

Solano County Health & Social Services Department



Mental Health Services
Public Health Services
Substance Abuse Services
Older & Disabled Adult Services

Eligibility Services
Employment Services
Children's Services
Administrative Services

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September 11, 2009

Honorable Ramona Garrett
Presiding Judge of the Superior Court
Solano Superior Court
600 Union Avenue
Fairfield, CA 94533

Re: County Responses to FY2008/2009 Solano County Grand Jury Report titled
"Solano County Contribution to La Clinica De La Raza"

Dear Honorable Presiding Judge Garrett:

Solano County Health and Social Services wishes to thank the Grand Jury for its attention to our partnership with La Clinica de la Raza (La Clinica).

BACKGROUND AND SUMMARY

The Grand Jury Report focuses on the County General Fund contribution to the North Vallejo Diversion clinic that was opened in November, 2008 by La Clinica; however, it begins with the history of the original primary care clinic that La Clinica assumed management for in 2002. That clinic, formally operated by Redwood Clinic, is a separate community clinic facility that was operated by two private, nonprofit organizations, with no County operational involvement. Solano County operates a primary care clinic at 355 Tuolumne Street in Vallejo. In addition, the Health and Social Services (H&SS) Department has contracted with La Clinica for specific professional services and the County has provided funding to the La Clinica and two other non profit clinics to offset the cost of uncompensated visits.

The North Vallejo Diversion clinic was a separate project that was first proposed by Sutter Solano Medical Center to La Clinica; subsequently, the proposal was presented to the Solano Coalition for Better Health (SCBH). This proposal was designed to alleviate the inappropriate use of the emergency rooms at both Sutter and Kaiser Hospitals in Vallejo, as well as add further capacity to the primary care clinic services available in the Vallejo area. To assist with the start up costs associated with the diversion clinic, the major partners of SCBH who operate in Vallejo, which includes, Sutter Solano Hospital, Kaiser Hospital, La Clinica, and the County all agreed to provide funding for a three year period.

The County's portion of the funding included \$250,000 in start up costs in FY2007/08, a \$100,000 operational funding commitment in FY2008/09, a \$88,000 operational funding commitment in FY2009/10, and a final \$67,000 operating funding commitment in FY2010/11. The funding comes from the dedicated dollars allocated by the Board of Supervisors to support the Health Access strategic plan, whose global aim is to increase the percentage of Solano residents below 300% of poverty receiving needed primary and specialty care.

FINDINGS AND RECOMMENDATIONS

Finding 1 – When the Redwood Clinic closed, the County did not seek a replacement provider. When La Clinica de la Raza approached the County, no investigation nor consideration of any other qualified provider was undertaken. This is contrary to normally-accepted business practice and is generally considered contrary to government contract practice.

Response to Finding 1 – The Health and Social Services Department disagrees with this finding. The Redwood clinic was a private and independent nonprofit community clinic, the County had no jurisdiction over its operations nor did it have any jurisdiction in who its management reached out to for assistance in remaining open. That decision was made by the Board of Directors of the Redwood clinic. When La Clinica assumed management of the Redwood Clinic, and opened its subsequent prenatal and diversion clinics in Vallejo, the County did not have any jurisdiction to investigate or approve of any provider.

Recommendation 1 – A request for primary-care services should be put out for public bid. The County should have a system in place that encourages bids from multiple qualified healthcare providers.

Response to Recommendation 1 – The recommendation has not been implemented because it is not warranted. Solano County does not contract with any entity to provide comprehensive community clinical services, it operates its own clinics through the Health and Social Services Family Health Services division.

Finding 2 – The Grand Jury requested the County to provide documentation of the \$250,000 contribution. The provided documentation inadequately explained the expenditure of taxpayer money for start-up costs. The documentation was provided by La Clinica based on their own audit.

Response to Finding 2 – The Health and Social Services Department agrees with this finding.

Recommendation 2 – The County should do its own audit and closely monitor the expenditure of County funds granted La Clinica de la Raza for start-up costs. In addition, the pro-forma funding for the next two years of operation needs to be properly supported and documented.

Response to Recommendation 2 – The recommendation will be implemented and the final audit of the start up costs will be completed by December 31, 2009. Health and Social Services staff will perform an audit of La Clinica de la Raza's North Vallejo diversion clinic to ensure the funding was utilized properly.

Finding 3 – While La Clinica de la Raza serves a valuable purpose, the provision of services does not require proof of citizenship or legal residency. This may result in the use of taxpayer money being spent on services provided to people who are in this country illegally.

Response to Finding 3 – The Health and Social Services Department agrees with this finding.

Recommendation 3 – The County should require that County contributions to La Clinica be limited to serving only Solano County residents who have proof of citizenship or legal residency.

Response to Recommendation 3 – The recommendation has not been implemented because this matter is not under the control of the Department of Health and Social Services. La Clinica serves a richly diverse patient base and has created a model that has a potential to save the larger healthcare system significant dollars and improve the

overall community health. At a time when all aspects of the healthcare system are suffering, implementing new models that are cost effective and produce positive outcomes are essential.

I trust the information provided adequately responds to the Grand Jury's Findings and Recommendations. I am also attaching a letter dated July 28, 2009 from La Clinica that provides its own responses to the Grand Jury report for your information. Thank you.

Sincerely,

Patrick O. Duterte
Director, Solano County Health & Social Services

Cc: Moira Sullivan, Assistant Director
Michael D. Johnson, County Administrator
Board of Supervisors
Grand Jury

Attachment: Letter from La Clinica, dated July 28, 2009