AGN. NO.

**REVISED MOTION BY SUPERVISORS HOLLY J. MITCHELL AND HILDA L. SOLIS** April 7, 2026

**Preparing to Immediately Implement the Essential Services Restoration Act Upon Voter Approval**

On February 10, 2026, the Los Angeles County (County) Board of Supervisors (Board) approved a motion to place the Essential Services Restoration General Sales Tax Act on the June 2026 ballot. The motion also included a spending plan that would allocate up to 45% of the revenues generated from the tax to fund a program under which a limited network of nonprofit partner providers, licensed under Section 1204(a) of the California Health and Safety Code, would furnish no-cost or reduced-cost care to low-income residents of the County who lack health insurance. It is critical that the County be prepared to immediately restore health care services should voters approve the sales tax.

The County has a long and proven record of effectively contracting for quality no-cost or reduced-cost care in community-based settings. The County's partnership with community health centers began under the first Department of Health Services (DHS) Section 1115 Medicaid waiver and its extension, which were in effect from 1995 to 2005. Prior to this period, the County lacked formal programs connecting public and private health clinics with County hospitals. Through these partnerships, the County contracted with community health centers to create an organized system of health care known as the Public Private Partnership (PPP) program. DHS provided 11 million primary care visits

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through the PPP program.[1] By 2005, the program had expanded to provide high-quality and cost-effective ambulatory care and outreach services through a network of 54 clinics at 106 sites across the County.

The PPP program recognized that a one-size-fits-all approach could not meet the needs of the County's large and culturally diverse neighborhoods. Clinics developed a subregional approach to better coordinate care, including the Skid Row Healthcare Collaborative, the Southside Coalition of Community Health Centers, and partnership efforts with the USC healthcare network.

The PPP program served an unexpectedly high number of adults with chronic diseases. It proved to be an effective system for preventing morbidity and mortality, and reducing the overuse of emergency rooms and hospitals. The program was so successful that DHS listed it first, and referenced it 15 times, in its report to the Board on DHS's major accomplishments under the initial Section 1115 Medicaid waiver.

Following the expiration of the original waiver in 2005, the clinic partnership continued under subsequent Medicaid waivers, including the Low-Income Health Program (also known locally as Healthy Way LA) which facilitated eligible individuals' transition into full-scope Medicaid under the Affordable Care Act expansion. Outside of the waiver, Healthy Way LA later evolved into the My Health LA (MHLA) program, serving individuals not eligible for Medicaid expansion due to immigration status. The MHLA program, which served between 130,000 and 145,000 participants annually, concluded on January 31, 2024, when all participants became eligible for full-scope State-only Medi-Cal. Prior to the end of MHLA, DHS contracted with 51 Federally Qualified Health Centers that provided primary care at more than 200 sites across all Supervisorial districts.

It is essential that the County demonstrate its readiness to "hit the ground running" should voters approve the Essential Services Restoration General Sales Tax Act, which would enable the County to continue providing essential health and wellness services for its uninsured residents.

**WE~~I~~ THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:**

[1] See DHS Letter to Board of Supervisors, 043571_DepartmentofHealthServicesFiscalOutlookUpdateandDeficit.pdf

1. Direct the Director of the Department of Health Services (DHS), in collaboration with the Director of the Department of Public Social Services (DPSS) and the Community Clinic Association of Los Angeles County, to develop the details of a proposed program under which 45% of the Essential Services Restoration General Sales Tax Act revenues would be allocated to a limited number of non-profit partner providers, licensed under Section 1204(a) of the California Health and Safety Code, to furnish no cost or reduced cost care to low-income Los Angeles County residents who lack insurance, should the sales tax measure pass. Should voters approve the sales tax and to the extent funding is available, the program should include a limited network of partner non-profit community health centers to support a program similar to My Health LA (MHLA). The network may also include a limited number of partner pharmacies, specialists, or ancillary service providers for services not available through the partner community health centers. DHS should issue an initial report to the Board in 60 days and provide regular status updates every 60 days thereafter. These updates shall include, but not be limited to recommendations regarding:
    a. How lessons and best practices learned from the Public Private Partnership, Healthy Way LA, MHLA, and similar programs—and informed by any State policy developments—would be applied to a proposed new program;
    b. The proposed scope of benefits and services to be provided, including medical, specialty, diagnostics, dental, nutrition, pharmaceutical, mild-to-moderate behavioral health, and other services; and how those services would be coordinated with County-provided services and/or provided by the County if services are not available through the community health centers;
    c. The potential payment methodologies that appropriately incentivize high-quality care and timely access to services;

d. Budget projections and recommended safeguards to ensure fiscal sustainability;
e. Potential benchmarks for tracking and measuring performance and contractor accountability, suitable for presentation on a publicly available dashboard;
f. Potential minimum provider eligibility requirements for participation, including site, licensing, and credentialing requirements;
g. Possible financial, administrative, and information systems requirements needed within DHS to administer the program;
h. Patient care and eligibility requirements, including patient rights, and an enrollment plan;
i. Program management requirements;
j. A Request for Proposals process that is fair, facilitates implementation, enrollment and operation of the program, and establishes a Countywide needs-based network;
k. Possible approaches to eligibility determination, including opportunities to integrate DPSS' eligibility processes and systems;
l. An approximate timeline and approach for launching the program once funding is available, including considerations of a ramp up or phased launch; and
m. A proposal for how the Citizens Oversight Committee's input – and the perspectives of individuals with lived experience – could be meaningfully incorporated throughout the program's design, implementation, and operation.

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(YV/EA/VG)