



**PUBLIC REQUEST TO ADDRESS  
THE BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES, CALIFORNIA**

MEMBERS OF THE BOARD

HILDA L. SOLIS  
HOLLY J. MITCHELL  
LINDSEY P. HORVATH  
JANICE HAHN  
KATHRYN BARGER

**Correspondence Received**

The following individuals submitted comments on agenda item:				
Agenda #	Relate To	Position	Name	Comments
20.		<b>Oppose</b>	Perry Goldberg	Please see attached letter.
		<b>Item Total</b>	<b>1</b>	
<b>Grand Total</b>			<b>1</b>	

**Comment re Agenda Item 20, Board Meeting on May 12, 2026**

**Subject: Opposition to Delegated Authority for Cerner Amendment (Agreement No. H-705407) – Demand for ROI and Fiscal Oversight**

To the Honorable Board of Supervisors:

I am submitting this comment to formally object to the request to grant delegated authority to the Director of Health Services to execute a sole-source amendment to the Cerner Corporation contract. Approving this amendment will push the maximum sum of this contract to an astonishing \$821,104,650.

It is profoundly unacceptable that this Board routinely spends hours of public meeting time on ceremonial scroll presentations yet is being asked to quietly rubber-stamp a \$36 million sole-source amendment to one of the largest IT contracts in County history with zero public scrutiny.

I urge the Board to pull this item from the consent calendar and reject the request for delegated authority for the following reasons:

**1. The \$12 Million "Pool Dollar" Slush Fund**

This amendment asks the Board to authorize over \$12.1 million in unallocated "Pool Dollars" (\$2.69 million for the initial term, plus up to \$9.42 million for the extension). The Board Letter states these funds can be used at the Director's discretion and that unspent funds will roll over indefinitely. Handing a department a \$12 million blank check to bypass future Board approval for professional services and software would be a total abdication of fiscal oversight.

**2. Complete Absence of Performance Metrics and ROI**

DHS justifies this multi-million dollar, sole-source extension by claiming the Empaneled Life Management (ELM) platform "improves health outcomes... reduces avoidable utilization, and supports more efficient use of Los Angeles County resources". Yet, the Board Letter provides absolutely zero data to support these claims. The County has utilized ELM since 2016. If this software truly reduces avoidable utilization, DHS must provide the Board with a concrete dollar amount demonstrating the actual return on investment over the last eight years before asking for another \$36 million.

**3. Unacceptable Vendor Lock-In and Fee Increases**

By synchronizing the expiration dates of all systems to December 2032, the County is locking itself into the Cerner ecosystem for more than six years. Stripped of its negotiating leverage, the County is consequently agreeing to authorize automatic annual fee increases

of up to 5% for the extension periods. The Board should not grant delegated authority for automatic fee escalators on a sole-source contract.

#### **4. Failure to Benchmark Costs or Account for Deflationary AI Trends**

The Board Letter lacks any comparative market analysis. There is no benchmarking provided to demonstrate how Cerner's pricing compares to what peer counties (such as San Diego, Orange, or San Francisco) are currently spending on similar population health and analytics platforms. Furthermore, locking the County into a multi-year extension with guaranteed annual fee increases completely ignores the rapid deflationary impact of Artificial Intelligence. Advances in AI and machine learning are drastically reducing the cost of data integration, predictive analytics, and software development. The County should be leveraging these technological leaps to negotiate *lower* fees over the next six years, not guaranteeing compounding price hikes for legacy architecture.

The public expects the Board of Supervisors to act as rigorous stewards of taxpayer funds, prioritizing the scrutiny of near-billion-dollar contracts over ceremonial photo opportunities. I urge you to reject this request until DHS provides a verified ROI report, removes the \$12 million pool dollar contingency, and provides the benchmarking needed for the Board and the public to evaluate this request in context.

Respectfully submitted,

Perry Goldberg (District 5)