California budget targets health care

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Last November, the California government announced the most severe budget crisis in California's history—a budget shortfall of $38 billion for fiscal years 2003 and 2004. One month later, Governor Gray Davis imposed emergency budget cuts of $10.2 billion. These cuts are exacerbating a chronic health care crisis affecting nearly all counties in California.

So far, the county most affected is Los Angeles, where the December cuts, plus anticipated reductions to take place under a proposed budget for 2004, are crippling the infrastructure of public health. Intent on defending the interests of the wealthy, all of California's political parties, the governor and the trade unions are complicit in the demolition of this essential social need.

In May 2003, 800,000 uninsured residents of Los Angeles County, making up a third of the state's population, lost access to neighborhood medical care when the County Board of Supervisors closed 16 community-based medical clinics. The supervisors also terminated the Public-Private-Partnership, a program under which Los Angeles County contracted health care with private clinics for the uninsured.

In their decision to cut the program, the supervisors cited the state's refusal to fund health care and the federal government's refusal to extend a rules waiver allowing federal Medicare funds to be used to support Medi-Cal, the state agency in charge of health services to the poor. Thousands will be forced to travel to the overcrowded emergency rooms of the only two full-service hospitals still operating. As part of this process, 2,475 county health workers face layoffs.

High Desert Hospital in Lancaster, Calif., the only public hospital in an isolated corner of Los Angeles County, has been converted from a general hospital to an outpatient clinic, serving residents of the 1,600-square-mile high-desert region who now will have to travel about two hours to get to another public hospital.

To save an estimated $30 million, pink slips went out on June 15 to 79 doctors, 152 nursing staff and 210 administrative support personnel at King-Drew Medical Center, a county general hospital that serves the poor black and Latino areas on Los Angeles's south side. According to the *Los Angeles Times*, doctors report that the cuts affect neonatal, adolescent and pediatric medicine the hardest. LA's south side has a 15 percent teen pregnancy rate. About 38 percent of the area's newborns are low birth-weight babies, many of whom require intensive care.

Similar cuts are also affecting counties across the state, including Alameda, Sonoma and Santa Clara counties in northern California. These areas are also being hit by high rates of unemployment that put an added pressure on public facilities. Unemployment in San Jose, the heart of high-tech Silicon Valley, has surpassed the 8 percent mark; in Los Angeles, it is about 6.6 percent. In addition to seeing more uninsured patients, health facilities must also cope with higher costs.

In Alameda County, which includes the city of Oakland, two clinics are being eliminated that currently serve 25,000 people. Most severely affected will be patients suffering from chronic conditions, such as diabetics, as well as HIV and pediatric patients. For citizens of North Oakland, the closure of the North Central clinic means going to Highland Hospital, where patients already wait four or five hours to receive medical attention.

In addition to the clinic closures, Los Angeles County Supervisors plan the shutdown of three hospitals: Rancho Los Amigos, Harbor-UCLA and Olive View-UCLA. In a special tax election last November, LA residents voted to save two of them—Olive View-UCLA and Harbor-UCLA. However, their existence remains tenuous, as supervisors have the right to transfer the funds elsewhere.

The supervisors had planned to close the Rancho Los Amigos National Rehabilitation Center (RLA), even before the full-extent of Davis's cuts became known. A lawsuit by medical professionals against the county supervisors' plans attracted widespread attention. The federal courts stepped in at the last minute, announcing a permanent injunction that so far has stopped RLA's closure, but the county is aggressively appealing that injunction.

A Rancho Los Amigos patient, Janelle Rouse, told a *World Socialist Web Site* reporter how her life has revolved around RLA for more than 32 years. When she was 13 years old and riding in a horse show, her horse went down, causing a massive brain hemorrhage that put her in a five-month coma.

Janelle recounted, "After six months attending inpatient therapy at RLA, where I had to learn to walk, talk, read, write, stand and eat all over again, I was able to return home to my family. I have remained actively involved with the Rancho since that day, both as an outpatient and as a volunteer. I will never be able to give back what I have received from this facility."

Rodrigo Rivas, a 37-year-old father of four, also spoke to the WSWS. A victim of a car accident, he is paralyzed from the waist down. After being stabilized at the Salinas Hospital in central California, he came to Los Angeles, depressed and suicidal, where "some people at the Martin Luther King Jr. Hospital recommended that I seek assistance at Rancho. At Rancho they rebuilt my confidence, and by teaching me to cook and bathe myself I developed a real sense of independence."

If Rancho Los Amigos were to reopen, it would be as a private for-profit hospital for the well-off and well-insured. Its closure would affect 1,000 patients directly, those with no comparable place to go, plus hundreds of outpatients that make use of RLA's services.

Governor Davis released his latest budget proposal on May 15. It would slash $1 billion statewide from health care services. The cuts also include elimination of 18 optional benefits provided by Medi-Cal, including hospice care, adult dental services, optometry, physical therapy, the Multi Purpose Senior Services Program and acupuncture as part of a plan to achieve a $3.6 billion saving.

According to a letter received by the WSWS, these cuts will devastate California's welfare recipients. Other Medi-Cal programs to be axed include rubber gloves, urinary and incontinence supplies (catheters, leg bags, adult diapers), bandages and dressings, and Durable Medical Equipment such as wheelchairs and ventilators. "Without these items, many disabled people face severe illness and [deaths] are even possible," the letter said.

The budget would also change eligibility for recipients of Medi-Cal, the state's version of Medicaid. The new rules require counties to review a recipient's eligibility on a quarterly basis. Davis anticipates this will

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terminate health benefits to an estimated 563,000 Medi-Cal enrollees at a savings of $388 million—$194 million of which will accrue to the state's general fund. Since Medi-Cal is supported dollar for dollar by federal matching funds, with this cut the state forfeits $1.34 billion in federal funds, doubling its effect on the health care system.

As it is, Medi-Cal is a Byzantine patchwork of health programs, a bureaucratic maze that, according to one study, already excludes more than 800,000 people who would be covered under streamlined application procedures. More than six million state residents are covered by Medi-Cal, including the three million covered by a state-managed care insurance.

The May 15 proposal also slashes Medi-Cal reimbursement rates to doctors and pharmacists by 5 percent, on top of a 10 percent cut last December, making them among the lowest of the 50 states. Even before the fee reductions took place, many physicians were refusing to take on more Medi-Cal patients unless fees were increased.

The statutory deadline for the California legislature to pass a budget was June 15. With a fiscal deficit of $38.4 billion over the next 14 months, and no agreement in sight, dire predications are appearing in the press of what could happen if the state were to become insolvent. At the present rate of expenditure, the state will run out of cash in August and the banks will not accept checks drawn on the state's general fund. California state employees—from college professors to medical professionals to highway patrol officers—may not be able to cash their paychecks this fall. A solution to this crisis, based on insuring adequate state health services to all by taxing big business profits and the wealthy, is anathema to both Democrats and Republicans in the California legislature, as well as to Davis, an aggressive fundraiser who depends on the financial contributions of big business.

Last month, an indication of the human cost of the cuts was given in a report that said emergency room patients are already forced to wait up to four days for a bed at County USC Medical Center and that there have been fatalities as a direct result. Despite those findings, county supervisors intended to reduce the facility by another 100 beds, but were prevented from doing so by the same injunction that kept Rancho Los Amigos open. Not to be deterred, county supervisors are moving to realize a few million dollars' savings by cutting off care to residents of other counties, in defiance of federal regulations.

Physician's assistant Karla Copeland, who works in the emergency unit at County USC California Hospital, told the WSWS, "The nursing staff is stretched to its limit, with more patients coming in all the time. Those admitted have to wait until there are beds available. Some of them need ICU [intensive care unit] beds when they are not available.

"The county is working to cut a hundred beds. That is unacceptable. I don't even want to think about what that will mean for patients. I am aware of the bill in the county to outlaw the transferring of patients from private hospitals to county facilities, but I don't think it will pass, because if it does the private hospital system will go broke."

Patient Larry Clarke came to the emergency room with back pain. He said it is normal to see more than 100 patients waiting in the emergency unit's clinic. On the day we spoke with him, he had a 9:30 a.m. appointment, but his chart was lost and he waited until 11 p.m. to be seen. He then faced an additional wait for prescriptions, which lasted until after midnight.

"I have seen people throwing up blood," Larry said, "and still they are waiting three or four hours later. I can't blame the nurses or the staff—what can they do if there are no beds? Davis sent a representative to the hospital to check it out and after he saw what he came for he said the hospital was in great shape!"

In a *Los Angeles Times* study, several health professionals described the horrific conditions inside the public hospitals. Dr. Brent Asplin, a nationally recognized researcher, visited the County USC hospital in March. He described the emergency room, reporting that as many as 156 patients were crowded into 43 treatment areas. Exams were conducted in hallways, in violation of the patient's privacy. In an interview with the newspaper, Dr. Asplin, who has studied emergency rooms all over the nation, declared Los Angeles County-USC overcrowding to be the worst he had seen.

Dr. Edward Newton, an emergency room physician, also quoted by the *Times*, said, "We often have to squeeze three patients, both men and women together, into one booth designed to hold two. The lights are never turned off, the noise level is high, there are no facilities to wash, and there is no privacy." In a sworn statement, filed as part of the lawsuit in federal court to prevent the county from cutting 100 beds from the 745-bed facility, he described three recent deaths directly resulting from the cuts.

Last month, a 40-year-old woman who arrived with an arterial blockage in her lungs was kept in the emergency room for more than 30 hours because no intensive care bed was available. She suffered cardiac arrest and died.

A 75-year-old woman was admitted with a broken hip, normally a treatable condition. She had to wait a week for surgery because no bed was available and in the interim developed blood clots and died from lying prone for so long.

In the third case, a man was brought in with shortness of breath. "This patient died before we were able to help him," Dr. Newton said, adding, "Had we the capacity to diagnose him earlier, his life would have been saved."

Dr. Newton explained to the WSWS: "Many of the emergency room patients come into the ER in serious condition. We can take care of them, but many of them need intensive care (ICU) treatment and there are no ICU beds. The nurses that work on them have still more patients coming in, who also need urgent treatment, so the whole system backs up."

The working class, the disabled and the elderly, however, have yet to find a political vehicle that will defend their interests. State teachers, health professionals and social service workers have expressed anger at the proposed cuts in services. In one protest, RLA patients and workers, members of Local 660 of the Service Employees International Union (SEIU), set up over a dozen protest tents at the door of the hospital.

The protest, though not well publicized, drew enthusiastic community support, with passing motorists honking their approval. Many joined in at the twice-daily rallies that took place near the hospital.

Despite the high level of support in defense of hospitals and clinics, protests are being stage-managed by the SEIU leaders and the California AFL-CIO, and provide no political alternative to Davis, the Democrats and the Republicans. Union leaders seek to limit demands to pressuring the politicians and the courts, not defending hospitals and clinics. They call for a "balanced" approach of closures, wage cuts and tax increases, according to SEIU Local 660's web site.

Using the threat of more layoffs, Davis has demanded that the trade unions representing state workers come up with $500 million in wage and working condition concessions. There is little doubt that the SEIU and AFL-CIO leaderships will press state workers to comply with the governor's demand. In Santa Clara County, the SEIU already has volunteered a wage cut for its members. In effect, its position is consistent with the strategy of the entire AFL-CIO: to protect its relationship with the Democratic Party above all; to block and demoralize the thousands of workers who are looking for a political alternative; and, if need be, to sacrifice living standards, education and health services to its alliance with the Democratic Party.

The Democratic governor is also relying on the trade union leadership to contain resistance from workers to budget cuts affecting health care and every state program providing services to the poor. In the face of the onslaught against social services, not one union leader has raised the call for strike action, not to mention mobilizing the working class in a political

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struggle against the attacks.

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