[MS-0398.013.011.003]

# COUNTY OF SAN DIEGO

CHIEF ADMINISTRATIVE OFFICE

AGENDA ITEM

BRIAN P. BILBRAY
FIRST DISTRICT
GEORGE F. BAILEY
SECOND DISTRICT
SUSAN GOLDING
THIRD DISTRICT
LEON L. WILLIAMS
FOURTH DISTRICT
JOHN MACDONALD
FIFTH DISTRICT

DATE: February 4, 1992

TO: Board of Supervisors

SUBJECT: Commission on Health Care Reform
(Requested by: Supervisor Williams)

SUMMARY:

Reference

On December 10, 1992, (33) the Board of Supervisors directed the Chief Administrative Officer to return in January, 1992, with recommendations for the establishment and composition of a Committee on Health Care Reform, which would address a number of issues related to the financial and structural problems facing providers and consumers of health care.

RECOMMENDATION

1. Adopt the Resolution to Establish the San Diego County Commission on Health Care Reform.

FISCAL IMPACT

Revenue to support staff expenses related to the support of the Commission and the required policy and data investigations are available within the Department of Health Services budget. Support for certain technical expenses has been sought from the Alliance Healthcare Foundation. Final decision awaits the meeting of the AHF Board of Director's meeting in February 1992.

ADVISORY COMMITTEE STATEMENT

The Health Care Advisory Committee unanimously endorsed this proposal on January 27, 1992.

FEB 4 1992

3

BACKGROUND

On December 10, 1991, at the recommendation of Supervisor Leon Williams, the Board of Supervisors adopted a recommendation which directed to CAO to return to the Board of Supervisors with recommendations for the immediate establishment and composition of an Ad Hoc Blue Ribbon Health Committee, which would address certain areas regarding health care access, including:

a. explore the County's responsibility for the provision of indigent health care under Section 17000 of the Welfare & Institutions Code, and provide recommendations for modification, if appropriate

b. examine the various models which might be appropriate for publicly financed health care systems

c. examine the current federal initiatives and discuss how these initiatives might impact the County's health care crisis

d. identify incentives which would encourage small businesses to provide health insurance and/or participate in universal health insurance

e. identify opportunities or the County's participation in legislative changes addressing health care delivery, liability and tort reform

At this time, Supervisor Leon Williams was appointed to Chair this deliberative body. Staff of the Department of Health (Physical Health Service) has been examining options for the implementation of such a Commission for the past several weeks. Numerous questions which are relevant to this topic have been identified and circulated for preliminary review.

The mission, recommended composition and relevant issues which are suggested for the focus of these deliberations are described in the attached document: San Diego County Commission for Health Care Reform - A Call for Action.

A Commission of no more than twenty-severn persons is recommended to grapple with these issues. It is hoped that from these efforts, a cogent set of recommendations will emerge which reflect the best interests of government, business and consumers. The Commission is charged to meet for the next 18 months, in exploring this issue with an option for extension if required.

It is clear that the myriad of issues affecting access to health care require strong leadership. San Diego County residents are going to have to be better informed regarding the constraints and the opportunities available, and to be more actively involved in solutions. Far too often, these problems have been left solely in the hands of government - with dwindling resources and increasing mandates.

Existing (appropriated) staff resources from the Department of Health Services will be detailed to support this effort. The Chief Administrative Officer will review existing vacant positions in Physical Health Services requested to support this effort. A grant application has been submitted to Alliance Healthcare Foundation to defray external costs related to technical support for this effort.

Board Policies A-74 (A-E), with specific focus on A-74b (Formation of a New Citizens Committee) have been consulted for direction in the formation of this Commission. It has been determined that no existing committee is acceptable to cover the multi-faceted set of issues engulfed in the area of health care reform.

The Chief Administrative Officer proposes this Commission as the framework through which difficult questions can be asked and answered regarding needed health care policies and services.

Respectfully submitted,

Norman W. Hickey

NORMAN HICKEY
Chief Administrative Officer

3

BOARD OF SUPERVISORS

SUBJECT: Commission on Health Care Reform

SUPV. DISTRICT: All

COUNTY COUNSEL APPROVAL: Form & legality ( ) N/A (X) Yes ( ) No
( ) Standard Form ( ) Ordinance (X) Resolution

AUDITOR APPROVAL: (X) N/A ( ) Yes ( ) No

FINANCIAL MANAGEMENT REVIEW: (X) N/A ( ) Yes ( ) No

CONTRACT REVIEW PANEL: (X) N/A ( ) Approved _____

CONTRACT NUMBER(S): N/A

PREVIOUS RELEVANT BOARD ACTION: December 10, 1991 (33)
July 25, 1991

CITIZEN COMMITTEE STATEMENT: N/A

POLICY B-51 STATEMENT OF SUPPORT: N/A

CONCURRENCES: None

ORIGINATING DEPARTMENT: Department of Health Services

CONTACT PERSON: Paul B. Simms (754) 285-6522 S551

J. WILLIAM COX, M.D., Ph.D.

Meeting date January 21, 1992

SAN DIEGO COUNTY
BOARD OF SUPERVISORS
TUESDAY, FEBRUARY 4, 1992

MINUTE ORDER NO. 3

**SUBJECT: Commission of Health Care Reform**

**RECOMMENDATION:**
**CHIEF ADMINISTRATIVE OFFICER:**
Adopt the Resolution to Establish the San Diego County Commission on Health Care Reform.

**DOCUMENTS:**
Chief Administrative Officer Report, Board of Supervisors Document No. 748414.

**SPEAKERS:**
Dr. Cox orally addressed the Board regarding the composition of the Commission to study the aspects of Health Care Reform, and urged the Board to adopt the recommendations and the proposed group categories as outlined in the Resolution.

**ACTION:**
ON MOTION of Supervisor Williams, seconded by Supervisor Bilbray, the Board of Supervisors took action as recommended (Resolution No. 92-39, Resolution to Establish the Commission on Health Care Reform).

AYES: Bilbray, Bailey, Golding, Williams and MacDonald

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STATE OF CALIFORNIA)
County of San Diego)

I, THOMAS J. PASTUSZKA, Clerk of the Board of Supervisors of the County of San Diego, State of California, hereby certify that I have compared the foregoing copy with the original order adopted by said Board at a regular meeting thereof held February 4, 1992 (3), by the vote herein stated, which original order is now on file in my office; that the same contains a full, true and correct transcript therefrom and of the whole thereof.

Witness my hand and the seal of said Board of Supervisors, this 4th day of February, 1992.

THOMAS J. PASTUSZKA
Clerk of the Board of Supervisors

By Adair Gomez
Adair Gomez, Deputy

No. 3
2/4/92
ACG

NO. 92-39 TUESDAY, FEBRUARY 4, 1992

# RESOLUTION TO ESTABLISH THE COMMISSION ON HEALTH CARE REFORM

**ON A MOTION** of Supervisor Williams, seconded by Supervisor Bilbray, the following resolution is adopted.

**WHEREAS**, there is a continuing need for the County of San Diego to provide for various statutory and administrative mandates for health care, and for long-range health interests in a diminishing fiscal climate; and

**WHEREAS**, the Board of Supervisors has directed the Chief Administrative Officer to develop an advisory group from persons familiar with various aspects of the health care crisis to address these issues; and

**WHEREAS**, on December 10, 1991, Board Order #33,the Board of Supervisors directed the formation of COMMISSION ON HEALTH CARE REFORM to provide technical and public input into the issue of the County of San Diego's Health Care system.

**NOW THEREFORE BE IT RESOLVED** that the Board of Supervisors declares as follows:

I. A COMMISSION ON HEALTH CARE REFORM shall be established.

II. Members of the Commission on Health Care Reform shall be appointed by the Chief Administrative Officer, on recommendation from the Director, Health Services.

III. The Commission on Health Care Reform shall have 27 members comprised of consumers, government and providers with care to assure that the deliberations not become provider dominated, and from persons familiar with various aspects of the health care crisis. Members shall represent the following organizations or areas of expertise:

(1) Board of Supervisors
(1) Chief Administrative Officer or designee
(2) San Diego/Imperial County Hospitals
(1) San Diego County Medical Society
(1) Private Practice Physicians
(1) Hispanic Physicians Association
(1) Neighborhood-based Community Clinics
(1) Access to Care Commission of San Diego County
(1) Familiar with emergency medical services transport
(1) National Medical Association
(2) College/University with emphasis on health and human services
(2) Consumer Health Interests
(1) Private Insurance
(1) Large County employer
(1) Organized Labor

(1) Health Services Advisory Board
(1) Retired County of San Diego executive
(1) Retired Federal or Superior Court Judge
(1) Immigration Attorney
(1) Media
(1) Public Relations
(1) Accounting firm
(1) Private philanthropy
(1) Religious Community

IV. Commission on Health Care Reform members shall serve without compensation.

V. The Commission on Health Care Reform shall function according to the following guidelines:

A) The Commission on Health Care Reform shall select appropriate officers for the conduct of its affairs;

B) A majority of the members shall constitute a quorum:

C) Recommendations of the Commission on Health Care Reform shall be approved by a majority of the quorum; however, the Commission on Health Care Reform may also reflect any appropriate minority positions:

D) The Commission on Health Care Reform shall provide technical and community input to assist the Chief Administrative Officer:

1) To examine the variables which impact the health crisis in San Diego and to develop an integrated set of recommendations aimed at an improved health care delivery system by accepting and soliciting testimony from informed consumers, providers, insurance representatives, employers and health consultants, and exploring a plan which will bring discipline and coordination to a fragmented health care system.

2) To evaluate the current status of the County's indigent health care system and make recommendations for redesign, if appropriate.

3) To accept testimony from providers and consumers regarding current challenges in the health care system.

4) To design a prototype health care system for San Diego County, both public and private, which considers a number of competing perspectives.

5) To respond to the following concerns/issues in developing recommendations which will result in new policy initiatives for the County, as well as recommended legislation for consideration by State and/or Federal levels:

a) Does Universal Health Insurance constitute a benefit or a detriment to health care access for Americans?

b) If Universal Insurance is recommended, how should it be financed and what incentives should be provided for the numerous small businesses in San Diego, many of which could not afford such a mandate?

c) The moratorium on Tort Reform in California expires in 1992. What revisions to current Tort Reform legislation should be proposed, that balance the needs of patients and providers, while diminishing the incentives for frivolous legal actions or those which permit an untoward event or outcome to be synonymous with medical professional liability?

d) How can we stimulate greater awareness and responsibility on the part of the consuming public to:
- Assume a more active involvement in chronic disease prevention and management;
- Utilize health care resources more effectively; and
- Become more health conscious, so as to reduce the unnecessary visits to clinics and emergency rooms?

e) Within the context of a laissez faire economy, how can reasonable cost containment strategies be implemented which balance the need for incentives for new development, with the negative impact of recessive revenues?

f) What should be the role and responsibility of the State of California in financing indigent health care, specifically care to Medically Indigent Adults, in light of the California State constitution, Article XIII, Section 6B?

g) What should be the role and responsibility of the County of San Diego in arranging and financing health care under Section 17000 of the Welfare and Institutions Code?

h) Should the County of San Diego own and operate a county hospital? Can the Commission document the benefits and detriments of municipal hospital ownership and operation from fiscal, operational, and quality assurance perspectives?

i) Insurance companies report that between 25-31% of health care premiums are allocated to administrative costs and profit. Are there less expensive vehicles to distribute health care providers within a given region?

j) Health care providers are finding it increasingly difficult to provide services for Medi-Cal patients, given an adversarial payment system and mercurial eligibility procedures. Further, reimbursement for services sometimes does not cover the marginal costs of treatment. How can the Medi-Cal system be restructured to improve provider and patient satisfaction? Does the State's proposal for Managed Medi-Cal (AB336) constitute a reasonable approach to heretofore underfinanced, fee-for service access?

k) Are there more effective mechanisms or modifications to publicly financed health care eligibility systems than the current Medi-Cal eligibility process? In a universal health insurance system, would Medi-Cal revenue be channeled into the universal coverage program?

l) How can certain hospital admission be avoided by expanding access to primary care services? Does the data exist which will support a disciplined inquiry into this issue?

m) The Canadian Health Care System is often cited as a model for this nation. Those who do so, typically fail to note unique and fundamental differences in the underlying economies and legislative processes of these two nations. What are the positive and negative features of the Canadian Health Plan? which of those are transportable into a US economic and political environment?

n) Fragmentation has fueled unnecessary health care costs in the United States. Can the Commission identify the major variables which contribute to a fragmented system and recommend alternate strategies? Specifically, can the Commission identify Federal and State waivers needed, as well as structural changes required in the County to accomplish improved coordination, as well?

o) Can policies be recommended for the San Diego County Medical Society or legislative proposals for the Business and Professions Code governing physician activities which would encourage physicians within a given geographic area (such as a county) to volunteer a certain number of hours (perhaps 4) each week to non-profit, primary care or specialty referral clinics, where the uninsured can be served without red tape or disruptions to existing patient populations and care systems?

p) Can San Diego County grant immunity from medical liability, except in conditions of gross negligence, for physicians under County contract, treating indigent patients in County facilities?

q) What specific steps can be recommended to the Federal or State governments to improve the health status of children in San Diego County?

r) Can the Commission identify recommended legislative strategies to establish uniform policies regarding community rating for all insurance programs in California (or San Diego County) and eliminate experience rating as an acceptable practice?

s) Can Direct associations be made between health and social life styles and behaviors which contribute to excessive health care costs? Can a strategy be recommended which would propel State and local governments to become more aggressive regarding prevention and community education?

t) What is the fiscal impact of health care provided to undocumented persons and who should assume the cost for care to persons not lawfully resident within the County?

E) The Commission on Health Care Reform shall provide the Board of Supervisors with a final report of their review and recommendations, which shall include a recommendation for dissolution of the Commission on Health Care Reform.

F) The Commission on Health Care Reform shall exist until June 30, 1993, or until the final report is accepted by the Board of Supervisors, whichever comes first.

**PASSED AND ADOPTED** by the San Diego County Board of Supervisors, the 11th day of February, 1992 by the following votes:

AYES: Supervisors Bilbray, Bailey, Golding, Williams and MacDonald
NOES: Supervisors None
ABSENT: Supervisors None

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FEB 1992
IMMIGRATION HEALTH SERVICES

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STATE OF CALIFORNIA)
County of San Diego)

I, THOMAS J. PASTUSZKA, Clerk of the Board of Supervisors of the County of San Diego, State of California, hereby certify that I have compared the foregoing copy with the original resolution passed and adopted by said Board, at a regular meeting thereof, at the time and by the vote herein stated, which original resolution is now on file in my office; that the same contains a full, true and correct transcript therefrom and of the whole thereof.

Witness my hand and the seal of said Board of Supervisors, this 11th day of February, 1992.

THOMAS J. PASTUSZKA
Clerk of the Board of Supervisors

By _____
Patricia M. Fraser, Deputy

2/4/92 (3)
Reso No. 92-39



Anne Hansen