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Health System Remedy

Re: June 2 editorial by Jim Lott headlined "Time to Change County Hospital Governance?"

I found Mr. Lott's op-ed somewhat disingenuous especially when he attempts to justify his lack of support for a health authority based on the performance of Alameda County's Health Authority.

He should be well aware that the blue ribbon committee never recommended modeling our health authority on that of Alameda County's. On the contrary, this committee well delineated the flaws of that model; instead the committee recommended the more successful models of Denver or New York.

As a member of the health care community and activist, I have watched as our county allowed King Drew Medical Center to flounder and finally fail. I also watched as the usual suspects were called to the table to provide expertise, advice and solutions. But many of these individuals were so concerned with the next big thing, lining their own nests or keeping the status quo that they failed to promote much needed change.

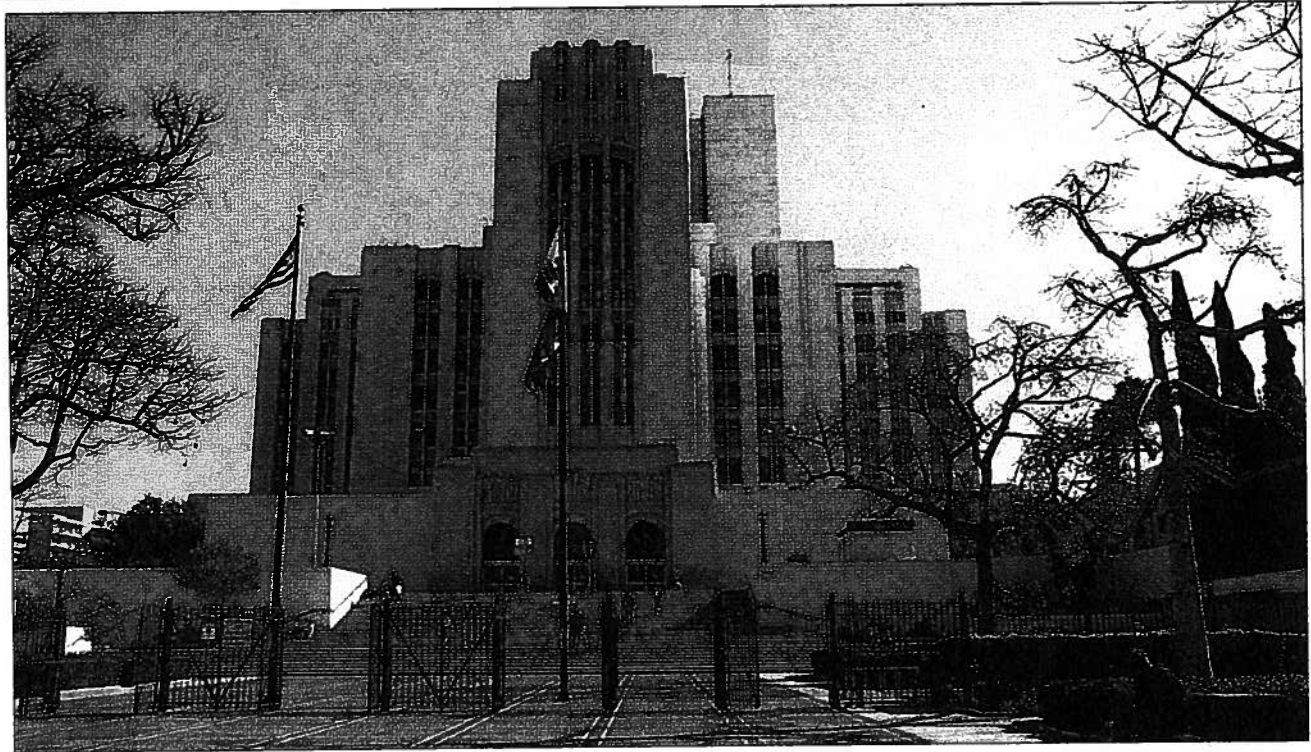
I have never forgotten Mr. Lott's glowing recommendation of Ms. Epps, who "administered" King/ Harbor's most stunning failure.

It is time for a health authority, and it is time to invite more than the usual suspects to the table this time.

*Genevieve M. Clavreul
Pasadena*

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Time to Change County Hospital Governance?



Ailing: Los Angeles County-USC Medical Center, one of the area hospitals under the county's governance.

Giving oversight of medical facilities to health authority could cut costs of services and improve management.

By JIM LOTT

MANY health care organizations, academics and consumer groups concerned with access to health care in our region are calling for Los Angeles County supervisors to cede governance and control of our county hospital system to a health authority comprising people more knowledgeable about operating medical care service delivery systems than themselves. This may be the best time to consider such a change.

Having carved out public health from their Department of Health Services, the supervisors are recruiting for a new director to run this department, which now focuses primarily on providing hospital and clinic services. Implementing transformational changes to large and complex organizations is made easier during times of leadership transition.

While most of us know that we have county hospitals in Los Angeles, we mistakenly believe that these hospitals exist solely to provide medical care to the poor and medically indigent

among us. Few understand that three of our county hospitals are the linchpins holding our network of 75 public and private hospitals together. Three of our county hospitals provide almost one-third of the emergency medical care in our region. Similarly, one-third of our poor and uninsured residents needing a hospital bed are admitted to our county-run hospitals each year.

Losing even one of these three hospitals would trigger a collapse of the entire network because the remaining hospitals would be hard-pressed to absorb either more emergency patients or more patients with no insurance or means to pay their hospital bills. (Ten private-sector hospitals have closed over as many years because of mounting unpaid bills and almost half of the remaining hospitals serving communities throughout Los Angeles are losing money or barely breaking even.)

Under these circumstances, the decisions made by the governing board of our county hospitals – our county Board of Supervisors – affect the financial viability of an industry that drives 12 percent of our regional economy, and provides access to hospital care needed by all residents and visitors to our region.

Out of concern for the interdependence of county and private hospitals, I have been cautious about supporting the call to move governance of our county hospitals away from our county supervisors and to some other authority.

My defense of the status quo is reinforced by my years of witnessing our former and current supervisors bring our severe-

ly overpromised and underfunded county hospital system back from the brink of bankruptcy with miraclelike political advocacy with federal and state officials.

I believe they rise to the occasion with equal parts of concern for the welfare of the poor and the fact that they are accountable for the management of our county hospitals.

Private oversight

I only had to look at what happened in Alameda County when the supervisors ceded governance to a private health authority to affirm my defense. No longer accountable for managing health care in their county, the Alameda supervisors rejected the pleas from authority leaders for more money to operate their county hospital. The supervisors told the chairperson of the Alameda Health Authority to figure out how to manage within the authority's budget.

Though still concerned, I am beginning to warm up to the need to change the governance model for overseeing the management of our county hospitals for the following reasons:

- Medical services cost too much to manage within the county system. For example, before it was reduced to 42 beds and closed, King-Harbor Hospital in Willowbrook employed 11 workers per hospital bed, compared with four workers per bed in a hospital of comparable size having a similar medical service delivery footprint. County officials also reported earlier this year that private clinic operators could better run 11 of the county clinics at less than half the cost required by the county to continue operating them. We need to spend our limited medical care dollars more efficiently.

- The obligation our county supervisors have for transparency often conflicts with their fiduciary responsibilities as members of a hospital governing board. I cringe every time I hear a supervisor publicly discuss cases resulting in bad outcomes at any of our county hospitals. I understand why as politicians they feel the need to publicly discuss the bad things that happen at the hospitals they oversee, but failure to restrain themselves increases our county hospitals' liability exposure because the supervisors are also speaking as members of our county hospitals' governing board. We need to resolve this conflict.

- Lastly, three of the last four Health Department directors confided that a governance change would improve the management of our county hospitals. They lived this system and can't all be wrong.

Though I am still cautious about removing the oversight of our county hospitals from our county supervisors, I believe this can be made to work if the new health authority is populated with medical care delivery system experts and if the budget for operating the county hospitals is adequately funded with solid revenue sources that rise with inflation.

Jim Lott is executive vice president of the Hospital Association of Southern California, an industry trade group.