

# Los Angeles health system near meltdown

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Public and private health services in Los Angeles County face devastation under the weight of financial deficits brought about by years of attacks by both Democratic and Republican politicians at the county, state and federal levels.

Health experts are describing the health system as in meltdown condition, with a majority of the populous county's residents facing the prospect of living with little access to medical care. The impending collapse of the public system threatens to drag private health providers down with it.

Los Angeles County has a population of 9.5 million and about 2.5 million—or over 26 percent—have no medical insurance, and this number is rapidly rising.

Beginning in June, the County Board of Supervisors, saddled with a \$500 million health care deficit, voted unanimously to eliminate 5,000 medical workers, close 12 of 14 public care centers, and four school-based clinics. The community clinic closures took place during the summer and became final on October 1.

In addition, over the summer, services provided to the uninsured at 61 Public-Private-Program medical sites under contract to provide medical care to the uninsured were terminated. The remaining 57 sites will close by May 2003, when the program will be eliminated altogether. Effective in May 2003, High Desert Medical Center—the only county-operated full-service hospital in the 1,600-square-mile High Desert region including Lancaster, Palmdale and Antelope Valley—will be shut down.

Also facing the ax are Harbor-UCLA, a full-service trauma center, and Olive View-UCLA, a basic hospital with emergency room services. Both serve uninsured residents in the county's most populous downtown areas and are slated to be downsized into day clinics with no emergency services.

Earlier this month, the county board voted to shut down Roybal County Health Center and nationally-renowned Rancho Los Amigos National Rehabilitation Center in Downey. Opened in 1888, the rehabilitation center treated both insured and uninsured stroke and diabetes victims and those with head and spinal cord injuries. The board also cut 100 beds from the county's flagship hospital and trauma

site—County USC Medical Center. The only other county-operated trauma center, King/Drew Medical Center—had its operating budget cut by 16 percent.

Projected savings from the cuts are estimated at a 55 percent reduction in inpatient services, a 50 percent cut in outpatient visits, a 37 percent reduction in emergency visits and a 35 percent reduction in administrative positions by May 2003. Estimated savings under the plan amount to about \$123 million, rising to \$709 million in fiscal year 2005. Closed centers will be sold or leased to pay off bonds.

The Los Angeles County board's action spearheads a frontal assault on the poor. Particularly affected are working poor adults with no employment insurance benefits and whose income levels disqualify them for Medi-Cal aid. These individuals will have to pay for both care and prescriptions out of pocket. Medi-Cal is a California program supported dollar for dollar by federal Medicaid matching funds. A state doctor's reimbursement rate from Medi-Cal is ranked 42nd lowest of 50 states, and many routinely refuse to treat Medi-Cal patients as well as those with no insurance. With local clinics closed, Los Angeles residents will face the added burden of traveling up to 90 miles one-way to one of two swamped emergency rooms, County USC or King/Drew, where medical records must be retrieved from storage before some treatments can start.

In an example cited by the *Los Angeles Times*, Dora Santos, a teachers aide at Littlerock Middle School in Santa Clarita Valley, gets life-saving treatment for her diabetes and arthritis at High Desert Hospital. If High Desert closes, she will have to drive 50 miles to Olive View-UCLA Medical Center in Sylmar for her treatment or, if that hospital closes, she will have an 87-mile journey to the nearest county hospital.

For non-English speakers, those who are illiterate and the handicapped poor, long distances, high co-payment rates, complicated bus schedules and Byzantine health access laws may present an insurmountable obstacle and a doctor's care may be unobtainable. The important link between the patient and the community clinic doctor familiar with the patient's history is another casualty of the clinic closures.

The cuts also mean that the number of totally preventable

deaths will skyrocket. Currently in Los Angeles there are entire regions of the county with no trauma care hospitals to treat near-death injuries such as traffic accidents, near-drowning, gun-shot wounds or skate board mishaps.

Populous San Gabriel Valley has no Level 1 hospital. Level 1 designation means a facility has a surgical team ready 24 hours a day and a licensed helipad. With the cuts contemplated by the board, San Fernando, Santa Clarita, High Desert, South Bay and the Los Angeles airport area will join the list. In the event of an airline disaster, there would be no open trauma center within a 15-mile radius of the airport.

Privately owned emergency rooms are being overwhelmed by sick and uninsured residents. In the previous year there were more than 800,000 visits to community clinics. With public clinics unavailable, patients have little recourse but to go to the nearest emergency room. Board Chairman Zev Yaroslavsky brushed aside warnings that the collapse of services to the poor will engulf the system as a whole.

As the health care system in Los Angeles breaks down, there is a very real possibility that increasing numbers of people with untreated contagious illnesses such as Tuberculosis and sexually transmitted diseases will reach epidemic proportions.

With reductions by the state, public preventive care such as prenatal, dental, psychology, occupational therapy, podiatry, independent rehabilitation programs, HIV and pre-school inoculations have been placed beyond the reach of the medically uninsured. These are services not typically rendered in an emergency room.

State funding for county as well as state health care programs are being cut in virtually all areas. Faced with a \$23 billion state budget deficit, Governor Davis presented an amended budget for 2002-2003 calling for reductions of \$427 million as part of a \$1 billion total reduction in funding for Los Angeles County health services alone.

According to the *Los Angeles Times*, California Health and Human Services Secretary Grantland Johnson said that the federal government has cut \$400 million in health care funding to the state and an additional \$1.2 billion is on the line in the next two months. Johnson said the county supervisors applied for \$1.4 billion in federal bailout funds. Next month the Bush administration will decide whether to cut \$1.4 billion from the Selective Provider Contracting Program, a program set up in 1982 to support state Medi-Cal services.

The Los Angeles situation is by no means unique. The Social safety net in every city has come under increasingly bitter attack by both Republican and Democratic administrations at the federal, state and local levels since the 1970s.

In California, the fiscal conservatism of both Democratic and Republican state administrations over the past several decades has meant increasing transfers of funding for social programs to pay for tax advantages to the rich, tax inducements for corporations, and lavish building programs such as the construction of the Staples Center in downtown Los Angeles. The state lost enormous amounts of money when high-risk investments of the state surplus went sour in the stock market slide. During the energy crisis of 2001, Governor Davis allowed major traders like Enron and Duke to loot the state treasury through contracts adding up to an estimated \$11 billion.

In voting on November 5, county politicians—from former LA mayor Richard Riordan to county supervisors—supported by leaders of SEIU (Service Employees International Union) Local 660 called on Los Angeles residents to support Measure B, a ballot proposal to raise property taxes.

Measure B was portrayed as the last great hope for the trauma system, and if passed would secure \$168 million in funding for health care. The day before the election, a horrific 200-car pileup on fog-bound I-710 underscored the need for more local trauma centers throughout the county. Voters approved the measure by a 72 percent margin.

The Board of Supervisors meeting on the health care deficit was set to vote November 19. Fearing a massive backlash, the board at the last minute put off the final vote until January 2003. Buried in the fine print of Measure B is a provision that gives the board discretion over how the money will be spent. Considering that the board dipped into health funds to loan Disney \$26 million to fund a privately owned venture, it is conceivable that money earmarked for health care will be allocated elsewhere.

The unraveling of social services in Los Angeles is an example of the crisis facing cities across the country. Tom Scully, federal director of Medicare and Medicaid Services, commented that the county's request for aid is "dead on arrival." He told the *Los Angeles Times*, "We don't want to create a meltdown of LA hospitals, but I have to explain to Houston, and New York, and St. Louis, and Nashville why LA County is getting a special deal," adding, "I don't think it is our responsibility to just write a check and bail them out."



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