

# Health System Restructuring within Los Angeles County Department of Health Services

## The Challenge:

The Los Angeles Department of Health Services is the second largest public health and hospital system in the nation. It needs continuous attention to assure that it is functioning effectively in meeting its mandate to provide quality health care to hundreds of thousands of residents of the county. Areas for improvement need to be identified and change implemented, particularly in light of the changes in the health care system over the past decade.

## The Approach:

Since 2005, HMA has been almost continuously engaged by Los Angeles County—through both its Office of the CEO and its Department of Health Services (DHS)—to assess and assist in the restructuring/transformation of a variety of its organizational structures and clinical operations. Los Angeles County DHS includes three acute care hospital medical centers, a rehabilitation hospital, a large ambulatory care system, as well as contracted relationships with many community-based ambulatory care facilities and hospitals. HMA has assisted DHS initially in responding to crises, through the implementation of strategic plans that are transforming DHS into a true integrated delivery system that is capable of success in a time of change and reform in health care. These efforts have included:

1. successfully reducing length of stay at DHS's flagship hospital to meet court-ordered maintenance of admission volume when moving to a new hospital with 20% fewer beds;
2. facilitating the transformation of DHS' Martin Luther King Hospital into a multi-specialty ambulatory and diagnostic center (including developing an operational and staffing plan);
3. organizing a new Ambulatory Health Network within DHS, designing its structure and leadership positions, writing job roles and scopes, educating and training staff, serving in interim medical and financial leadership positions, supporting and mentoring newly recruited leaders;
4. working to transform 144 primary care practices into Patient Centered Medical Homes, including empanelment of 240,000 patients, selection of a patient care registry, provision of training and implementation, reorganization of staff into patient care teams, design, training and implementation of a Care Management program;
5. overseeing an assessment and recommended redesign of DHS subspecialty services, including efforts to decompress specialty clinics in partnership with FQHCs; and
6. providing additional options for community-based Long Term Care for patients discharged from DHS hospitals;
7. addressing the strategic role of the County's managed care organization and its ability to meet the challenge of future health reform requirements and facilitating the negotiation of a new partnership with LA Care, the large managed care plan, to take on health plan functions;
8. negotiating a new agreement between DHS and contracted Community Partners (FQHCs) that aligned their roles and activities in line with DHS strategic effort and goals;
9. assisting with efforts to integrate DHS primary care services with mental health services of the Los Angeles Department of Mental Health and with the application for a new California State Plan Amendment to gain enhance Federal matching funds. In 2015, as DHS took on the oversight of the County's Departments of Mental Health and Public Health and the health services provided in the County's corrections system, HMA has provided interim medical staff leadership to help lead improvements.

## **The Results:**

The Los Angeles County DHS has implemented nearly all of the recommendations made by HMA described above and continues to use HMA as a partner in improving health care delivery within its system.

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