aid	\$47,689.00	Account Number	100892999
Amount Paid	\$0.00	Name	Adult Male
		Service	
Balance Due	\$47,689.00	Date	04/29/24-08/01/24
Compromise			
Amount Offered	\$4,500.00	Facility	LA General Medical Center
Amount to be		Service	
Written Off	\$43,109.00	Type	Inpatient

# JUSTIFICATION

The patient was treated at LA General Medical Center at a total cost of \$47,689.00. The patient has a total of \$55,109.00 in medical bills and attorney fees.

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$6,000.00	\$6,000.00	40.00%
Attorney Cost	\$1,500.00	\$1,500.00	10.00%
Other lien holders	\$47,609.00	\$0.00	0.00%
Los Angeles Department of Health			
Services (LA General MC)	\$39,607.00	\$4,500.00	30.00%
Net to Client (Heirs)	\$0.00	\$3,000.00	20.00%
Total	\$55,109.00	\$15,000.00	100.00%

# COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES TRANSMITTAL 25-02-B

Amount of Aid	\$229,958.00	Account Number	102971908
Amount Paid	0.00	Name	Adult Male
Balance Due	\$229,958.00	Service Date	08/18/24-08/30/24
Compromise Amount Offered	\$2,000.00	Facility	LA General Medical Center
Amount to be Written Off	\$227,958.00	Service Type	Inpatient

## JUSTIFICATION

The patient was treated at Rancho LA General Medical Center at a total cost of \$229,958.00. The patient has a total of \$241,203.37 in medical bills and attorney fees.

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$6,000.00	\$6,000.00	40.00%
Attorney Cost	\$490.75	\$490.75	3.27%
Other lien holders	\$4,754.62	\$4,754.62	31.70%
Los Angeles Department of Health			
Services (LA General MC)	\$229,958.00	\$2,000.00	13.33%
Net to Client (Heirs)	\$0.00	\$1,754.63	11.70%
Total	\$241,203.37	\$15,000.00	100.00%

# COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES TRANSMITTAL 25-02-C

	4442.000.00	Account	400040045
Amount of Aid	\$118,260.00	Number	102846645
Amount Paid	\$0.00	Name	Adult Male
		Service	
Balance Due	\$118,260.00	Date	2/14/24-08/19/24
Compromise			
Amount Offered	\$2,000.00	Facility	LA General Medical Center
Amount to be		Service	
Written Off	\$116,260.00	Type	Inpatient

# JUSTIFICATION

The patient was treated at LA General Medical Center at a total cost of \$118,260.00. The patient has a total of \$127,741.00 in medical bills and attorney fees.

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$6,000.00	\$6,000.00	40.00%
Attorney Cost	\$0.00	\$0.00	0.00%
Other lien holders	\$3,481.00	\$662.27	4.42%
Los Angeles Department of Health Services (LA General MC)	¢119 260 00	62,000,00	12 220/
Services (LA General MC)	\$118,260.00	\$2,000.00	13.33%
Net to Client (Heirs)	\$0.00	\$6,337.73	42.25%
Total	\$127,741.00	\$15,000.00	100.00%

# COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES TRANSMITTAL 25-02-D

Amount of Aid	\$72,828.00	Account Number	101651373
	<b>*</b>		
Amount Paid	\$0.00	Name	Adult Male
		Service	
Balance Due	\$72,828.00	Date	08/16/19-08/19/19
Compromise			
Amount Offered	\$20,300.00	Facility	LA General Medical Center
Amount to be		Service	
Written Off	\$52,528.00	Type	Inpatient

### JUSTIFICATION

The patient was treated at LA General Medical Center at a total cost of \$72,828.00. The patient has a total of \$456,185.41 in medical bills and attorney fees.

The attorney has settled the case in the amount of \$350,000.00. LA General Medical Center is only pursuing 4 days of the visit in the amount of \$72,828.00. The patient is using his settlement to pay for the incurred medical bills. The county vendor Compspec has agreed with the attorney on the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$140,000.00	\$140,000.00	40.00%
Attorney Cost	\$70,000.00	\$70,000.00	20.00%
Other lien holders	\$173,357.41	\$34,241.00	10.00%
Los Angeles Department of Health Services (LA General MC)	\$72,828.00	\$20,300.00	6.00%
Net to Client (Heirs)	\$0.00	\$85,459.00	24.00%
Total	\$456,185.41	\$350,000.00	100.00%

# COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES TRANSMITTAL 25-02-E

Amount of Aid	\$46,470.00	Account Number	102964400
Amount Paid	\$0.00	Name	Adult Male
7 anount i did	·	Service	
Balance Due	\$46,470.00	Date	08/07/24-01/16/25
Compromise			
Amount Offered	\$3,484.24	Facility	LA General Medical Center
Amount to be		Service	
Written Off	\$42,985.76	Type	Inpatient

# JUSTIFICATION

The patient was treated at LA General Medical Center at a total cost of \$46,470.00. The patient has a total of \$54,501.53 in medical bills and attorney fees.

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$5,000.00	\$5,000.00	33.33%
Attorney Cost	\$266.53	\$266.53	1.78%
Other lien holders	\$2,765.00	\$2,765.00	18.43%
Los Angeles Department of Health Services (LA General MC)	\$46,470.00	\$3484.24	23.23%
Net to Client (Heirs)	\$0.00	\$3,484.23	23.23%
Total	\$54,501.53	\$15,000.00	100.00%

# COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES TRANSMITTAL 25-02-F

Amount of Aid	\$27,910.00	Account Number	100358885
Amount Paid	\$0.00	Name	Adult Male
7 in odner did		Service	
Balance Due	\$27,910.00	Date	05/29/24-10/04/24
Compromise			
Amount Offered	\$1,647.33	Facility	Harbor UCLA Medical Center
Amount to be		Service	
Written Off	\$26,262.67	Type	Inpatient

## JUSTIFICATION

The patient was treated at Harbor UCLA Medical Center at a total cost of \$27,910.00. The patient has a total of \$69,920.00 in medical bills and attorney fees.

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$6,000.00	\$6,000.00	40.00%
Attorney Cost	\$0.00	\$0.00	0.00%
Other lien holders	\$36,010.00	\$2,125.42	14.17%
Los Angeles Department of Health Services (Harbor UCLA MC)	\$27,910.00	\$1,647.33	10.98%
Net to Client (Heirs)	\$0.00	\$5,227.25	34.85%
Total	\$69,920.00	\$15,000.00	100.00%

# COUNTY OF LOS ANGELES – DEPARTMENT OF HEALTH SERVICES TRANSMITTAL 25-02-G

Amount of Aid	\$385,016.00	Account Number	102732938	
Alflourt of Alu	φ363,010.00	Nullibel	102732936	
Amount Paid	\$0.00	Name	Adult Male	
		Service		
Balance Due	\$385,016.00	Date	09/14/23-12/01/23	
Compromise				
Amount Offered	\$1,000.00	Facility	Rancho Los Amigos NRC	
Amount to be		Service		
Written Off	\$384,016.00	Type	Inpatient	

## **JUSTIFICATION**

The patient was treated at Rancho Los Amigos National Rehabilitation Center at a total cost of \$385,016.00. The patient has a total of \$968,380.00 in medical bills and attorney fees.

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$5,000.00	\$5,000.00	33.33%
Attorney Cost	\$0.00	\$0.00	0.00%
Other lien holders	\$578,364.00	\$1,502.18	10.01%
Los Angeles Department of Health Services (Rancho Los Amigos NRC)	\$385,016.00	\$1,000.00	6.67%
Net to Client (Heirs)	\$0.00	\$7,497.82	49.99%
Total	\$968,380.00	\$15,000.00	100.00%