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## **Economy & Efficiency Commission Meeting Minutes**

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### **MINUTES OF THE REGULAR MEETING ECONOMY AND EFFICIENCY COMMISSION**

THURSDAY, January 10, 2002  
ROOM 830, KENNETH HAHN HALL OF ADMINISTRATION

*Editorial Note: Agenda sections may be taken out of order at the discretion of the chair. Any reordering of sections is reflected in the presentation of these minutes*

#### **I. CALL TO ORDER OF COMMISSION MEETING**

With the presence of a quorum of commissioners, Commissioner Hill, substituting for Chairman Philibosian, called the Commission meeting to order at 10:15 a.m.

#### **II. APPROVAL OF COMMISSIONER'S ABSENCES**

Commissioner Hill asked for a motion to approve absences.

#### **COMMISSIONERS PRESENT**

Clayton Anderson  
Fred Balderrama  
Hope J. Boonshaft  
Annie E. Cho  
Jonathan Fuhrman  
Jaclyn Tilley Hill  
Chun Lee  
Royal F. Oakes  
Roman Padilla  
William J. Petak  
Robert H. Philibosian  
Clinton Simmons  
Julia Sylva  
Tony Tortorice

#### **COMMISSIONERS REQUESTING TO BE EXCUSED**

Joanne Baltierrez  
Isaac Diaz Barcelona  
John Crowley  
David W. Farrar

Tony Lucente  
G. Thomas Thompson

### **COMMISSIONERS NOT REQUESTING AN EXCUSE**

None

It was Moved, Seconded, and Adopted: The Commission members requesting an excuse, be excused.

### **III. APPROVAL OF January 10, 2002 MINUTES**

Upon his arrival Chairman Philibosian asked if there were any corrections or amendments to the minutes. Hearing none the following motion was Moved, Seconded, and Adopted: The minutes of the January 10, 2002 Commission meeting be approved.

### **IV. APPROVAL OF January 10, 2002 PRESENTATION**

Chairman Philibosian asked if there were any corrections or amendments to the presentation. Hearing none the following motion was Moved, Seconded, and Adopted: The presentation of the January 10, 2002 Commission meeting be approved.

### **V. INTRODUCTIONS AND ANNOUNCEMENTS**

None

### **VII. CHAIRMAN'S REPORT**

Chairman Philibosian congratulated Commissioner Hope Boonshaft for her reappointment to the Economy and Efficiency Commission.

Chairman Philibosian reported that as a result of discussions regarding the administration of the Department of Health Services (DHS) the Los Angeles County Board of Supervisors (BOS) has established an Ad Hoc Hearing Body on Health Department Governance. The Ad Hoc Body has discussed six potential models for DHS, including a Health Authority (a separate, semi-autonomous authority), a commission that would run DHS, a Hospital District, and a Health Department separated into Public Health and Personal Health. Commissioner Padilla asked if the BOS had stopped short of designating a separate entity to govern DHS. Chairman Philibosian responded that this body was still in the discussion stage. The Ad Hoc Hearing Body is comprised of representatives from organizations dealing with Los Angeles County's health issues, hearing testimony and conducting meetings regarding the various models. Commissioner Padilla asked whether there had been a meeting. Commissioner Philibosian replied, yes, that Commissioner Hill had attended the first meeting and they both had attended the second; during which time he was appointed Chairman of the Ad Hoc Hearing.

January 10, 2002 would be the first day of public hearings commencing at 2:00 p.m. in the Natural History Museum Auditorium. At this meeting reports from DHS will be presented (regarding finances), County Counsel (regarding legal issues), various health related commissions, the unions, and the Ad Hoc Body Task Forces. From 6:00 – 8:00 p.m there would be public testimony.

The establishment of the Ad Hoc Hearing Body was concurrent with Los Angeles County's selection (slated for February 1, 2002) of a new Director of DHS, Thomas L. Garthwaite, M.D. (the first physician in the department's history). Commissioner Tortorice commented that the Wall Street Journal had lauded the Veterans Administration's reforms instigated by Dr. Garthwaite. Chairman Philibosian added that the Los Angeles Times also published a praiseworthy article regarding the new director's reforms. The Chairman continued by stating that the Ad Hoc Charter from the BOS was to conduct public hearings and separate investigations; however, the efforts were not extensive due to the lack of time (two months) and lack of outside consultants. Commissioner Padilla asked if there were any staff or funds. Chairman Philibosian responded that there were no funds, and the staff was assigned from DHS. He felt that the Ad Hoc Body's view was limited, which would be reflected in the final recommendations to the BOS. Commissioner Fuhrman asked if the six models could be circulated to the E & E Commission. Chairman Philibosian deferred to Commissioner Hill who stated that the agenda, the flyer and a condensed version of the models had been circulated. Chairman Philibosian said that he would distribute versions to the E & E Commission as an informational item.

Commissioner Simmons asked what were the objectives of the Ad Hoc Hearing Body Task Forces. Chairman Philibosian responded that the Board of Supervisors wanted information gathered and recommendations issued regarding the Governance Model for DHS to avoid bankruptcy. (The Federal Government had bailed out DHS, twice.)

In light of the appointment of the new director of DHS the Board may dismiss the Ad Hoc Hearing Body. Los Angeles County provides the ultimate health services "safety net" for its residents; health insurance is not necessary for medical attention.

Chairman Philibosian remarked that approximately five years ago the E & E Commission was asked by the BOS to work on a health services report; the Commission decided that it would cost at least \$500,000 for consultants and staff; consequently the BOS decided to withdraw their request. Commissioner Padilla reminded Chairman Philibosian that the E & E Commission handled the report entitled Reengineering Patient's Health Care at the Los Angeles County Department of Health Services, November 1995. Commissioner Tortorice remarked that the report was limited to the outpatient clinics for cost savings and the improvement of services. Commissioner Padilla asked what happened as a result of the report. Commissioner Tortorice said that DHS was going to reengineer the whole department and assembled a large task force. Commissioner Simmons recommended looking at the 2000-2001 Grand Jury Report, which pertains to the topics discussed, including their problems and solutions.

Commissioner Tortorice queried whether the model that would split the department into public and personal, meant delivery of health services versus the regulatory aspect. Chairman Philibosian responded that there would essentially be a hospital and a clinic devoted to personal issues. A separate department would regulate public health issues (disease control, vaccinations). Most of the Ad Hoc Hearing Body research indicates that the issue probably does not make significant difference, but would rather create another layer of bureaucracy. Commissioner Padilla asked whether county beds would be contracted to private or non-profit clinics. Chairman Philibosian replied that the issue was not included in the Ad Hoc Charter and would necessitate further study. Essentially, the BOS requires the Ad Hoc Hearing Body to look at the models and make recommendations.

#### **X. PRESENTATION (a)**

[Mr. James A. Noyes, Director, Los Angeles County Department of Public Works](#)

[Topic: Current Operations and Future Plans for the Department of Public Works](#)

Mr. Noyes discussed the idea of a "bottom line" in the public sector to create more economic control of expenditures. He discussed, in detail, the Flood Control and Water works areas of Los Angeles County, and the permit streamlining issue.

#### **VI. EXECUTIVE DIRECTOR'S REPORT**

Mr. Staniforth asked that the commissioners return their old ID cards and a status report would be issued.

#### **VIII. LIAISON REPORTS**

##### **Local Government Services Commission**

Commissioner Andes had no report.

##### **Quality and Productivity Commission**

Commissioner Anderson stated there had been no meeting.

#### **IX. OLD BUSINESS - TASK FORCE REPORTS**

##### **Economic Development Task Force**

Commissioner Sylva report was included in the presentation by Mr. James A. Noyes, Director of Public Works.

##### **Emancipation Services Task Force**

Commissioner Thompson being absent, Commissioner Fuhrman stated that Mr. Staniforth had circulated a draft report to the task force members who have resubmitted recommended changes. Mr. Staniforth will compile these recommendations for the next meeting. Chairman Thompson has been organizing a task force meeting for Wednesday, January 23, 2002. Commissioner Fuhrman stated for the record that he was disappointed in the general process. Chairman Philibosian replied that the Commission would keep Mr. Fuhrman's recommendations in mind for other task force activities.

##### **Grand Jury**

Commissioner Hill reported that her task force is ready to continue working. She e-mailed and faxed the task force

members an outline of the meetings. The last three years of the Grand Jury recommendations will be reviewed: Commissioners Anderson and Simmons will be working on the 1998-1999 Grand Jury Report; Commissioners Barcelona and Thompson will work on 1999-2000; and Commissioner Boonschaft and Chair Hill will work on 2000-2001. The three groups will come together via a conference call. Eight recommendations will be prioritized and submitted for review and direction.

### **Organization & Accountability Task Force**

Commissioner Oakes reported that there were a couple of areas for consideration: 1) the Organization & Accountability Task Force will continue to work with the Economic Development Task Force on permit streamlining issues and new additional input would facilitate that process. 2) The Workman's Compensation issue is timely and the Organization & Accountability Task Force needs to get involved. The real question is whether there should be a risk manager to handle the sizable problem. Statistics indicate that 10-15% of Workman's Compensation claims are fraudulent, but the claimants have not been pursued for years. Chairman Philibosian stated that it was very important to take a look at the Workman's Compensation area, this morning there was a front-page article in the Daily News specific to Los Angeles County. Chairman Philibosian suggested asking the Board of Supervisors whether the Organization & Accountability Task Force should take the activity on, and perhaps some of the members could be reassigned relative to their interest.

Commissioner Oakes remarked that Mr. Noyes made a comment regarding the "bottom line" financial focus important to the survival of the private sector that does not exist in the public sector. This raised the question of attuning the public sector to a more economic and efficient focus. This could be a discussion for a future task force assignment. Chairman Philibosian agreed and asked Commissioner Oakes to include the issue in his discussion and get a consensus from the Organization & Accountability Task Force.

### **XI. NEW BUSINESS**

Chairman Philibosian turned the gavel over to Commissioner Anderson to conduct the election for chairman. Commissioner Anderson being the Chairman of the Nominating Committee stated that Robert H. Philibosian was nominated for the Chairperson's position of the Economy and Efficiency Commission. Commissioner Anderson asked if there were any nominations from the floor. Hearing none it was moved, and seconded by acclamation that the new chairperson elected to the Citizens' Economy and Efficiency Commission be Robert H. Philibosian.

Commissioner Philibosian thanked the E & E Commission for their vote of confidence, and stated that it had been an honor and a pleasure to chair the commission for the past two years and was looking forward to one more year at which time term limits would take effect.

### **XII. PUBLIC COMMENT**

None

### **XIII. ADJOURNMENT**

Upon a motion from the floor, Chairman Philibosian adjourned the meeting at 11:30 a.m.

Respectfully Submitted.



Bruce J. Staniforth  
Executive Director

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