AGN. NO.

REVISED MOTION BY SUPERVISOR HOLLY J. MITCHELL ~~July 21~~, August 4, 2026

Ensuring Measure B Funds Are Put to their Highest and Best Use

Nearly 25 years ago, in November 2002, Los Angeles County (County) voters adopted Measure B, establishing a Countywide parcel tax to support trauma hospitals and emergency medical services. Measure B's stated purpose is to "maintain and expand the trauma system Countywide, to ensure the continued availability of emergency medical services, and to respond effectively to biological terrorism." In Fiscal Year 2024-25, Measure B generated $340,585,187 to support trauma services.[1]

On July 15, 2025, the Board of Supervisors directed the Chief Executive Officer (CEO) to report back in 90 days with an analysis of the formula used to allocate future ongoing and one-time Measure B funding to non-County hospitals, and to recommend any needs-based changes.[2] The CEO issued its report back on April 6, 2026,[3] outlining three options for the Board's consideration: A) maintain the current allocation methodology; B) allocate any increases in ongoing Measure B funding using needs-based criteria; or C) allocate one-time funding using needs-based criteria.

The County is currently facing severe budget constraints, driven largely by H.R.1 and related federal policies. Approximately 1.1 million County residents are projected to lose their Medi-Cal eligibility and become uninsured.[4] As the Department of Health

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[1] December 29, 2025 Auditor-Controller letter to the Board of Supervisors.
[2] Measure B funding formula motion.pdf
[3] 1205628_040626ReportBackonOneTimeMeasureBFundingforNonCountyTraumaHospitals_bm.pdf
[4] Dietz, UCLA Labor Center, 2026. *Projected reduction in Medi-Cal coverage due to federal H.R.1 and 2025-26 State Budget, by county, 2028*) https://laborcenter.berkeley.edu/projected-reduction-in-medi-cal-coverage-due-to-federal-h-r-1-and-2025-26-state-budget-by-county-2028/

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Services noted in its April 7, 2026, Fiscal Outlook,[5] "[f]or the patients we serve, losing Medi-Cal doesn't mean they stop getting sick – it means losing access to care. Health Services will still be here, but with over 600,000 more uninsured patients in LA County alone, the strain will be felt across our health system and across every emergency room in Los Angeles County."

Given these challenges, it is critically important that Measure B funds be allocated wisely and equitably reflecting the increased pressure on hospital trauma centers and emergency rooms that serve larger populations of Medi-Cal patients and those who lost Medi-Cal eligibility under H.R.1.

Any Measure B funds approved, especially those approved after H.R.1's passage, should be more fairly allocated to meet Measure B's goal to support and stabilize the entire Countywide trauma and emergency care system.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Chief Executive Officer, in consultation with the Director of the Department of Health Services, the Director of the Department of Public Health and the Emergency Medical Services Agency, the Fire Chief, the Hospital Association of Southern California (including representatives from both trauma centers and emergency hospitals with high Medicaid volumes), and other relevant provider stakeholders to retain a consultant to study the impacts of the County's current allocation of Measure B funds to non-County trauma hospitals to ensure that future Measure B resources are allocated in a manner that maximizes public benefit, including any potential federal fund matching opportunities, strengthens both the regional trauma and emergency services system, and aligns with the intent of the voters. At a minimum, the study should:
   a) prioritize preserving a financially stable, accessible, and sustainable regional trauma and emergency services system;
   b) identify strategies that maximize the public benefit of Measure B investments while strengthening trauma and emergency care for vulnerable populations;

[5] DHS Fiscal Outlook.pdf

c) consider financial vulnerabilities, including disproportionate impacts of H.R.1, and impacts on hospitals with high Medicaid payer mixes and uninsured volumes;

d) consider the fiscal health of both each individual eligible hospital and the multi-hospital system that it is part of (including cash reserves, days of cash on hand, unrestricted net assets, operating margin, and reimbursed trauma care, including through private insurance, etc.) when distributing taxpayer dollars;

e) align investments to community need and to better serve the most vulnerable populations, including, but not limited to, populations impacted by disproportionate disease burdens or extreme environmental hazards; and

f) evaluate how any recommended changes to Measure B allocations could be implemented in a manner that maintains the integrity of the trauma care system, including consideration of any phased implementation, transition periods, or other mitigation strategies where appropriate.

2) Direct the Chief Executive Officer and consulting departments to report back in 180 days with recommendations to inform the prospective ongoing non-County Measure B allocation formula.

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(YV/VG)