Health Services
LOS ANGELES COUNTY

Health Services
LOS ANGELES COUNTY

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

Christina R. Ghaly, M.D.
Director

Nina J. Park, M.D.
Chief Deputy Director, Clinical Affairs & Population Health

Aries Limbaga, DNP, MBA
Chief Deputy Director, Operations

Elizabeth M. Jacobi, J.D.
Administrative Deputy

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 288-8050
Fax: (213) 481-0503

www.dhs.lacounty.gov

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

www.dhs.lacounty.gov

March 17, 2026

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:

APPROVAL TO DELEGATE AUTHORITY TO ENTER INTO AGREEMENTS FOR PROVISION OF CERTAIN SERVICES TO COUNTY PATIENTS (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

Request approval to delegate authority to the Director of Health Services, or authorized designee, to enter into agreements with outside health care providers for care not offered by the Department of Health Services (DHS), and related services to ensure continuity of care, to County-referred patients under specified conditions.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Director of Health Services (Director), or her authorized designee, to negotiate and execute agreements with qualified outside health care providers, including but not limited to clinics, physicians or physician practice groups, pharmacies, or other licensed health care facilities. Under such agreements, County of Los Angeles (LA County) will pay for care not offered by the Department of Health Services (DHS), and related services to ensure continuity of care, which will be provided to LA County referred patients, with modifications to, or waivers of, LA County's contracting requirements for insurance, standard indemnification and other standard County contract terms not mandated by County ordinance, on a case-by-case basis, and effective upon execution following the Board's adoption of this letter, for a term of up to one (1) year, with the option to extend the term for up to two (2) additional one-year periods, at the discretion of the Director or designee, subject to the following conditions: (a) payments are only made for

patients who have previously been treated at a DHS facility and are, at the time of referral, under the care of a DHSphysician; (b) the patient is seeking services which DHS does not offer, and other related services to ensure continuity of care; (c) DHS shall not influence treatment decisions of the outside health care provider; (d) the total annual payment across all such agreements shall not exceed $1 million in aggregate for each fiscal year; and (e) each agreement has been reviewed and approved by County Counsel.

2. Delegate authority to the Director, or her authorized designee, to negotiate and execute amendments to such agreements to: (a) extend the term for up to two (2) additional one-year periods; (b) add, delete, and/or change non-substantive terms and conditions in the agreements; (c) add or delete facilities and approve necessary changes to scope of services, and; (d) delegate certain administrative responsibilities to other County departments upon the departments' mutual agreement as determined to be in the best interest of LA County; subject to prior review and approval by County Counsel.

3. Delegate authority to the Director, or her authorized designee, to make a finding pursuant to LA County Code Section 2.121.420 that contracting for physician services, as described herein, can be performed more feasibly by an independent contractor.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Department of Health Services (DHS) periodically finds that it needs assistance from outside health care providers to provide certain services for DHS patients. In most instances, DHS is able to refer its patients to such outside providers without cost to LA County. Occasionally, however, outside providers require financial payment from LA County to provide care to such patients, due to circumstances including, but not limited to, lack of reimbursement or coverage.

It is in LA County's best interest to make such payments under these circumstances to assure patient access to such care, as well as services related to continuity of care. Delegating authority to the Director will allow DHS to act quickly and efficiently when these situations arise, ensuring continuity of care for County patients.

Implementation of Strategic Plan Goals

The recommended actions support Strategy II.2, "Support the Wellness of Our Communities" and III.3, "Pursue Operational Effectiveness, Fiscal Responsibility and Accountability" of LA County's Strategic Plan.

FISCAL IMPACT/FINANCING

The cost of relevant services is expected to be no more than $1 million annually, which will be covered by County's existing resources. Continued funding will be requested in future years as necessary. There is no new impact to net County cost for the recommended actions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

With approval by County Counsel and as determined on a case-by-case basis, the agreements may include modifications to, or waivers of, LA County's contracting requirements for insurance, standard

indemnification and other standard County contract terms not mandated by County ordinance, with adherence to all applicable laws, including anti-kickback and anti-supplementation requirements. The agreements may be terminated for convenience by LA County upon thirty (30) days prior written notice.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations will ensure that DHS can secure services for County patients when DHS does not provide them directly, thereby maintaining continuity of care and supporting patient health outcomes.

Respectfully submitted,

Christina R. Ghaly, M.D.
Director

CRG: JCA

c: Chief Executive Office County Counsel
Executive Office, Board of Supervisors