Board of Supervisors

Operations Cluster Agenda Review Meeting

DATE: July 16, 2025
TIME: 2:00 p.m. – 4:00 p.m.
MEETING CHAIR: Michelle Vega, 5th Supervisorial District
CEO MEETING FACILITATOR: Dardy Chen

THIS MEETING IS HELD UNDER THE GUIDELINES OF BOARD POLICY 3.055

To participate in this meeting in-person, the meeting location is:

Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012
Room 374-A

To participate in this meeting virtually, please call teleconference number 1 (323) 776-6996 and enter the following 522268816# or Click here to join the meeting

Teams Meeting ID: 237 250 878 670
Passcode: UoBQAE

For Spanish Interpretation, the Public should send emails within 48 hours in advance of the meeting to ClusterAccommodationRequest@bos.lacounty.gov.

Members of the Public may address the Operations Cluster on any agenda item during General Public Comment.
The meeting chair will determine the amount of time allowed for each item.
THIS TELECONFERENCE WILL BE MUTED FOR ALL CALLERS. PLEASE DIAL *6 TO UNMUTE YOUR PHONE WHEN IT IS YOUR TIME TO SPEAK.

1. **CALL TO ORDER**

2. **GENERAL PUBLIC COMMENT**

3. BOARD MOTION ITEM(S):

SD-1

- NEXT STEPS TO IMPLEMENT THE PROPOSED CENTENNIAL PROJECT MASTER PLAN ON THE GENERAL HOSPITAL MEDICAL CAMPUS

SD-4

- DEVELOPMENT GROUND LEASE AGREEMENT FOR THE LA COUNTY CARE COMMUNITY WITH THE STATE OF CALIFORNIA AT THE METROPOLITAN STATE HOSPITAL CAMPUS

4. DISCUSSION ITEM(S):

A) Board Memo:
ADVANCE NOTIFICATION OF INTENT TO NEGOTIATE A SOLE SOURCE AMENDMENT TO AGREEMENT NO. H-705407 WITH CERNER CORPORATION
DHS/CIO - Dr. Belinda Waltman, Senior Director, Population Health,
Kevin Lynch, Chief Information Officer,
Julio Alvarado, Director, Contracts and Monitoring and
Stacey Asada, Contracts and Grants Manager

B) Board Letter:
RESPONSES TO THE 2024-2025 CIVIL GRAND JURY INTERIM REPORT
CEO/POLICY - Carrie Miller, Senior Manager and
Paul Nakashima, Senior Analyst

5. PRESENTATION ITEM(S):

None.

6. NOTICE OF CLOSED SESSION

CS-1 **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**
(Subdivision (a) of Government Code Section 54956.9)

Cinthia Carballo v. Nicole Englund, et al.
Los Angeles Superior Court Case No. 20STCV34081

Department: Board of Supervisors

7. ADJOURNMENT

UPCOMING ITEMS FOR JULY 23, 2025:

A) COUNTYWIDE CLASSIFICATION/COMPENSATION ACTIONS
CEO/CLASS - Jennifer Revuelta, Principal Analyst

B) ISSUANCE AND SALE OF
LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY
LEASE REVENUE BONDS, 2025 SERIES J
TTC - Heather Usiski, Assistant TTC, Public Finance & Investments Branch and Teresa Gee, Chief Public Finance Officer

C) APPROVE SOLE SOURCE AMENDMENT NUMBER FIFTEEN TO AGREEMENT NUMBER 74666 WITH N. HARRIS COMPUTER CORPORATION AND SYSCON JUSTICE SYSTEMS, INC. FOR THE MAINTENANCE AND SUPPORT OF THE JAIL INFORMATION MANAGEMENT SYSTEM
LASD/CIO - Tony Liu, Administrative Services Manager II

IF YOU WOULD LIKE TO EMAIL A COMMENT ON AN ITEM ON THE OPERATIONS CLUSTER AGENDA, PLEASE USE THE FOLLOWING EMAIL AND INCLUDE THE AGENDA NUMBER YOU ARE COMMENTING ON:

OPS_CLUSTER_COMMENTS@CEO.LACOUNTY.GOV

AGN. NO._____

MOTION BY SUPERVISOR HILDA L. SOLIS July 29, 2025

Next Steps to Implement the Proposed Centennial Project Master Plan on the General Hospital Medical Campus

On January 24, 2023, the Board of Supervisors (Board) authorized the Director of the Department of Economic Opportunity (DEO) to solicit proposals to facilitate the proposed redevelopment of the General Hospital and portions of West Campus (Project Site) in order to create a Healthy Village to serve the County's most vulnerable residents.

The successful proposer, Centennial Partners (CP), proposed developing a mixed-use neighborhood inclusive of affordable, workforce and market rate housing, community retail, job creation opportunities, public open space, access to wellness and wrap-around supportive services, and connections to public transit (collectively, the Proposed Project). On June 25, 2024, the Board authorized the Director of DEO to enter into an amended Exclusive Negotiations Agreement (ENA) with CP to advance this vision.

The ENA outlined three phases of predevelopment activities: Project Definition, Project Planning, and Entitlement and Predevelopment. To date, CP has completed activities associated with the Project Definition Phase, which included due diligence such as preliminary architectural and engineering studies, site investigation, mapping,

MOTION

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Mitchell	_____
Horvath	_____
Hahn	_____
Barger	_____

testing activities, and code compliance verifications, highlighted the immediate need to advance seismic and infrastructure stabilization of the General Hospital building and portions of the West Campus. The Board authorized a Stabilization Project on June 17, 2025.

Due diligence activities have also confirmed that there is a viable path to re-developing the Project Site with mixed-use affordable housing, public open space, multi-modal transportation improvements, and additional health related amenities. As part of the redevelopment, the Developer would preserve the historic character of the General Hospital building, ensuring that this iconic landmark is restored and adaptively repurposed for optimal use. To support this vision, the County should initiate steps to get the building listed on the National Register of Historic Places. This designation would also enable the pursuit of historic tax credits to support rehabilitation activities. The use of financial tools such as historic and low-income housing tax credits; Climate Resilience District; public subsidy from Federal, State and local agencies; and private financing are collectively anticipated to facilitate full build-out of the Project Site.

CP is now prepared to begin the Project Planning Phase, which includes surveying and technical analysis related to land use, environmental, architecture, and engineering, sustainability, parking and transportation, and community engagement. Up to $3,322,000 of First District Discretionary Funds (Community Program Funding) is proposed to support completing work in order to reach preliminary alignment between CP and the County, with input from the community, on the proposed project description;

AGN. NO._____

MOTION BY SUPERVISOR HILDA L. SOLIS July 29, 2025

Next Steps to Implement the Proposed Centennial Project Master Plan on the General Hospital Medical Campus

key development and economic terms (including a community benefits agreement); and the initial architectural language, massing, and phasing for the proposed master plan implementation.

CP will subsequently continue to assume responsibility for their fees and expenses, and those of the County, that arise during the Entitlement and Predevelopment Phase, which will include costs to negotiate project agreements and complete the environmental clearance and entitlement process. The involved County departments should be supported with all necessary resources to facilitate timely reviews to ensure that the environmental review process moves forward efficiently and expeditiously.

I, THEREFORE, MOVE, that the Board of Supervisors:

1. Find that the above actions are not subject to the California Environmental Quality Act (CEQA) as they are excluded from the definition of a project under Public Resources Code Section 21065 and are administrative activities of government that will not result in physical changes to the environment or reasonably foreseeable indirect changes to the environment pursuant to Section 15378(b)(3) of the State CEQA Guidelines or are within the scope of the Board's previous CEQA findings related to the approved ENA; and/or, in the alternative, find that they are exempt from CEQA under State CEQA Guidelines section 15061(b)(3) since it can be seen with certainty that the activity will not have a significant effect on the environment. Prior to approving any activity that would be

a considered a project, appropriate environmental findings will be recommended.

2. Authorize the Director of the Department of Economic Opportunity, or her designee, to file an application with the National Register of Historic Places, to request formal listing of the Los Angeles General Hospital Building on the National Register of Historic Places and carry out all related actions following the application necessary for the listing.
3. Authorize the Director of the Department of Economic Opportunity, or her designee, to amend the Exclusive Negotiations Agreement by and between the County of Los Angeles and Centennial Partners to provide up to $3,322,020 in First District Community Program Funds to support Planning Phase costs and community engagement.
4. Authorize the Director of the Department of Economic Opportunity, or her designee, to amend the Exclusive Negotiations Agreement by and between the County of Los Angeles and Centennial Partners to update the Schedule of Performance to align with more detailed milestones, scope of work related to general parking and parking for County Department of Health Services staff exclusive use, and make other related changes, approved as to form by County Counsel.
5. Direct the Director of the Department of Economic Opportunity and the Chief Executive Officer, or their designee, to coordinate with Centennial Partners on the potential establishment of a Climate Resilience District, and other financial

AGN. NO._____

MOTION BY SUPERVISOR HILDA L. SOLIS July 29, 2025

Next Steps to Implement the Proposed Centennial Project Master Plan on the General Hospital Medical Campus

tools available to the County to support the proposed Centennial Project Master Plan implementation.

6. Approve an appropriation adjustment to transfer $3,322,000 from the First District Community Program Funds to the Department of Economic Opportunity.
7. Direct the Director of the Department of Economic Opportunity, or her designee, in coordination with the Director of Public Works, the Fire Chief, the Director of the Department of Public Health, and the Chief Executive Officer, or their designees, to memorialize a schedule, performance objectives, and costs reimbursement protocols for reviewing the project's environmental analysis to align with the proposed Project's Schedule of Performance.
8. Direct the Director of the Department of Economic Opportunity, or her designee, to continue its partnership with Centennial Partners and LA General Medical Foundation to engage in a robust community engagement process (in collaboration with the (Health Innovation Community Partnership (HICP), The Wellness Center, and Community Advisory Committee) to develop a framework for a Community Benefits Agreement and report back in writing to the Board on said framework by the end of calendar year 2025.

# # #

HLS:wr:gdm

AGN. NO.

MOTION BY SUPERVISOR JANICE HAHN July 29, 2025

Development Ground Lease Agreement for the LA County Care Community with the State of California at the Metropolitan State Hospital Campus

The State of California (State) and County of Los Angeles (County) are facing mental health and homelessness crises that are exacerbated by a shortage of housing and mental health treatment facilities. To combat these crises, more housing and treatment facilities need to be developed. As part of this effort, the State and County have identified a portion of the Metropolitan State Hospital campus in the City of Norwalk that is underutilized and can be renovated and transformed into a continuum of housing and treatment options for people with mental health challenges – the proposed *Los Angeles County Care Community*.

The proposed LA County Care Community will be an important part of addressing homelessness and assisting persons who are living with a mental illness. The proposed project will address the priorities of both the State of California and County of Los Angeles – to provide treatment facilities and housing for people with mental health challenges. Much of the project planning and preparation has already begun, and the next step is for the State and County to sign the agreed-upon lease agreement for the identified area on the Metropolitan State Hospital campus.

HOA.105441418.2

MOTION

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HAHN	_____
BARGER	_____

On June 4, 2024, the Los Angeles County Board of Supervisors (Board) directed the Chief Executive Officer (CEO) to negotiate and execute the Exclusive Negotiation Agreement (ENA) with the State of California to lease and develop unused property on the Metropolitan State Hospital campus.[1] This portion of the Metropolitan State Hospital campus includes six buildings, surrounding courtyards, and a parking lot which will be turned into the proposed LA County Care Community. The proposed LA County Care Community will include two permanent supportive housing buildings proposing 50 units of permanent supportive housing and a building for shared communal space; two psychiatric subacute facilities for transitional aged youth with a total of 32 beds; and one interim housing building for transitional aged youth with a total of 70 bedrooms. Each building will have its own courtyard, there will be dedicated onsite parking, and the proposed LA County Care Community will effectively be separate from the rest of the Metropolitan State Hospital.

On October 22, 2024, the Board approved certain actions related to the proposed LA County Care Community at Metropolitan State Hospital, and found the proposed project, which consists of two psychiatric subacute; two interim housing; and two permanent supportive housing facilities, and other improvements, are exempt from CEQA, pursuant to State CEQA Guidelines.[2]

The County has identified funding for the proposed renovations, including $20 million of No Place Like Home funding and $65 million that was awarded through the Behavioral Health Continuum Infrastructure Program (BHCIP) grant established by the State after the voters approved Proposition 1 in the March 2024 election. On June 4,

[1] https://file.lacounty.gov/SDSInter/bos/supdocs/761aabd0-e127-4134-ad10-bd9bda68bba9.pdf
[2] https://file.lacounty.gov/SDSInter/bos/supdocs/196732.pdf

2024, the Board directed the Los Angeles County Development Authority (LACDA) to set aside and designate up to $20 million of No Place Like Home funding for the development of permanent supportive housing on the Metropolitan State Hospital campus.[3] On November 6, 2024, the Board passed the motion "Bond BHCIP Round 1" that authorized the Department of Mental Health (DMH) to apply to Bond BHCIP Round 1 for two projects.[4] On November 26, 2024, the Board passed a motion to delegate authority to the Director of DMH, Chief Deputy Director of DMH, or either of their designees, to accept BHCIP grant funds up to $65 million for the proposed LA County Care Community at Metropolitan State Hospital project.[5]

The State and the County have reached an agreement for the proposed Development Ground Lease on the Metropolitan State Hospital campus for the proposed LA County Care Community at Metropolitan State Hospital Project. The Development Ground Lease would also include opportunities for potential future amendments to include up to two additional buildings that could add another 67 beds to the campus for people with mental health care needs.

I, THEREFORE, MOVE that the Board of Supervisors:

1. Find that the approval of the Development Ground Lease for the Premises located at 11401 Bloomfield Ave, in the City of Norwalk, CA 90650 and related actions are within the scope of the Board's previous finding of exemption from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15301, 15302, 15303, 15304, 15311 and 15331 and County of Los Angeles Document Reporting Procedures and Guidelines, Appendix G, Classes 1, 2, 3, 4 and 11 which

[3] https://file.lacounty.gov/SDSInter/bos/supdocs/761aabd0-e127-4134-ad10-bd9bda68bba9.pdf
[4] https://file.lacounty.gov/SDSInter/bos/supdocs/197437.pdf
[5] https://file.lacounty.gov/SDSInter/bos/supdocs/197680.pdf

apply to repair, operation, leasing and minor alteration of existing public facilities with negligible or no expansion of use, replacement or reconstruction of facilities with the same purpose and capacity, new construction, conversion of existing facilities and installation of equipment in facilities, minor alteration of land where no scenic mature, healthy trees will be removed, accessory structures and historical resource restoration/rehabilitation because they are within certain classes of projects that have been determined not to have a significant effect on the environment; as well as statutory exemptions pursuant to Public Resources Code Section 15061(b)(3), the common sense exemption; Section 21080(b)(4) and State CEQA Guidelines Section 15269(c) which apply to specific actions necessary to prevent or mitigate an emergency; Section 15183, projects consistent with a community plan or zoning and AB 2162, Government Code Sections 65650 to 65656 which applies to by-right approvals of supportive housing as well as AB 1907 which applies to supportive emergency shelters, supportive and affordable housing. Upon the Board's approval of the actions herein, Public Works will file a Notice of Exemption with the County Clerk and with the State Clearinghouse at the Office of Land Use and Climate Innovation pursuant to Section 21152 of the Public Resources Code and will post the Notice to the County's website in accordance with Section 21092.2. 2;

2. Approve the project for the LA County Care Community at Metropolitan State Hospital;
3. Find that entering into a Development Ground Lease for ninety-nine years to be used by Department of Mental Health and Los Angeles County Development Authority acting as an agent of Los Angeles County and its contractors or designees, is authorized by Government Code section 25351, which allows the County to enter into leases and agreements for the leasing of buildings, as necessary, to carry out the work

of the County government;

4. Authorize the Chief Executive Officer, or her designee, to execute a Development Ground Lease agreement with the State of California for certain real property located at 11401 Bloomfield Ave, in the City of Norwalk, CA 90650 at an annual rental rate of $1;
5. Delegate authority to the Director of Mental Health, or her designee, to execute an operating agreement with the State of California; and
6. Delegate authority to the Chief Executive Officer, or her designee, to execute any option(s), other amendment or ancillary documentation necessary to effectuate the terms of the proposed Development Ground Lease, and to take actions necessary and appropriate to implement the proposed Development Ground Lease, including, without limitation, executing any amendment to the Development Ground Lease for minor lot adjustments to the premises, and amending the Development Ground Lease to include up to two additional buildings that could add another 67 beds to the campus for people with mental health care needs, subject to a future finding of exemption under CEQA by CEO, to the extent an exemption is determined applicable.

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JH:kc

BOARD LETTER/MEMO
CLUSTER FACT SHEET

☐ Board Letter ☒ Board Memo ☐ Other

CLUSTER AGENDA REVIEW DATE	7/16/2025
BOARD MEETING DATE	Not Applicable
SUPERVISORIAL DISTRICT AFFECTED	☒ All ☐ 1st ☐ 2nd ☐ 3rd ☐ 4th ☐ 5th
DEPARTMENT(S)	Department of Health Services (DHS)
SUBJECT	ADVANCE NOTIFICATION OF INTENT TO NEGOTIATE A SOLE SOURCE AMENDMENT TO AGREEMENT NO. H-705407 WITH CERNER CORPORATION
PROGRAM	Population Health
AUTHORIZES DELEGATED AUTHORITY TO DEPT	☐ Yes ☒ No
SOLE SOURCE CONTRACT	☒ Yes ☐ No If Yes, please explain why: Empaneled Life Management (ELM) incorporates nine years of features & customizations made for DHS and integrates tightly with the Electronic Health Records system, ORCHID. It's in the best economic and operational interest of LA County to extend the term to use ELM in supporting interoperability, data exchange, regulatory compliance, and optimized patient care without disruption.
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE	☐ Yes ☒ No – Not Applicable If unsure whether a matter is subject to the Levine Act, email your packet to EOLevineAct@bos.lacounty.gov to avoid delays in scheduling your Board Letter.
DEADLINES/ TIME CONSTRAINTS	The term to use ELM will expire on June 30, 2026. The broader Cerner agreement will expire on December 31, 2032.
COST & FUNDING	Total cost: Not Applicable | Funding source: Not Applicable TERMS (if applicable): Explanation: Not Applicable
PURPOSE OF REQUEST	To notify the Board of Supervisors that DHS intends to enter into sole source negotiations and request approval to amend the existing agreement with Cerner to extend the term of usage for ELM.
BACKGROUND (include internal/external issues that may exist including any related motions)	ELM's integration with ORCHID and Health Information Exchanges enhances care coordination while meeting the specific needs of LA County's patients and clinicians. Extending the term to use ELM aligns its term with other Cerner-supported systems, ensuring a consistent expiration date of December 31, 2032.
EQUITY INDEX OR LENS WAS UTILIZED	☐ Yes ☒ No If Yes, please explain how:
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☒ Yes ☐ No If Yes, please state which one(s) and explain how: Health Integration – ELM streamlines services by proactively alerting DHS clinicians to outliers, thereby reducing health inequities and improving care management.
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: - Julio Alvarado, Director Cont. Admin & Mntr., (213) 288-7819, jalvarado@dhs.lacounty.gov - Kevin Lynch, CIO, (213) 288-8133, KLynch@dhs.lacounty.gov - Patrice Salseda, Principal Deputy County Counsel, (213) 453-8744, psalseda@counsel.lacounty.gov

Health Services
LOS ANGELES COUNTY

July 16, 2025

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"

TO: Supervisor Kathryn Barger, Chair
Supervisor Hilda L. Solis
Supervisor Holly J. Mitchell
Supervisor Lindsey P. Horvath
Supervisor Janice K. Hahn

FROM: Christina R. Ghaly, M.D.
Director

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO NEGOTIATE A SOLE SOURCE AMENDMENT TO AGREEMENT NO. H-705407 WITH CERNER CORPORATION**

This is to advise the Board of Supervisors (Board) that the Department of Health Services (DHS) intends to enter into sole source negotiations and then request approval to amend existing Agreement No. H-705407 (Agreement) with Cerner Corporation (Cerner) for the extension of use of the HealtheIntent platform, known as Empaneled Life Management (ELM) for the Electronic Health Record (EHR) System, also known as the Online Realtime Centralized Health Information Database (ORCHID).

Board Policy No. 5.100 requires advance written notice of a department's intent to enter into sole source negotiations for extension of a Board-approved Agreement at least six months prior to the Agreement's expiration date. The Agreement will expire on December 31, 2032. However, the term to use ELM will expire on June 30, 2026.

Background

The Agreement was initially approved by the Board on November 27, 2012, as a result of a competitive solicitation. Pursuant to the Agreement, Cerner provides ongoing maintenance and support services, hosting services, software licenses, application management and professional services. ORCHID provides an integrated EHR across all care settings in DHS and was extended to the Department of Public Health in February 2018. On June 14, 2016, the Board approved Amendment No. 6 to introduce ELM for an initial term through June 30, 2021. On November 24, 2020, the Board approved Amendment No. 14 extending DHS' ability to use ELM through June 30, 2023, with three (3) additional one-year extensions through June 30, 2026.

www.dhs.lacounty.gov

Justification

Over the last twelve years, DHS has strategically expanded the features of ORCHID to address clinical needs. One of the most significant enhancements to healthcare systems at DHS is the expansion and use of ELM, which supports empaneled patients and enables customized algorithms and registries to support clinical reporting across various subsets of DHS' patient populations. ELM enhances DHS' ability to manage the healthcare delivered to panels of members via improved empanelment processes, disease registries, and care management.

As the population health marketplace continues to evolve, DHS finds that it is appropriate to extend the term for ELM to align with other systems acquired via the Cerner Agreement, ensuring coterminous expiration on December 31, 2032. This extension on a sole source basis is in the best economic and operational interest of LA County, as ELM is designed to integrate with key systems such as ORCHID and Health Information Exchanges. This integration supports data exchange, enhances care coordination, ensures interoperability and regulatory compliance, and upholds security standards. Furthermore, ELM has been highly customized to meet the needs of LA County's patients and clinicians. Since the previous term extension in 2020, several new features have been introduced, including five new patient data sources, internal tools and direct links to maintain empanelment data for patient care continuity. Extending the term allows DHS to continue providing a high quality and consistent level of care.

Conclusion

DHS has determined that Cerner is uniquely positioned to continue providing ELM. Consistent with the Sole Source Board policy, DHS is informing the Board of its intention to negotiate to extend the term of the Agreement with Cerner. DHS will commence negotiations no earlier than four weeks from the date of this notification unless otherwise instructed by the Board.

If you have any questions, you may contact me, or your staff may contact Kevin Lynch, Chief Information Officer, by email at KLynch@dhs.lacounty.gov.

CRG:kl

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

BOARD LETTER/MEMO
CLUSTER FACT SHEET

☒ Board Letter ☐ Board Memo ☐ Other

CLUSTER AGENDA REVIEW DATE	7/16/2025
BOARD MEETING DATE	8/12/2025
SUPERVISORIAL DISTRICT AFFECTED	☒ All ☐ 1st ☐ 2nd ☐ 3rd ☐ 4th ☐ 5th
DEPARTMENT(S)	DHS, DMH, DPH
SUBJECT	RESPONSES TO THE 2024-2025 CIVIL GRAND JURY INTERIM REPORT RECOMMENDATIONS
PROGRAM	
AUTHORIZES DELEGATED AUTHORITY TO DEPT	☐ Yes ☒ No
SOLE SOURCE CONTRACT	☐ Yes ☒ No If Yes, please explain why:
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE	☐ Yes ☒ No – Not Applicable **If unsure whether a matter is subject to the Levine Act, email your packet to EOLevineAct@bos.lacounty.gov to avoid delays in scheduling your Board Letter.**
DEADLINES/ TIME CONSTRAINTS	The CGJ Interim Report must be responded to within 90 days and must be presented at the 08/12/25 BOS meeting.
COST & FUNDING	Total cost: $ / Funding source: TERMS (if applicable): Explanation:
PURPOSE OF REQUEST	
BACKGROUND (include internal/external issues that may exist including any related motions)	The Civil Grand Jury released their 2024-2025 Interim Report on April 25, 2025. This Board Letter includes responses from the County Departments to the CGJ. The Board Letter and Report are still in the review process and will be provided as soon as possible.
EQUITY INDEX OR LENS WAS UTILIZED	☐ Yes ☒ No If Yes, please explain how:
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☒ Yes ☐ No If Yes, please state which one(s) and explain how: Healthcare Integration; Homeless Initiative: The CGJ Interim Report makes recommendations related to healthcare integration and addressing homelessness, and the County's responses address these findings and recommendations.
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Carrie Miller, Senior Manager, CEO (213) 262-7823, cmiller@ceo.lacounty.gov

BOARD OF SUPERVISORS
Hilda L. Solis, First District
Holly J. Mitchell, Second District
Lindsey P. Horvath, Third District
Janice Hahn, Fourth District
Kathryn Barger, Fifth District

Chief Executive Office.

COUNTY OF LOS ANGELES
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
(213) 974-1101 ceo.lacounty.gov

Chief Executive Officer
Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

August 12, 2025

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:

RESPONSES TO THE 2024-2025 CIVIL GRAND JURY INTERIM REPORT RECOMMENDATIONS
(ALL DISTRICTS AFFECTED)
(3 VOTES)

SUBJECT

Approval of the Los Angeles County (County) responses to the findings and recommendations of the 2024-2025 Los Angeles County Civil Grand Jury (CGJ) Interim Report, and the transmittal of responses to the CGJ, as well as the Superior Court, upon approval by the County Board of Supervisors (Board).

IT IS RECOMMENDED THAT THE BOARD:

1. Approve the responses to the findings and recommendations of the 2024-2025 County CGJ Interim Report that pertain to County government matters under the control of the Board.

2. Instruct the Executive Officer of the Board to transmit copies of this report to the CGJ, upon approval by the Board.

3. Instruct the Executive Officer of the Board to file a copy of this report with the Superior Court, upon approval by the Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Section 933 (b) of the California Penal Code establishes that the county boards of supervisors shall comment on grand jury findings and recommendations which pertain to county government matters under control of those boards.

On April 25, 2025, the 2024-2025 CGJ released its Interim Report containing findings and recommendations directed to various County and non-County agencies. County department directors have reported back on the CGJ recommendations, and these responses are incorporated and enclosed as the County's official response to the 2024-2025 CGJ Final Report.

Recommendations that refer to non-County agencies have been referred directly by the CGJ to those entities.

Implementation of Strategic Plan Goals

The recommendations in the CGJ Final Report and the County's responses are broadly consistent with all three of the County's major Strategic Plan North Star goals:

North Star No. 1 - Make Investments that Transform Lives: We will aggressively address society's most complicated social, health, and public safety challenges. We want to be a highly responsive organization capable of responding to complex societal challenges - one person at a time.

North Star No. 2 - Foster Vibrant and Resilient Communities: Our investments in the lives of County residents are sustainable only when grounded in strong communities. We want to be the hub of a network of public-private partnering agencies supporting vibrant communities.

North Star No. 3 - Realize Tomorrow's Government Today: Our increasingly dynamic and complex environment challenges our collective abilities to respond to public needs and expectations. We want to be an innovative, flexible, effective, and transparent partner focused on advancing the common good.

FISCAL IMPACT/FINANCING

Any costs associated with implementing CGJ recommendations will be considered in the appropriate budget phase.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Certain CGJ recommendations require additional financing resources. Departments will assess the need for additional funding during the 2025-26 budget cycle and beyond, as appropriate.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

N/A

Respectfully submitted,

FAD:JMN:CDM
PN:kdm

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Health Services
Mental Health
Public Health
Hospital and Health Care Delivery Commission

RESPONSE TO THE CIVIL GRAND JURY INTERIM REPORT

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE FOR THE BOARD OF SUPERVISORS; CHIEF EXECUTIVE OFFICE; DEPARTMENT OF HEALTH SERVICES; DEPARTMENT OF MENTAL HEALTH; DEPARTMENT OF PUBLIC HEALTH

2024-2025 CIVIL GRAND JURY RECOMMENDATIONS FOR
LA GENERAL IS POISED TO ENERGIZE CAL-AIM AND CREATE A HEALTHY LOS ANGELES (AND WHILE WE'RE AT IT, LET'S ERADICATE HOMELESSNESS) "I MEAN MAN, THIS IS IT"

SUMMARY
"This report reviews and evaluates the current system of services for the homeless population in the County and the proposed solutions. Two primary focus areas are healthcare integration and addressing homelessness. In terms of healthcare integration, there is an evaluation of the efforts to achieve this outcome and a focus on the CalAIM program to achieve such integration. In terms of addressing homelessness, the analysis of the report proposes that a consolidated Health Agency could be combined with the tools of CalAIM and healthcare integration to effectively address homelessness."

I. Findings Regarding Los Angeles County's Restructuring of its Homeless Services

FINDING NO. 1
LAHSA's coordination of housing, social and health services for the homeless (and those at risk of becoming homeless) in Los Angeles County has been siloed, fragmented and disjointed, generating limited results at a high cost.

RESPONSE
Agree.

FINDING NO. 2
LAHSA's budget in 2024 was $875 million, with more than $300 million of that coming from LA County.

RESPONSE
Agree.

FINDING NO. 3
LA County has decided to withdraw its contributions to LAHSA and redeploy them to provide homeless services directly (referred to herein as the Homeless Funds).

RESPONSE
Partially disagree. The County is not planning to withdraw all funds.

FINDING NO. 4
LA County intends to merge the CEO Homeless Initiative (CEO-HI) and the DHS Housing for Health (DHS-HFH), creating a new County Department focused on the homeless (the Homeless Services Department).

RESPONSE
Agree.

FINDING NO. 5
The currently proposed timeline for the Homeless Services Department initiatives is as follows: (1) merging the operation of CEO-HI and DHS-HFH by April 28, 2025, (2) creating the Homeless Services Department as of July 1, 2025, (3) Phase I implementation would then include the "integration of the CEO-HI and DHS-HFH core housing and supportive services," (4) Phase II would include "integration of County-funded programs and services administered by LAHSA" into the Homeless Services Department, (5) Phase III would "include the integration of programs and services administered by other County departments **as applicable**," [emphasis added] and (6) County-sourced LAHSA funds and related staff would be transferred to the Homeless Department by July 1, 2026.

RESPONSE
Agree.

FINDING NO. 6
The County's proposal for the "full" integration of County services for the homeless into one Homeless Services Department will have two major exceptions that will likely undermine the County's comprehensive approach to homelessness, possibly leading to the same "siloed, fragmented and disjointed services" that plagued LAHSA.

RESPONSE
Disagree. Certain departments are uniquely qualified to administer certain funds serving people experiencing homelessness (PEH), such as Public Defender for criminal record clearing and the Department of Economic Opportunity for employment services. It is expected that the new department will administer funds from other departments that had previously gone to LAHSA, such as Department of Public Social Services' (DPSS) HSP (Housing Support Program) funding.

It is anticipated that the new department will become a Medi-Cal biller and will draw down Medi-Cal funds, as appropriate, and will also become a FSP (Full Service Partnership) provider under DMH and will thus be able to provide an integrated service package to PEH and others.

While DHS will maintain select core clinical services, the vast majority of DHS-Housing for Health's programs, budget, and staffing will transfer to the new homeless department. What will remain at DHS is a small subset of HFH's (Housing for Health) work, which are the recuperative care centers on DHS' hospital campuses, Enriched Residential Care for DHS patients, and the Star and Mobile Clinics; all these support DHS hospitals and are deeply integrated with DHS' functions for its empaneled population. Most of the housing and supportive housing engagements (including clinical encounters) with clients will transfer to the new department.

FINDING NO. 7
The first category of likely exceptions to the County's integration of homeless services will be certain specified homeless services provided and retained by other County Departments, each of which will be assessed for integration appropriateness "in partnership" with the relevant Department (with the history of County Departments asserting the importance of their independence likely being a major hindrance in achieving full integration).

RESPONSE
Disagree. Certain departments are uniquely qualified to administer certain funds serving people experiencing homelessness (PEH), such as Public Defender for criminal record clearing and the Department of Economic Opportunity for employment services. It is expected that the new department will administer funds from other departments that had previously gone to LAHSA, such as DPSS HSP funding.

It is anticipated that the new department will become a Medi-Cal biller and will draw down Medi-Cal funds, as appropriate, and will also become a FSP provider under DMH and will thus be able to provide an integrated service package to PEH and others.

FINDING NO. 8
The second category of exceptions includes those services that are "highly clinical and deeply integrated with DHS's core health provider and managed care functions for its empaneled population and financing," thereby keeping many of the County's major interactions with the homeless population within DHS.

RESPONSE
Partially disagree. While DHS will maintain select core clinical services, the vast majority of DHS-Housing for Health's programs, budget, and staffing will transfer to the new homeless department. What will remain at DHS is a small subset of HFH's work, which are the recuperative care centers on DHS' hospital campuses, Enriched Residential Care for DHS patients, and the Star and Mobile Clinics; all these support DHS hospitals and are deeply integrated with DHS' functions for its empaneled population. Most of the housing and supportive housing engagements (including clinical encounters) with clients will transfer to the new department.

FINDING NO. 9
There is no evidence that LA County has any plans to use the Homeless Funds to expand the County's CalAIM services (either ECM or Community Supports), including in connection with the County Hospitals' interactions with the homeless, especially regarding the significant opportunities for increased ECM enrollment by the County Hospitals (although the County does acknowledge the importance of CalAIM funding with respect to current DHS-HFH functions.

RESPONSE
Disagree. In the April 1, 2025 motion to create a new County homeless department, the Board of Supervisors directed the implementation of a workplan and timelines that included building the administrative infrastructure necessary to maximize claiming of CalAIM revenue for rental subsidies, housing supportive services, and clinical services, including expertise in navigating Medicaid policy and managed care requirements. The new County department will leverage DHS-Housing for Health's experience in braiding CalAIM funding with Measure H and other funding streams.

II. Findings Regarding the Coordination of Los Angeles County's Health Related Departments

FINDING NO. 10
The County Departments of Health Services, Public Health and Mental Health have strongly preferred voluntary, non-binding consultations rather than centralized decision-making regarding their operations, which has created major challenges for the ongoing efforts to coordinate and integrate the County's health and social services.

RESPONSE
Disagree. DHS, DMH, and DPH collaborate extensively on joint efforts and are fully committed to integration of services wherever possible, within the constraints of California's Medi-Cal model in which behavioral health services (substance use disorder and mental health services) are carved and in which physical health services follow a managed care model coordinated at the plan level. Services for patients and clients are coordinated as appropriate while also respecting each Department's unique and distinct regulatory mandates and responsibilities.

One example of active coordination is the provision of ECM services for the justice-involved population of focus. DHS, DMH, and DPH meet regularly to ensure these complex clients - many of whom might fall into multiple eligibility categories for ECM services - are enrolled into the program that best meets their unique health needs. The same coordination takes place between DMH and DHS to improve service for patients in the Serious Mental Illness (SMI) population.

There is also disagreement with the CGJ Interim Report's description of the authority and role of the Health Agency (as directed by the Board, the Departments maintained independent reporting relationships to the Board of Supervisors and did not follow a typical "Agency" model) and the characterization of the Board's motivation for the creation of the Alliance for Health Integration (AHI) and its role and contributions, as well as the reason for the later transition of AHI staff to DMH.

FINDING NO. 11

The County Departments are inclined to coordinate their roles as ECM providers solely on a voluntary basis, including the enrollment of Medi-Cal beneficiaries, assignment of Lead Care Managers and accessing Community Supports networks.

RESPONSE
Disagree. DHS, DPH, and DMH closely coordinate their roles as ECM providers in respect to their unique roles within the Medicaid managed care system in California, and in partnership with the health plans.

FINDING NO. 12
LA County is creating a Restorative Care Village on the LA General campus, which promises to give patients, especially the homeless, expanded access to a broad continuum of social and health services; however, the various providers participating in the Restorative Care Village are not subject to any centralized management or control, and therefore there is little if any coordination, much less integration, of the various Restorative Care Village services. (There do, however, appear to be tentative plans to create an advisory "Care Coordination Committee" with representatives from DHS, DMH and DPH to provide voluntary guidance regarding effective coordination.)

RESPONSE
Partially disagree. While there is agreement with the first statement in the finding (i.e., "LA County is creating a Restorative Care Village on the LA General campus, which promises to give patients, especially the homeless, expanded access to a broad continuum of social and health services"), there is disagreement with the second statement in the finding (i.e., "there is little if any coordination, much less integration, of the various Restorative Care Village services.")

The County's health departments (DHS, DMH, and DPH) regularly coordinate on areas of overlap, including client hand-offs, care coordination, campus issues (e.g., security), communications, and other related issues.

FINDING NO. 13
Although there are "Restorative Care Villages" located (or being built) on the campuses of each of the County Hospitals as well as MLK Community Hospital, there appears to be no County-wide strategic plan regarding the potential and purpose of the Restorative Care Villages and little if any communication among the Restorative Care Villages or the entities associated with them.

RESPONSE
Partially disagree. While there is no written "strategic plan regarding the potential and purpose of the Restorative Care Villages," as presented in this finding, there is regular communication among DHS, DMH, and DPH to coordinate resources and services where relevant.

III. Findings Regarding CalAIM

FINDING NO. 14
There have been no systematic analyses of the CalAIM program's overall impact on reducing homelessness, improving healthcare or reducing costs.

RESPONSE
Agree. We are not aware that the State of California or other entities have performed State-wide or County-specific analyses of the CalAIM program on these topics.

FINDING NO. 15
There are major impediments to ECM and Community Supports provider participation in CalAIM based on associated costs, non-standardization of compliance processes, burdensome reporting requirements, and inadequate compensation.

RESPONSE
Agree.

FINDING NO. 16
The enrollment of Medi-Cal beneficiaries in ECM has been lower than anticipated for ECM's target populations.

RESPONSE
Agree. However, it is important to note that this finding is not unique to the County and DHS. The "ECM Penetration Rates" (i.e., the percentage of health plan members that received ECM in the last 12 months) can be found on the DHCS website under the ECM Quarterly Implementation Report (https://storymaps.arcgis.com/collections/a07f998dfefa497fbd7613981e4f6117?item=4) with the footnote that "While DHCS expects that 3-5% of the Medi-Cal membership will be eligible for ECM, this will vary based off of local demographics and not all eligible members may want to participate in the program, so penetration rates are expected to be significantly lower than 3-5%."

FINDING NO. 17
The State estimates that only 30% of Medi-Cal beneficiaries who are identified as eligible for ECM will likely enroll in ECM, but no studies have been conducted to determine why that percentage is so low.

RESPONSE
Agree.

FINDING NO. 18
DHS, as an ECM provider, only enrolls Medi-Cal beneficiaries in ECM who are empaneled with DHS, a relatively limited population compared with all ECM eligible beneficiaries in LA County.

RESPONSE
Partially disagree. DHS intentionally contracted with the health plans to be the ECM provider for DHS-empaneled patients. This approach is in alignment with DHCS guidance that states:

> "Medi-Cal health plans will assign an ECM provider to a member based on their needs. If a member's primary care provider or behavioral health provider is affiliated with an ECM provider organization, the member will most likely be assigned to that ECM provider."

Non-DHS patients may be eligible to receive or already receiving ECM services from their non-DHS primary care provider (PCP) or another ECM Provider assigned by the health plans.

Contrary to the Civil Grand Jury report findings, DHS did not decide "to limit its CalAIM services and associated subsidies, with some minor exceptions, to those patients who are empaneled with DHS under a managed care relationship." The decision was made because DHS is not well-positioned to provide ECM services to patients who belong to a managed care network outside of DHS. Changing the contractual ECM model to care for non-DHS patients could lead to disruptions in the therapeutic relationship with that patient's existing care team, as well as significant coordination and data integration challenges.

FINDING NO. 19
Communication and coordination between ECM providers and the Community Supports providers to whom ECM beneficiaries are referred could be improved.

RESPONSE
Agree. While communication could be improved, it would require ECM and CS (Community Supports) providers to have increased data visibility into whether their patients are cross-enrolled.

Currently, this information is held at the health plan level, and there is no central database or HIE (health information exchange) approach for a provider to look up this information. DHS has an internal approach for patients cared for within DHS, but some ECM patients receive CS services from non-DHS CS providers and vice versa. This issue requires resolution at the health plan level.

FINDING NO. 20
Children's Hospital of Los Angeles patients include a high percentage of ECM eligible Medi-Cal beneficiaries; and, by enrolling as an ECM provider, CHLA provides an exemplary example of the opportunities under CalAIM to support Medi-Cal beneficiaries, especially regarding the needs of discharged patients.

RESPONSE
Agree.

FINDING NO. 21
Providing Access and Transforming Health (PATH) has provided and continues to provide substantial funding for participants in the CalAIM initiatives, especially for infrastructure and start-up costs.

RESPONSE
Agree.

Recommendations Regarding the Restructuring of County Departments Providing Healthcare-Related Services

RECOMMENDATION NO. 7-1
The Board of Supervisors should rejuvenate the Health Agency originally approved by the BOS in 2015, empowering it to make binding decisions regarding collaboration and integration projects involving health-related County Departments, including the Departments of Health Services, Public Health, Mental Health and Aging and Disabilities, especially including CalAIM participation and the operation of the Restorative Care Villages. (In implementing this Recommendation, the BOS should read Dr. Katz's memorandum, attached as Exhibit A.)

RESPONSE
Disagree. On May 21, 2024, the County's Board of Supervisors (Board) directed the Chief Executive Officer (CEO), in collaboration with the Directors of Health Services (DHS), Public Health (DPH), and Mental Health (DMH), to retain a consultant to conduct an evaluation of the Alliance of Health Integration (AHI) to determine best practices and areas for improvement, and provide recommended options for the Board's consideration for supporting the collaboration between the three health departments that improve access to comprehensive health care.

The Chief Executive Office (CEO) procured TurningWest, Inc. (Consultant) through a competitive solicitation process to complete the evaluation. The Consultant facilitated 39 individual and group interviews with the Board's health deputies; former AHI staff; DHS, DMH, and DPH leadership and staff; other County departments; and external stakeholders, including representatives from labor and community-based organizations.

The Consultant developed comprehensive criteria for analyzing eight organizational design options, considering future Measure G changes. The options fell across a continuum from the least restrictive to the most formal structure, and were scored using a Decision Matrix Scale (ranging from 0 – 20 points):

- Option A: **Implement No Change** (7 points)
- Option B: **Increase Communication** (16 points)

- Option C: **Create Collaborative Forum** (18 points)
- Option D: **Establish Collaborative Units within the Health Depts** (11 points)
- Option E: **Reinstate AHI as Independent Unit** (10 points)
- Option F: **Reinstate AHI Reporting to the CEO** (9 points)
- Option G: **Create Supra-Ordinate Structure Over the Health Depts** (9 points)
- Option H: **Merge the Health Departments** (10 points)

The Consultant's report recommended that, in lieu of a formal AHI structure or Health Agency model, the three County health departments implement a two-tiered approach for improving coordination that:

1. Improves Communications (Option B)
Enhance the communication teams within each health department by designating one or two communication professionals who would be responsible for creating and maintaining regular, structured communication both within and across departments, ensuring collaborative efforts are effectively communicated to stakeholders. The role of these professionals would include:

• Creating intra-departmental newsletters and other communications;
• Producing an inter-departmental communication vehicle that would spotlight various collaborative priorities and projects;
• Establishing a public-facing communication medium to help inform partner organizations and the public on coordinated efforts;
• Developing structures, networks, and information-gathering practices to share information on current collaboration; and
• Discerning how to simply communicate efforts in ways that are understandable and useful to a variety of audiences.

2. Creates A Collaborative Forum (Option C)
Create a new collaborative forum where the three health department directors and key staff come together monthly, facilitated by a contracted outside expert in meeting facilitation. The forum's design would support ongoing strategic planning, and allow health departments to present updates, discuss emerging challenges, and negotiate priorities with each other.

This collaborative pathway would establish a formal process for discovery, discussion, and debate between experts in healthcare delivery that is currently being done on an ad hoc basis. Such a structured forum would facilitate ongoing conversations about current and potential areas of collaboration and offer a place to seek agreement and buy-in where needed.

This option would not require a set of dedicated staff be in place to support it, which would help it maintain the level of adaptability needed to be successful. However, the consultants recommend that an outside facilitator be responsible for regular meeting facilitation and follow-up.

The recommendations were vetted by leadership from the three departments and key stakeholders, and all agreed that they would support joint decision-making, shared accountability, and increased visibility of inter-departmental collaboration.

While the Consultant's report did analyze the option of implementing a Health Agency structure (Option H: Merge the Health Departments), the arguments against this structure outweighed the arguments for it.

The Consultant's report highlighted several reasons against this option, including: 1) the sheer complexity of the three County health departments deems it an impossible option and would most likely require legislative mandates to adjust policies and requirements currently guiding the separate departments; and 2) the unique missions of the three health departments would be at risk of getting lost.

Historically, when the three departments were all under one large health department, the tremendous needs of Health Services (DHS) tended to drain resources away from the needs of mental health and public health. The size of the bureaucracy did little to meet the complex healthcare needs of County residents, and, therefore, it was found that the tradeoff of specialization here was not worth the outlined benefits.

Based on the findings of this detailed study, no further action relating to this recommendation will be taken.

RECOMMENDATION NO. 7-2
The Board of Supervisors should direct the Chief Executive Officer, in consultation with DHS, to conduct a detailed study of the opportunity, ability, and available budget for a rejuvenated Health Agency to assume responsibility for all LA County initiatives regarding the homeless.

RESPONSE
Disagree. As discussed above, this detailed study has already been completed and as such, no further action will be taken.

On May 21, 2024, the County's Board of Supervisors (Board) directed the Chief Executive Officer (CEO), in collaboration with the Directors of Health Services (DHS), Public Health (DPH), and Mental Health (DMH), to retain a consultant to conduct an evaluation of the Alliance of Health Integration (AHI) to determine best practices and areas for improvement, and provide recommended options for the Board's consideration for supporting the collaboration between the three health departments that improve access to comprehensive health care.

The Chief Executive Office (CEO) procured TurningWest, Inc. (Consultant) through a competitive solicitation process to complete the evaluation. The Consultant facilitated 39 individual and group interviews with the Board's health deputies; former AHI staff; DHS, DMH, and DPH leadership and staff; other County departments; and external stakeholders, including representatives from labor and community-based organizations.

The Consultant developed comprehensive criteria for analyzing eight organizational design options, considering future Measure G changes. The options fell across a continuum from the least restrictive to the most formal structure, and were scored using a Decision Matrix Scale (ranging from 0 – 20 points):

- Option A: **Implement No Change** (7 points)

- Option B: **Increase Communication** (16 points)
- Option C: **Create Collaborative Forum** (18 points)
- Option D: **Establish Collaborative Units within the Health Depts** (11 points)
- Option E: **Reinstate AHI as Independent Unit** (10 points)
- Option F: **Reinstate AHI Reporting to the CEO** (9 points)
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The Consultant's report recommended that, in lieu of a formal AHI structure or Health Agency model, the three County health departments implement a two-tiered approach for improving coordination that:

1. Improves Communications (Option B)
Enhance the communication teams within each health department by designating one or two communication professionals who would be responsible for creating and maintaining regular, structured communication both within and across departments, ensuring collaborative efforts are effectively communicated to stakeholders. The role of these professionals would include:

- Creating intra-departmental newsletters and other communications;
- Producing an inter-departmental communication vehicle that would spotlight various collaborative priorities and projects;
- Establishing a public-facing communication medium to help inform partner organizations and the public on coordinated efforts;
- Developing structures, networks, and information-gathering practices to share information on current collaboration; and
- Discerning how to simply communicate efforts in ways that are understandable and useful to a variety of audiences.

2. Creates A Collaborative Forum (Option C)
Create a new collaborative forum where the three health department directors and key staff come together monthly, facilitated by a contracted outside expert in meeting facilitation. The forum's design would support ongoing strategic planning, and allow health departments to present updates, discuss emerging challenges, and negotiate priorities with each other.

This collaborative pathway would establish a formal process for discovery, discussion, and debate between experts in healthcare delivery that is currently being done on an ad hoc basis. Such a structured forum would facilitate ongoing conversations about current and potential areas of collaboration and offer a place to seek agreement and buy-in where needed.

This option would not require a set of dedicated staff be in place to support it, which would help it maintain the level of adaptability needed to be successful. However, the consultants recommend that an outside facilitator be responsible for regular meeting facilitation and follow-up.

The recommendations were vetted by leadership from the three departments and key stakeholders, and all agreed that they would support joint decision-making, shared accountability, and increased visibility of inter-departmental collaboration.

While the Consultant's report did analyze the option of implementing a Health Agency structure (Option H: Merge the Health Departments), the arguments against this structure outweighed the arguments for it.

The Consultant's report highlighted several reasons against this option, including: 1) the sheer complexity of the three County health departments deems it an impossible option and would most likely require legislative mandates to adjust policies and requirements currently guiding the separate departments; and 2) the unique missions of the three health departments would be at risk of getting lost.

Historically, when the three departments were all under one large health department, the tremendous needs of Health Services (DHS) tended to drain resources away from the needs of mental health and public health. The size of the bureaucracy did little to meet the complex healthcare needs of County residents, and, therefore, it was found that the tradeoff of specialization here was not worth the outlined benefits.

Based on the findings of this detailed study, no further action relating to this recommendation will be taken.

RECOMMENDATION NO. 7-3
The Board of Supervisors should direct the Chief Executive Officer, in consultation with DHS, to conduct a detailed study of the comparative benefits of the new Homeless Services Department to address homelessness as compared with a rejuvenated Health Agency serving the same function, as proposed under Recommendation 1.

RESPONSE
Agree. This recommendation has already been implemented.

On April 1, 2025, the Board of Supervisors (Board) adopted a motion to establish a new County department focused on homelessness. This decision was informed by extensive studies, analyses, and stakeholder input (listed below) conducted over a significant period. Given this comprehensive foundation additional analysis comparing alternative models (such as a rejuvenated Health Agency serving the same function) is not necessary and will not be pursued at this time.

Please see the following documents for further information:

- Feasibility of Implementing the Blue Ribbon Commission on Homelessness Report Recommendations No. 1 (Establish a County Entity Dedicated to Homeless Service Delivery) and No. 3 (Streamlined LAHSA)
- Feasibility of Implementing the Blue Ribbon Commission on Homelessness Report Recommendations No. 1 (Establish County Entity Dedicated to Homeless Service Delivery) and No. 3 (Streamlined LAHSA) (Item no. 90D, Agenda of November 26, 2024)

- Implementing the Blue Ribbon Commission on Homelessness Report Recommendation No. 1 (Establish a County Entity Dedicated to Homeless Service Delivery) and No. 3 (Streamlined LAHSA)

Some of the summary points from these documents are as follows:

Benefits of establishing a new department:
Creating a new County department on homelessness provides an opportunity to align our countywide response to homelessness. This transition provides an opportunity for new collaboration between service providers, people with lived experience, County departments, local jurisdictions, unincorporated areas, and elected officials to create positive change in our communities. The driving force behind this new department is increasing accountability, streamlining services for people experiencing homelessness, and reducing the barriers on the providers who serve them every day. We have an opportunity to use what we know is effective to create even more impact and touch even more lives, while at the same time creating more accountability and support for the providers on the front line.

The new department aims to provide:

- More effective braiding and leveraging of different homelessness funding streams administered by the County to provide more comprehensive and integrated services to people experiencing homelessness.

- Reduced administrative burden for homeless services providers through aligned programs with a common philosophical framework, consolidated contracting and use of standardized agreements, invoice processing, and payment systems.

- Opportunities to serve and stabilize clients sooner and more effectively through greater integration of mainstream services provided by County departments with programs and services focused on people experiencing homelessness.

- Increased authority for the County to directly oversee policies, procedures, service delivery models, data collection, evaluation, etc., for County funded programs and services.

- Increased accountability and transparency associated with County funding being administered by a County department that will publish budgets, expenditure reports, audits, evaluations, and dashboards with outcomes and metrics, and will make them available in one location in a public facing website.

RECOMMENDATION NO. 7-4
The Board of Supervisors should direct the Hospitals and Health Care Delivery Commission to study and make recommendations regarding the proposed creation and operation of the Health Agency in order to further the coordination and integration of high-quality health and social services, especially services for the homeless, across all County Departments; and the Board of Supervisors should review and respond to such recommendations.

RESPONSE

Disagree. As previously discussed, the CEO hired an independent consultant to analyze the feasibility of creating a Health Agency (amongst other options) that has already been completed. Based on the findings from that study, it was determined that it is not feasible to create a Health Agency, relative to the other options that were evaluated. As such, no further action related to this recommendation will be taken.

The role of the County Commission on Hospitals and Health Care Delivery, as an advisory body, is to advise the Director of Health Services and the Board of Supervisors on matters pertaining to patient care policies and programs. The Commission can study and provide its recommendations on the proposed creation and operation of the Health Agency, within the Commission's purview and within the scope of responsibilities. However, in this case, the study has already been completed and this study does not recommend the creation of such a Health Agency.

RECOMMENDATION NO. 7-5
LA Care, DHS, and LA General should create a working partnership to fully implement CalAIM in LA County, addressing, among other things (1) effective strategies to maximize ECM enrollment, (2) the expected increase in cost saving resulting from expanded ECM enrollment, and how to connect those cost savings to the funding of CalAIM activities, and (3) effective lobbying of the State for increased funding of CalAIM.

RESPONSE
Agree. The related activities of this partnership are ongoing. The County's Department of Health Services (DHS), which includes LA General, is contracted with three health plans (i.e., LA Care, HealthNet, Molina) to be the Enhanced Care Management (ECM) Provider for DHS-assigned patients.

Since 2021 (prior to the launch of ECM in 2022), DHS has been involved in numerous joint ECM implementation, operational, and clinical workgroups with the health plans that are ongoing.

In terms of the first suggestion ("effective strategies to maximize ECM enrollment"), DHS presented data in a December 2024 Board Informational Briefing that approximately 42% of DHS' ECM-eligible patients decline enrollment and staff are unable to engage another 31% despite a robust outreach protocol that spans time and modalities.

At DHS, significant resources are devoted to patient engagement. Lower-than-expected ECM enrollment rates may be inherently related to the characteristics of the ECM Populations of Focus. Some of the risk factors that make patients eligible for ECM (e.g., homelessness, mental illness) may also be associated with barriers to engagement. The State Department of Health Care Services (DHCS) acknowledges that not all individuals eligible for ECM will want to participate, as seen in ECM Penetration Rates noted above.

In terms of the second suggestion ("addressing…the expected increase in cost saving resulting from expanded ECM enrollment, and how to connect those cost savings to the funding of CalAIM activities"), DHS has already undertaken detailed ECM financial analyses to examine actual costs, reimbursement, and projected revenue. Unfortunately, the rates from the State and health plans are so low that even increased enrollment projections would not fully offset DHS costs (i.e., expanded ECM enrollment would not lead to cost savings).

In terms of the third suggestion ("effective lobbying of the State for increased funding of CalAIM"), the County has shared concerns about the low rates with the contracted health plans and with the State.

RECOMMENDATION NO. 7-6
LA General, in coordination with DHS, should seek ECM provider status from LA Care, and LA Care should expedite LA General's ECM provider status.

RESPONSE
Disagree. DHS does not need to seek ECM provider status for LA General as it is already a contracted ECM Provider with LA Care, as well as with other health plans. LA General Hospital is part of DHS, and as such, is already a contracted ECM provider.

DHS is a large organization with 4 acute care hospitals, 23 standalone outpatient clinics, Community Programs (including Housing for Health), and many other divisions.

RECOMMENDATION NO. 7-7
LA General and LA Care, in consultation with DHS, should work together to develop a written plan that maximizes LA General's impact in qualifying eligible Medi-Cal beneficiaries for ECM.

RESPONSE
Disagree. Efforts to enhance beneficiary enrollment should not be focused on any one provider. Quality improvement efforts related to ECM enrollment already occur across DHS, in addition to activities at the health plan level (including but not limited to LA Care) and by other non-DHS providers. These efforts are not and should not be specific to LA General.

RECOMMENDATION NO. 7-8
LA General, as an ECM provider, should work with LA Care to generate a study on the effective recruitment of ECM eligible beneficiaries for the purpose of increasing the current 30% success rate in enrolling ECM eligible beneficiaries.

RESPONSE
Partially disagree. DHS (which includes LA General) has already embarked upon numerous structured efforts to increase ECM enrollment rates, but continue to see high rates of declination. These challenges have been and will continue to be shared with the health plans, including but not limited to LA Care. These efforts are not specific to LA General or LA Care.

RECOMMENDATION NO. 7-9
The Board of Supervisors should direct DHS to conduct a detailed study of the incremental costs of DHS's current and anticipated participation in CalAIM as an ECM provider, and the resulting financial benefits to the County and the State.

RESPONSE
Disagree. DHS has already undertaken detailed ECM financial analyses to examine actual costs, reimbursement, and projected revenue.

Unfortunately, per beneficiary rates are far exceeded by per beneficiary costs of providing care under the ECM program. The rates are so low that increased enrollment would not be sufficient to offset DHS' costs. Conversely, it would likely create a larger financial deficit as DHS would have to add staff to care for a larger ECM-enrolled population.

RECOMMENDATION NO. 7-10
The Board of Supervisors should direct DHS to conduct a detailed study of the incremental costs of LA General's anticipated participation in CalAIM as an ECM provider, and the resulting financial and operational benefits to both the County and the State.

RESPONSE
Disagree. As previously discussed, DHS (which includes LA General) has already undertaken detailed ECM financial analyses to examine actual costs, reimbursement, and projected revenue.

Unfortunately, per beneficiary rates are far exceeded by per beneficiary costs of providing care under the ECM program. The rates are so low that increased enrollment would not be sufficient to offset DHS' costs. Conversely, it would likely create a larger financial deficit as DHS (which includes LA General) would have to add staff to care for a larger ECM-enrolled population.

RECOMMENDATION NO. 7-11
LA General and LA Care, in consultation with DHS, should work together to develop strategies to obtain and analyze available data, including data generated by LA General's ECM patients, for the purpose of evaluating the impact of the CalAIM program on beneficiary well-being and cost reduction.

RESPONSE
Agree. This work is currently ongoing. DHS, which includes LA General is already working with a team at UCLA to perform an ECM evaluation to understand the overall impacts of the program.

Such evaluations are ongoing, both within the next six months and beyond, and any pertinent findings regarding beneficiary well-being and cost reduction will be considered for implementation, where feasible.

RECOMMENDATION NO. 7-12
DHS and LA General should seek grants from PATH to fund LA General's infrastructure and associated costs in connection with its participation as an ECM provider.

RESPONSE
Agree. This work is currently ongoing, both within the next six months and beyond. DHS, which includes LA General, has already applied for and received PATH funding. These grants fund DHS' ECM infrastructure overall, beyond funding just LA General specifically.

Recommendation Regarding the Restorative Care Village

RECOMMENDATION NO. 7-13
The Board of Supervisors should direct the Hospitals and Health Delivery Commission to investigate the potential benefits and structural challenges of the LA County Restorative Care Villages, and make recommendations regarding their organization, management, coordination and operation for the purposes of maximizing high quality care for County patients, especially focusing on: (1) the importance of establishing centralized control and management over each Restorative Care Village, (2) the benefits of each Restorative Care Village effectively communicating and coordinating with its associated County Hospital, (3) the Restorative Care Village's effective participation in CalAIM, especially in coordination with providers of Community Supports, and (4) the apparent lack of a County-wide vision for the Restorative Care Villages; and the Board of Supervisors should review and respond to such recommendations.

RESPONSE
Partially disagree. The analysis of such issues could be considered through the County's efforts to implement the findings of the Consultant's report (as referenced in the responses to Recommendations 7-1 and 7-2), both within the next six months and beyond, as necessary. The improvement of communications and the creation of a collaborative forum amongst the County's health departments, as recommended in the Consultant's report, will provide the arena for such an analysis, as further data from the operations of the Restorative Care Villages becomes available. This includes data about the organization, management, coordination, and operations of the Restorative Care Villages.

The role of the County Commission on Hospitals and Health Care Delivery, as an advisory body, is to advise the Director of Health Services and the Board of Supervisors on matters pertaining to patient care policies and programs. If the Board of Supervisors were to ask the Commission to review and make recommendations regarding the organization, management, coordination, and operations of the Restorative Care Villages, at some point in the future, the Commission would do so within the Commission's purview and scope of the recommendations.