

Fulfilling the Promise:
A Roadmap for Meeting the
Health Care Needs of the
South Los Angeles Community

March 30, 2005

Final Report of the
Steering Committee on the
Future of King/Drew Medical Center

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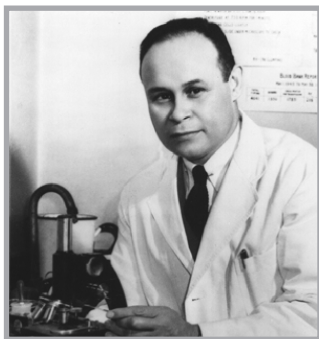
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Introduction

“The Steering Committee examined how both the County of Los Angeles and Drew University can....work together to ensure that that the King/Drew Medical Center can achieve its mission of meeting the health care needs of South Los Angeles.”



Reverend Martin Luther King Jr.



Charles Drew MD

About Martin Luther King/Charles R. Drew Medical Center and Charles R. Drew University of Science and Medicine

Martin Luther King/Charles R. Drew Medical Center (King/Drew) and Charles R. Drew University of Science and Medicine (Drew University) are two distinct organizations that have been linked by their shared mission, history, and contractual relationships. While King/Drew Medical Center is a public hospital operated by the Los Angeles County Department of Health Services and Drew University is a private educational institution located adjacent to the hospital, both are vital components of Los Angeles County’s health safety net and both must survive and thrive in order to provide necessary urgent and long-term health care for the residents of South Los Angeles.

The 1965 Watts riots, while economically, emotionally and physically damaging to South Los Angeles, illustrated the need for critical medical services in one of the nation’s most underserved communities. In response to the disparity in health care services, King/Drew Medical Center (opened in 1972 as Martin Luther King Hospital) and Drew University (opened in 1966) were established as sister institutions to provide quality patient care, health education, and research to benefit the residents of South Los Angeles County. Drew University is one of four historically black medical schools in the United States and the majority of the physicians it trains choose to establish their practices in underserved communities, underscoring the critical importance of maintaining the relationship between the public hospital and the medical school. The King/Drew Complex, comprised of the public hospital and private university, functions as an academic medical institution that provides the university’s medical residents firsthand experience and training at the medical center.

Over the past 30 years of partnership, King/Drew and Drew University have experienced great success in such areas as ophthalmology and endocrinology, neonatal intensive care and trauma care. In fact, King/Drew Medical Center has been a training ground for medical personnel now serving in other county hospitals and in hospitals throughout California and the United States. In spite of the great work done at King/Drew, however, there are problems that have been allowed to persist for nearly the entire lifetime of the relationship.

Medical malpractice lawsuits, workers' compensation claims and investigative media reports have revealed incidents at King/Drew where professional staff and others have performed their duties in an unacceptable manner. In some cases, reports have found medical practices have endangered patients' lives. While individual patients were the victims of poor clinical care, ultimately, it is the community that relies on the hospital for urgent and general medical care that has suffered the most.

During the last two years, the King/Drew Complex has been the focus of investigations into the quality of medical care and the failure of the Drew University Board of Trustees and the Los Angeles County Department of Health Services to provide consistent oversight of residency programs. The inquiries resulted in unsatisfactory reviews and actions by numerous regulatory and accrediting bodies in addition to extensive negative media coverage. While there has been progress made in solving some of the problems, many still persist to this day. One result of the ongoing investigation and public reporting of problems is the documented erosion of public trust and confidence in the King/Drew Complex that make it increasingly difficult to serve a population that can ill afford to lose access to the vital health care services provided by these institutions.

About the Steering Committee

In March 2004, The California Endowment established the Steering Committee on the Future of the King/Drew Medical Center to serve as an independent body of health experts that would provide objective, credible analysis and recommendations to address underlying deficiencies in the operations and governance of King/Drew Medical Center and Drew University.

The Steering Committee was responsible for developing a roadmap that builds upon the findings and recommendations of a Commission led by former U.S. Surgeon General David Satcher. The Satcher report (released in January 2004) describes two institutions at the precipice of crisis, and identifies several root causes that must be addressed, including:

- Absence of a working partnership and communication between the Los Angeles County Department of Health Services and Drew University in carrying out residency training programs.
- Absence of a culture of accountability and integrity of oversight of King/Drew teaching programs.
- A drop in patient census and loss of community confidence in the quality of care delivered at King/Drew.
- A failure of leadership of the Drew Board of Trustees in matters of quality patient care, teaching and learning, and failure to ensure through fundraising, the long-term viability of the university.
- Absence of a faculty practice plan that would ensure accountability of Drew faculty to Drew University and enhance the quality of care provided to patients at King/Drew.
- Failure to respond appropriately to major changes in the demographic and cultural environment surrounding King/Drew.

The Steering Committee recognized that the Los Angeles County Department of Health Services and Drew University play equally important roles in the success and failure of King/Drew Medical Center, and examined how both entities can more effectively work together to ensure that King/Drew can achieve

its mission of meeting the health needs of South Los Angeles residents.

Under the leadership of Dr. Cornelius Hopper, the Vice-President Emeritus of Health Affairs for the University of California, the Steering Committee embarked upon a rigorous, independent review of the issues to identify problems and determine solutions needed to achieve reform at both the hospital and the university. Although guided by the Satcher Report, the Steering Committee provided a greater focus on several issues meant to help restore the credibility and improve the service quality of both the hospital and university, including:

- Creating a successful partnership between the County of Los Angeles and Drew University in the operations and governance of King/Drew Medical Center;
- Strengthening Drew University's executive management and Board of Trustees;
- Improving the oversight and management of King/Drew Medical Center;
- Developing a faculty practice plan; and
- Regaining and retaining full accreditation of the graduate medical education programs by the Accreditation Council for Graduate Medical Education (ACGME).

For nearly one year, the Steering Committee conducted a thorough review of the King/Drew Complex. Its work involved research and assessments of prior investigations into the workings of King/Drew, and face-to-face discussions with individual Drew University board members, faculty, and staff; King/Drew Medical Center staff; the Los Angeles County Board of Supervisors; Los Angeles County Department of Health Services; University of California, Los Angeles (UCLA); community leaders;

public health experts and other stakeholders to assist in this investigation. The Steering Committee also commissioned four expert consultants to conduct in-depth analyses and make recommendations in the areas of finance, organization/governance, contractual relationships/affiliation agreement, and developing a faculty practice plan.

This report provides a roadmap for the King/Drew Complex to realize its full potential for becoming an academic medical center of excellence.

STEERING COMMITTEE ON THE FUTURE OF THE KING/DREW MEDICAL CENTER

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Executive Summary

“Ultimately, the Steering Committee recommends that the partnership between King/Drew Medical Center and Drew University should remain intact with a new management structure to oversee the partnership.”

For years, King/Drew Medical Center has served the health care needs of the residents of South Los Angeles and the surrounding communities. There is little doubt that the hospital has reduced the disparity in health care service in the region and established a national reputation for quality care in many areas, including ophthalmology, endocrinology, neonatal intensive care and trauma. The unique relationship between King/Drew Medical Center and Drew University has distinguished the King/Drew Medical Center Complex as an academic medical institution with the capacity to recruit socially committed, academically qualified faculty members who, in turn, actively recruit socially committed and academically qualified medical students and resident physicians.

The unique training environment that combines a multicultural, economically disadvantaged patient population with a medical center and medical school committed to serving California’s neediest communities has proven to be a model for recruiting and training culturally competent physicians in medically underserved areas. Drew University has, in fact, dedicated its research agenda to studying the special needs of underserved populations, thus positioning itself as a critical resource for the South Los Angeles community.

Although residency training at King/Drew Medical Center has been under intense scrutiny due to the loss of accreditation of surgery and radiology programs, seven of eight King/Drew remaining residency programs have been recertified by the national residency review committees in the last eight months.

Unfortunately, a combination of an ineffective oversight system, mismanagement, and lapses in judgment have led to a series of medical errors that in some instances have resulted in poor medical care.

In response to the problems at King/Drew Medical Center and the extraordinary need to find immediate and long-term solutions, The California Endowment created the Steering Committee on the Future of King/Drew Medical Center, and directed it to conduct its own research, analyze previous studies, commission new reports and propose meaningful recommendations to improve operations at King/Drew Medical Center and Drew University.

The Steering Committee strongly recommends that the partnership between King/Drew Medical Center and Drew University should remain intact with a new management structure to oversee the partnership. Fully implementing the Los Angeles County Board of Supervisor's proposal to create an independent advisory body will begin the process of depoliticizing the oversight of King/Drew and lay the foundation for improving patient care and physician training.

Moreover, The Steering Committee believes that the history of diffused and overlapping reporting relationships and the lack of clear lines of authority and accountability that have plagued the institution since its inception are the root cause of many of the serious problems and tragic outcomes that have unfortunately brought the King/Drew Complex into the national spotlight.

A critical element of a new and effective management structure is the creation of a single executive position that is responsible for the success of both the hospital and the University. This individual would be hired jointly by the County Board of Supervisors and the Drew University Board of Trustees, and be responsible to both entities for ensuring that the institution delivers high-quality clinical care and education, conducts research and provides other community services efficiently, effectively and ethically.

All major stakeholders at King/Drew Medical Center and Drew University acknowledge that the affiliation agreement between the County of Los Angeles and Drew University, the two entities responsible for oversight of King/Drew Medical Center, is an essential ingredient in addressing existing management and accountability problems. Consequently, it is essential that revisions be made to the affiliation agreement to help facilitate greater cooperation and partnership between the County of Los Angeles and Drew University.

The Drew University Board of Trustees, also viewed as critical to long-term reform, already has agreed to restructure itself. The Board recently reduced its number from 33 to eight, added six new members of national prominence to increase its skill sets, and is receiving special board training at Vanderbilt University.

Following a year of discussions and analysis, the Steering Committee made ten recommendations and created a roadmap for their implementation to ensure the successful future of King/Drew Medical Center and Drew University. The following recommendations were developed based on a series of findings that are outlined in depth in the report:

- The King/Drew Medical Center must become a health care institution recognized for consistent excellence in medical care delivery and service through publicly reported performance measures.
- A public-private partnership is essential to the success of King/Drew Medical Center. The County of Los Angeles, Drew University, the University of California, and other governmental and private organizations must commit to working toward a sustained and long-term collaboration.
- A new leadership structure is required to align management incentives and accountability for King/Drew Medical Center and Drew University.
- The Drew University Board of Trustees must continue its transformation through restructuring of its operational policies and recruitment of skilled leaders.
- The medical faculty of Drew University must assume full responsibility for the quality of the clinical services provided. Creation of a faculty practice plan would greatly facilitate these efforts.

- Oversight of the King/Drew Medical Center must be delegated to an external board of talented experts in quality, management, finance and delivery of health care services. This King/Drew board must be independent and shielded from undue political influence.
- King/Drew Medical Center and Drew University must develop stronger ties to the neighborhoods it serves by developing and fostering a multicultural, collaborative process to increase community involvement. These sister institutions must evolve quickly from an isolated community activism model to a multicultural center of excellence characterized by rigorous community involvement, leadership development and participatory research.
- King/Drew must be maintained as a valuable site for the training of physicians and allied health care professionals to serve all of Southern California. The current training programs should be stabilized, selectively expanded, and, where appropriate, eliminated or merged with other county-wide training efforts.
- For the benefit of the entire region, private sector health care entities in Los Angeles must be included as stakeholders and beneficiaries of King/Drew Medical Center efforts. Their expertise should be tapped as both King/Drew and Drew University refocus their efforts on providing the highest quality care to the community.
- Funding must be established for an urban health care institute at Drew University to develop new models for improving health care services to underserved populations.

In the judgment of the Steering Committee, the 10 recommendations identified in this report are fundamental and non-negotiable steps required to achieve effective reform at King/Drew Medical Center and Drew University, and to begin the healing process with the community they were established to serve.

The Steering Committee, in concert with recommendations made by Camden Consulting, Manatt, Phelps & Phillips, LLP, JHD Associates, and Dana Cunningham Consulting, developed a roadmap to implement these recommendations to help solve the broad range of problems facing the King/Drew Complex. In addition, the Los Angeles County Board of Supervisors retained the services of Navigant Consulting, Inc, to oversee day-to-day operations at King/Drew Medical Center, and they contributed to the findings and recommendations made by the Steering Committee.

The Steering Committee recognizes the complexity of the situation and the challenges associated with implementing these recommendations. Still, the overriding necessity of providing health care to this underserved community requires making the hard decisions and finding the resources to make them work.

Situation Analysis

“The affiliation agreement between the County of Los Angeles and Drew University is severely flawed, resulting in the ineffective operation...of King Drew Medical Center...”

The health care needs of the underserved population of South Los Angeles are no less compelling today than they were in 1972 – the year King/Drew Medical Center was established. Los Angeles County Service Planning Area 6 (SPA 6), the region served by King/Drew Medical Center and Drew University, is disproportionately affected by disparities in access to quality health care. This community has the highest rate of persons in the County living below the poverty rate (32 percent), the highest rates of obesity, high blood pressure, cancer mortality, stroke mortality, diabetes and coronary heart disease mortality, and a disproportionately young population with 40 percent of its residents below 19 years of age. Moreover, the population in South Los Angeles has shifted from being predominantly African American in 1965 to one that is now predominantly Hispanic. Whether African American or Hispanic, the disparities in accessing quality health care services, while improved, have not achieved parity with other communities in the greater Los Angeles County area.

King/Drew was established to fill the void and address the health care crisis in South Los Angeles. In fact, Drew University and King/Drew share a common mission to provide quality medical care and medical education with excellence and compassion to underserved populations. Additionally, the Los Angeles County Department of Health Services, which has oversight responsibility for King/Drew, is committed to improving health through leadership, service, and education for all Angelenos.

So, why are there still unmet needs in South Los Angeles?

Factors Impeding Realization of the Joint Mission of King/Drew Medical Center and Drew University

Included among the many factors cited as impeding the medical center’s ability to fulfill its mission are:

- Patients who live in the South Los Angeles community are disproportionately poor and subject to debilitating illness and disparities in access to care.
- Health services in Los Angeles County are chronically underfunded (In 2008, officials project a \$1 billion deficit in the County Department of Health Services budget).

- County government had not been responsive to recurring administrative and service problems at King/Drew.
- The affiliation agreement between the County of Los Angeles and Drew University is severely flawed, resulting in the ineffective operation and management of King/Drew Medical Center by both entities.
- The Drew University Board has been dysfunctional in composition, organization and method of operation.
- King/Drew’s response to the dramatic demographic and cultural changes in the surrounding community has been insufficient.
- Pressure by the Centers for Medicare and Medicaid Services (CMS) on the Los Angeles County Department of Health Services to make needed reforms at the risk of loss of critical federal funding.

In an effort to improve patient care at the King/Drew Complex, the Steering Committee identified three broad areas that require immediate improvement. Those broad areas include quality of care, governance, and financial management, and are explored in greater detail in the roadmap section of this report.

The Current Crisis

The failure by both the County of Los Angeles and Drew University to provide appropriate leadership, oversight, and resources has undermined King/Drew Medical Center’s ability to effectively serve the health needs of the South Los Angeles community. This has led to a crisis situation in the King/Drew Complex that has been compounded by the following factors:

- The loss in 2003 of two key residency programs and unsatisfactory reviews by the Accreditation Council on Graduate Medical Education (ACGME).
- Major lapses in quality of care, and the related breakdown of underlying administrative and professional control systems.
- Loss of accreditation by the Joint Commission on Accreditation of Health care Organizations (JCAHO).
- Political turmoil related to closure of specific King/Drew Medical Center services (Trauma Center and Neonatal Intensive Care Unit).

Steering Committee Findings

“Today, no individual executive is recognized as the institutional leader responsible for oversight of the quality of clinical care, education, research, and...resources”

As part of its investigation, the Steering Committee examined King/Drew Medical Center and Drew University to identify problems and make recommendations to achieve long lasting and meaningful reform. The Steering Committee conducted a careful review of both institutions to ensure they were being properly evaluated against an appropriate set of criteria and that relevant remedies would be applied to each institution. The following is a summary of findings that are specific to King/Drew Medical Center, Drew University, or in some cases, applicable to both entities. Overall, the Steering Committee firmly believes that the problems that exist at both institutions are not irreparable, and in some cases, are currently being resolved.

Finding #1: The King/Drew-Drew University Partnership

A successful partnership between King/Drew Medical Center and Drew University is vital to the well-being of residents of South Los Angeles. While pockets of excellence exist on an individual basis among each institution, a fully functioning partnership has never existed between the County of Los Angeles and Drew University.

- The promise of the Medical Center/University partnership as a model of integrated team training and research in the context of service to the underserved can and must be realized.
- Problems within the Drew University and King/Drew Medical Center can be solved, as evidenced by significant improvements in recent months.
- The King/Drew Complex fills a critical void in providing medical care for underserved populations. Numerous health care institutions have withdrawn from the emergency medical/trauma system of Southern California, thus avoiding the unfunded mandate of caring for medically indigent populations when they appear within the emergency setting
- Drew University’s investment in academic programs to train physicians and health workers specifically for medically underserved populations distinguishes it from other similar private and public institutions.
- Drew University has dedicated its research agenda to studying the special needs of medically underserved populations, and has invested in an educational pipeline to provide a pathway to training and service by and for the residents of South Los Angeles and Los Angeles County.

- The affiliation agreement between the County of Los Angeles and Drew University continues to be problematic.
- There has been a fundamental lack of communication and trust between the leadership of the County of Los Angeles and Drew University
- The public must believe that health care services provided by King/Drew Medical Center are of the highest quality and that their well-being is of the highest concern to the medical staff.
- The responsibility for implementing changes relative to an improved King/Drew partnership rests with the Los Angeles County Board of Supervisors, the Drew University Board of Trustees and other Los Angeles elected officials and community leaders.

Finding #2: Collaboration of Governing Bodies

The failure of effective collaboration of the partnership institutions which oversee King/Drew has contributed significantly to the many well-documented shortcomings at the Medical Center. While there has been some improvement in the process recently, there is an insufficient level of management mechanisms, policies and practices in place to ensure collaboration.

- Lapses in quality of patient care and residency program certification at Drew University, as documented by multiple accrediting agencies and reported publicly, are directly related to lack of collaboration between the King/Drew Medical Center and Drew University governing bodies – the County Board of Supervisors and Drew University Board of Trustees, respectively.
- Drew University and the Los Angeles County Department of Health Services have yet to agree on the appropriate level of staffing necessary for clinical care at King/Drew.

- Accountability for medical services, both clinical and teaching, is diluted and blurred by the nature of the current affiliation agreement between Drew University and the Los Angeles County. Dual accountability of the physicians to both Drew University and the Los Angeles County Department of Health Services leaves physicians accountable to neither.
- Recent progress in collaboration has produced significant improvements in residency program oversight and in understanding the core problems of infrastructure, management and staffing.
- The responsibility for implementing changes relative to collaboration of governing bodies rests with the Los Angeles County Board of Supervisors and the Drew University Board of Trustees.

Finding #3: Leadership Structure

Today, no individual executive is recognized as the institutional leader responsible for oversight of the quality of clinical care, education, research and the effective use of resources.

- There is a history and culture of blame and “finger-pointing” between Drew University and the Los Angeles County Department of Health Services whereby neither takes responsibility when problems arise. This “buck stops there” mentality has impeded progress and resulted in staff and executives assigning responsibility for failures to the entity that they least identify with.
- The medical school must be responsible for the recruitment and medical supervision of physicians.
- The current affiliation agreement between the Los Angeles County Department of Health Services and Drew University reimburses the medical school for its costs plus an agreed-upon markup. It does not require measurement of clinical services in Relative Value Units (RVUs), as is the

case in most academic medical centers today. Reimbursing at a price per RVU would facilitate effective evaluation and comparison of clinical performance, and create an incentive for the medical school to promote efficiency. Productivity-based compensation should become a longer-term goal.

- There is no consistent mechanism for recognition and reward of quality performance.
- A well-organized faculty practice plan would facilitate appropriate allocation of physician time between teaching, clinical practice, research, administration and community service while assuring accountability.
- The responsibility for implementing changes relative to leadership structure rests with the Los Angeles County Department of Health Services and the Drew University Board of Trustees.

Finding #4: Drew University Board of Trustees

The Board of Trustees must be strengthened in order to fulfill its educational and service responsibilities at the King/Drew Medical Center and to provide the leadership needed to engage and partner with the underserved, multicultural community it now serves.

- The Drew University Board of Trustees is currently restructuring to address gaps in the skill sets it needs. During the past year, the board of trustees voluntarily reduced its number from 33 to eight and has subsequently added six additional trustees, four of whom are of national stature in the fields of health and management.
- The trustees are engaging in special board training at Vanderbilt University and have initiated a search for a new president.

- The trustees must maintain focus on attaining quality of care of patients served in the King/Drew complex and develop information technology and research agendas necessary to evaluate the clinical work of King/Drew hospital staff.
- The trustees must lead by example by establishing and maintaining a multi-cultural leadership team.
- The trustees must generate the resources needed to fulfill its mission by developing a strong fundraising capacity for the University, including an annual capital budget.

Finding #5: Quality of Clinical Services

A clear and transparent system of review must be established to tie performance of clinical chairs to the quality of care provided by the faculty and staff they supervise.

- Drew University has historically placed more emphasis on high quality education and research than on high quality clinical care.
- High quality clinical care must be the focus of training and research activities at the university.
- Drew University should have greater authority over the retention and supervision of physicians and should be held accountable for the physicians' clinical performance.
- King/Drew Medical Center simultaneously must be held accountable for maintaining the infrastructure necessary for the provision of efficient, high-quality medical care and successful attainment of educational mandates.
- The County Board of Supervisors and the Drew Board of Trustees are responsible for implementing the new procedures to improve the quality of clinical services.

Finding #6: Oversight of King/Drew Medical Center

Significant structural changes are needed to improve the oversight of King/Drew Medical Center in order to deliver the high level quality of care that patients expect. With decades of failures and neglect, it is clear that the current structure that has the Los Angeles County Board of Supervisors providing oversight through the Department of Health Services has been unsuccessful. The Los Angeles County Board of Supervisors has since addressed this issue by retaining the services of Navigant Consulting, Inc.

- Navigant Consulting's assessment of operational deficiencies led to nearly 1,000 recommendations for changes in the King/Drew Medical Center, including the establishment of a Hospital Advisory Board that would bring more local control for day-to-day management and contract decisions.
- The Los Angeles County Board of Supervisors is not well-positioned to provide the intensity of oversight required for the successful and immediate implementation of Navigant's recommendation. However, the Steering Committee supports the Board of Supervisors' efforts to create an independent hospital advisory board to provide effective and necessary governance of King/Drew Medical Center.
- King/Drew is limited in its ability to respond to local service area priorities due to the county-wide system of financing and rigid operating rules across five supervisorial districts.
- There are no administrative performance standards to match clinical performance standards.

- Improving physician productivity and the quality of care requires a clear commitment from the Los Angeles County Department of Health Services to provide adequate facilities, management and staff support – a responsibility that is under the purview of the Los Angeles County Board of Supervisors.
- If Drew University, in connection with obtaining greater authority over the retention and supervision of physicians, is held accountable for the physicians' clinical performance, King/Drew must simultaneously be held accountable for maintaining the infrastructure necessary for the provision of efficient, high quality medical care.
- Implementing changes for improvement relative to the oversight of King/Drew rests with the Los Angeles County Board of Supervisors in conjunction with the Drew University Board of Trustees.

Finding #7: Community-based Partnership

There are many interested community residents and organizations that are indispensable and available to support both King/Drew and Drew University in their shared mission, but these entities have not been properly cultivated and their actions have not been coordinated with the Medical Center.

- The South Los Angeles community lacks a consistent, strong, diverse and educated patient voice that demands quality care, especially as major decisions are being made regarding service availability.
- The South Los Angeles community is a microcosm of the great diversity of the state's population but clear lines of division based on cultural, linguistic and geographic distinctions isolate populations.

- South Los Angeles residents need support in building:
 - Increased community awareness of health disparities and health-related challenges confronting their community;
 - Leadership skills;
 - Increased understanding of the private and public health provider systems and the role of government within the health care delivery system; and
 - Coordinated outreach programs with existing community-based organizations
- With the assistance and guidance of appropriate interested parties, a long-range multicultural community engagement and mobilization effort must be undertaken to strengthen accountability for quality health services to populations served by King/Drew. This process must be inclusive of and be sensitive to the changing demographics of South Los Angeles.
- The California State Assembly has also recognized the importance of Drew University and the King/Drew Medical Center by creating the Assembly Select Committee on the King/Drew Medical Center.
- Numerous graduates of Drew University training programs have become effective physicians and community leaders.
- Drew University has been singularly successful in attracting academically qualified, socially committed faculty members, most of whom come from underrepresented minority communities.
- Drew University faculty members have successfully recruited academically qualified and socially committed medical students and resident physicians, most of whom establish practices in medically underserved areas.
- UCLA/Drew University graduates who seek academic careers often engage in research relevant to minority communities including determinants of health status disparities.
- Drew University has a proud history and tradition of providing the continuing education of health professionals from the surrounding community.
- Expanded alliances with the University of California and, potentially, other universities are being explored.
- The nation's population is aging and continues to grow in ethnic and racial diversity and the demand for essential health care services continues to expand rapidly.
- Drew University, the University of California and the Los Angeles County Department of Health Services will have primary responsibility for implementing change relative to training.

Finding #8: Physician and Allied Health Care Professionals Training

The need for health care providers at all levels will grow substantially in the foreseeable future. Not only can King/Drew and Drew University prepare those future providers to care for residents of South Los Angeles, they can help supply health care improvements for the entire region.

- The state of California has recognized the importance of the training mission of the King/Drew and Drew University by the creation of public statutes and by the consistent appropriation of public funds in support of the mission of Drew University. Additionally, through the University of California (UC) Board of Regents, the state has provided a mechanism for oversight of its interests via the Vice President of Health Affairs of the University of California system.

Finding #9: Private Sector Stakeholders

In order to expand the basic science and clinical research base for King/Drew and Drew University, private sector entities must be called upon for expert advice and fund-raising efforts. In addition, the expertise and resources available in those private-sector organizations should be brought to bear in the governance and operations of the King/Drew Complex.

- Health care funding and the provision of quality services are major, ongoing concerns at all levels of government and in the private sector.
- King/Drew and Drew University, in conjunction with the private sector, can help define solutions to the critical national and societal challenges concerning the provision of quality health care to underserved populations.
- The Drew University faculty has enjoyed noteworthy success in attracting funding from government and industry for research directly relevant to urban population health disparities.
- Health care plays an increasingly important role in the economy of Southern California as the market for health care products and services increases.
- Private-sector health care organizations in Southern California have been exceptionally successful both in providing quality health services and rewarding shareholders. The continued success of the private sector will depend on effective public-private partnerships that drive efficiency, cut waste and promote productivity.
- King/Drew aspires to become a medical center of excellence for urban and immigrant populations with a strong focus on community-based and cross-cultural training. Currently, no institution in the county is addressing these issues in a comprehensive manner.
- Private-sector health care institutions are a major consumer of the talented trainees who graduate from King/Drew programs.

- The responsibility for implementing change for improvement relative to the involvement of private entities rests with the Los Angeles County Board of Supervisors, the County of Los Angeles and executive leadership of King/Drew Medical Center and Drew University.

Finding #10: A New Care Delivery Model

King/Drew Medical Center's insufficient response to the dramatic demographic and cultural changes in the surrounding community combined with the documented erosion of public trust and confidence underscores the need for establishing an urban health institute at Drew University. This institute should be responsible for developing a new care delivery system that works in concert with the community it is designed to serve.

- Following its inception in 1972, the Drew University of Medicine and Science was awarded the charter for an urban health institute by the State Legislature, but it did not receive funding for this institute.
- An urban health institute at Drew University would undertake the development, evaluation and implementation of new care delivery models that will improve the health and health care of underserved populations and reduce disparities in care.
- An urban health institute would ensure community participation in the design of appropriate health services and would adopt the participatory research model in partnership with community-based organizations.
- This institute would house a program for interracial communication and collaboration responsible for leadership development and community mobilization, and a program for access to health services that would coordinate enrollment services for low-income families and re-certification services for state-sponsored programs.

Steering Committee Recommendations

“The appointment of a chief executive responsible for hospital and university management, a revised affiliation agreement, and a well-organized faculty practice plan are essential to establishing systemic change...”

Following its year-long research and investigation, the Steering Committee developed 10 specific recommendations that will lead to significant improvements in King/Drew Medical Center and Drew University’s overall delivery of health care services to the South Los Angeles community. These 10 recommendations are viewed as major reforms that will ensure the long-term viability of the King/Drew Complex and the reduction of health care disparities for residents of South Los Angeles and Los Angeles County. These recommendations link directly to the 10 findings on the preceding pages.

Recommendation #1

The King/Drew Medical Center must become a health care institution recognized for consistent excellence in medical care delivery and service through publicly reported performance measures.

King/Drew Medical Center is at the leading edge of what is likely to become a more intense and devastating set of health care delivery crisis for Southern California, due in large part to a decreasing number of health care institutions in the region that provide emergency medical/trauma services.

Recommendation #2

A public-private partnership is essential to the success of King/Drew Medical Center. The County of Los Angeles, Drew University, the University of California, and other governmental and private organizations must commit to working toward a sustained and long-term collaboration.

Recent cooperation between Los Angeles County and Drew University has produced significant improvements in residency program oversight and in understanding of the core problems of infrastructure, management and staffing.

Recommendation #3

A new leadership structure is required to align management incentives and accountability for the King Drew Medical Center and Drew University.

The appointment of a chief executive responsible for hospital and university management, a revised affiliation agreement and a well-organized faculty practice plan are essential to establishing

systemic change in the work processes of King/Drew Medical Center and Drew University.

Recommendation #4

The Drew University Board of Trustees must continue its transformation through restructuring of its operational policies and recruitment of skilled leaders.

A reconstituted board will ensure the University is being properly guided and managed, and that it is responsive to the needs of the underserved, multicultural population in South Los Angeles.

Recommendation #5

The medical faculty of Drew University must assume full responsibility for the quality of the clinical services provided. Creation of a faculty practice plan would greatly facilitate these efforts.

Drew University should have greater authority over the retention and supervision of physicians as a means of ensuring high quality medical care and accountability for physician's performance.

Recommendation #6

Oversight of the King/Drew Medical Center must be delegated to an external board of talented experts in quality, management, finance and delivery of health care services. This King/Drew board must be independent and shielded from undue political influence.

Appointing an independent hospital board with the capability of providing oversight of King/Drew Medical Center addresses an immediate, urgent need to deliver well-managed, quality medical services.

Recommendation #7

King/Drew Medical Center and Drew University must develop stronger ties to the neighborhoods it serves by developing and fostering a multicultural, collaborative process to increase community involvement. The sister institutions must evolve quickly from an isolated community activism model to a multicultural center of excellence characterized by rigorous community involvement, leadership development, and participatory research.

Both the medical center and the university must respond to and keep pace with the changing demographics of the surrounding community. An informed patient population can better assist the King/Drew Complex to achieve its mission.

Recommendation #8

King/Drew must be maintained as a valuable site for the training of physicians and allied health care professionals to serve all of Southern California. The current training programs should be stabilized, selectively expanded, and where appropriate, eliminated or merged with other county-wide training efforts.

Improvements in its training program will ensure that Drew University is better positioned to serve an increasingly aging population. The university must build upon its proud tradition of training allied health professionals while also expanding alliances with the University of California and potentially, other universities.

Recommendation #9

For the benefit of the entire region, private sector health care entities in Los Angeles must be included as stakeholders and beneficiaries of King/Drew Medical Center efforts, and their expertise should be tapped as both King/Drew and Drew University refocus their efforts on providing the highest quality care to the community.

The success of private sector entities depends upon the availability of public hospitals such as King/Drew Medical Center to remain in place to meet the health care needs of medically indigent populations.

Recommendation #10

Funding must be established for an urban health care institute at Drew University to develop new models for improving health care services to underserved populations.

The dramatic demographic and cultural changes in South Los Angeles combined with the documented erosion of public trust and confidence make it mandatory that a new vehicle be established through which residents are validated and empowered to be full participants in the health care delivery system in their community.

Developing A Roadmap

"In order for the King/Drew Complex to succeed...a chief executive officer must be recruited to have leadership of both King/Drew Medical Center and Drew University."

IMPLEMENTING THE TEN KEY RECOMMENDATIONS

In the judgment of the Steering Committee, the ten preceding recommendations are fundamental and non-negotiable steps required to achieve lasting reform. The remainder of this report should be viewed as a roadmap to help achieve the full potential of King/Drew Medical Center and Drew University.

In developing the roadmap, the Steering Committee focused on three broad areas for improvements: quality of care, governance and financial management. As the King/Drew Complex realizes its goals in these three areas, by definition, it will also meet the broader goal of public accountability that is critical to fulfillment of its shared mission. These recommendations may be implemented simultaneously with the core recommendations or subsequently after the situation is stabilized.

QUALITY OF CARE

Numerous national reports including those issued by the Institutes of Medicine of the National Academy of Sciences have documented the need for improved quality of care for our nation's residents. Nowhere are the elements of these reports more relevant than at the King/Drew Medical Center. The Steering Committee believes that quality of care – as evidenced by the perceived reputation of an institution – is at the heart of public confidence in that institution. All recent evidence, including that identified by the Steering Committee, confirms there are major concerns about the perceptions and actual quality of care at King/Drew.

The Steering Committee believes that quality of care is the net result of the knowledge base, motivation, and active collaboration of the medical school faculty, the nursing staff and other relevant clinical personnel. The underpinnings of successful quality of care management includes the willingness to regularly examine the performance of all involved and take the necessary and appropriate actions to identify deficits, to hold individuals accountable and responsible, and to examine progress.

Quality of Care Recommendations Specific to King/Drew Medical Center

- Create strong systems that hold clinical department chairs accountable for the quality of care provided to patients with supervision from faculty and house staff within each clinical department. Regularly evaluate clinical department chair performance against national benchmarks. Periodic external assessment of each clinical department should be planned and executed.
- Establish unambiguous responsibility for patient care management within a team of care providers. Each patient must have a specific attending physician responsible for the overall care – while an inpatient or an outpatient – and the attending physician should be easily identifiable to all members of the care team, including the patient and his or her family.
- Programs should be established as quickly as possible to track the number of patient encounters by each resident. Additionally, attending physician oversight responsibility for residents should be enhanced immediately.
- Improve the cultural competence of the King/Drew Medical Center staff through recruiting and retraining. Given that Spanish is the primary language of an increasing percentage of the King/Drew patient population, classes to improve communication between non-Spanish speaking health care providers and their patients should be enhanced and made readily available.

Quality of Care Issues Specific to Drew University

- Increase collaboration immediately with the University of California, primarily through the UCLA School of Medicine, to improve the quality of student and resident education at Drew University.
- Develop a university-wide research agenda at Drew University that includes department-specific quality of care-related research. External review programs for each clinical department should occur on a regular basis. Such reviews should serve as a primary source of information for the dean and university president to evaluate the performance of clinical department chairs and help determine bonuses and promotions.
- Substantially increase the knowledge base of clinical department chairs regarding budgeting processes and actively include the chairs in all budget and planning processes for Drew University.

GOVERNANCE

The problems of King/Drew Medical Center and at Drew University have been well known for years. Recently, these sister institutions have received greater public attention and scrutiny. However, there is a long history of public reports of inefficiencies that have resulted in adverse patient care consequences, embarrassment to providers, and short-term fixes implemented by the Los Angeles County Department of Health Services. The Steering Committee believes that it is of utmost importance to put an end to the patchwork plans that resolve immediate crises but fail to achieve long-term solutions.

The problem is not one of “diagnosis”; the problem is one of “therapy.” The Steering Committee believes that the range of therapeutic options for both King/Drew and Drew University need to be broadened rather than narrowed. The Los Angeles County Board of Supervisors and the Drew University Board of Trustees have not successfully managed their responsibilities with respect to the hospital and the university. The Board of Supervisors and the Drew University trustees have yet to develop a long-term plan for the future of the King/Drew Complex. Both oversight boards have failed to ensure that adequate leadership was put in place and held accountable for all aspects of both institutions. The County and the university simply have not done their jobs, and the people of South Los Angeles and the surrounding communities have suffered as a result.

Governance Recommendations Specific to both King/Drew Medical Center and Drew University

The Steering Committee believes that a broader solution set should be actively explored and created. This solution set should include several elements of the private sector, which ought to augment the efforts of the County Board of Supervisors and the Drew University Board of Trustees. This response could take the form of an independent advisory board that is empowered to oversee the activities of both the medical center and the university, reporting to the Los Angeles County Board of Supervisors and to the Drew University Board of Trustees. The reasons for this change in governance includes:

- All previous efforts that did not involve the private sector have failed.
- Expertise is available within the private sector that is not available within either the Drew University Board of Trustees or the Los Angeles County Board of Supervisors.

- King/Drew and Drew University are at the leading edge of what is likely to become a more intense and devastating set of health care delivery crises for Southern California. The demographic shifts are clear: the number of underserved, predominantly immigrant populations needing health care services and seeking them primarily from county-based institutions has continued to increase. The taxpayers’ willingness to provide services deemed adequate for this population has eroded. Numerous health care institutions have withdrawn from the emergency medical/trauma system of Southern California, thus avoiding the unfunded mandate of caring for medically indigent populations when they appear within the emergency setting.

The Steering Committee believes that unless the public and private sector collaborate on creating effective long-term solutions, these problems will threaten all Southern California health care institutions – not just those now under intense scrutiny.

Independent Oversight

The Steering Committee strongly supports the Navigant Consulting recommendation that independent oversight from health experts, separate and apart from the County Board of Supervisors, is needed to provide management and governance of King/Drew Medical Center. An independent advisory board is desirable and greatly augments the multiple planning processes required to better serve the health care needs of all Southern California residents. The membership of this independent body should consider including representatives from the Steering Committee and senior executive leadership from private sector institutions such as:

- Blue Cross of California
- Cedars Sinai Medical Center

- HealthNet
- Kaiser Permanente
- PacifiCare

These are institutions with strong Southern California roots and with long-term interests in the continued success of health care service delivery within our region. Each has a proven track record of excellence in financial management and/or excellence in health care service delivery. These institutions/entities can supplement the efforts of the University of California, the University of Southern California and other entities already involved in affecting solutions for King/Drew Medical Center.

The Steering Committee also believes that participation from these private sector entities will, over time, facilitate the creation of an infrastructure for grant solicitation and fundraising efforts that could augment sources of private sector funds available to Drew University to create centers for educational excellence.

Most importantly, however, these entities bring leadership to the table. Each of them has a proven track record of success, and each is known for its excellent management team. The Steering Committee believes that nothing is more important than leadership, and these are all entities where leadership is a prized and nurtured commodity.

Governance Recommendation – Institutional Leadership

Today, dissonance is the key theme in the relationships between Drew University, the Los Angeles County Board of Supervisors and the public. The only known antidote to dissonance is passionate, effective leadership.

In order for both Drew University and the Los Angeles County Department of Health Services to succeed in their respective missions, their incentives and strategies must be aligned. The best way for that alignment to occur is through the joint recruitment and empowerment of a chief executive officer (CEO), whose talents permit effective leadership of both King/Drew Medical Center and Drew University. The CEO would have responsibility to the County for services delivered at King/Drew, and would have appropriate oversight of the faculty, students and the academic enterprise of Drew University that specifically relates to patient and clinical service at the medical center. Through investment in and support of one exceptionally skilled person, both the County and the university would solve the dilemma of linking both authority and responsibility.

Proposed Steps for Creating a New Leadership Structure

- The Los Angeles County Board of Supervisors completes the development an independent advisory body and delegates to it responsibility for King/Drew Medical Center.
- This advisory body and Drew University create a job description for a single, chief executive officer (CEO) that in effect gives the individual responsibility for King/Drew (reporting to the advisory body) and for joint university and King/Drew-based activity (reporting to the Drew University Board of Trustees). Actual employment is with either Drew University or the Los Angeles County, whichever is most efficient and has fewer legal complications. The non-employing entity signs a binding contract with the employing entity.
- The chief executive officer would be supported by a senior management team consisting of a chief operating officer, a chief financial officer, and chief

medical officer on the hospital side, and a newly created position of Provost on the university side. These four managers would work together to create an atmosphere in which the patient care and educational missions of the overall institution could be met. The lack of this senior management team, reporting to a single executive, is a major flaw in the governance system in place at KDMC/Drew University today.

- The contract for employment of the CEO would be of fixed length and requires concurrence of both the County and the University Board. Reappointment would be possible only if both entities agree.

Leadership Qualifications

- Physician with significant leadership experience and proven financial management skills;
- Eligible for appointment at the professor rank by the University of California;
- Unencumbered medical license, non-problematic medical staff and malpractice history;
- Non-problematic and thorough background check: clinical, legal, and financial; and
- National reputation and fund-raising expertise.

Combining the executive leadership of King/Drew Medical Center and Drew University is a bold move calculated to create different results than the separate roles have produced thus far.

FINANCIAL MANAGEMENT

Financial management at King/Drew Medical Center and Drew University are complicated by multiple funding sources, a mixture of public and private funds, a lack of specificity with respect to which sources are specific to which elements of the operation and poor communication between the various parties with financial responsibility.

In order to better characterize the flow and use of funds, the Steering Committee subcontracted with the Camden Group whose recommendations are provided below.

The Camden report and recommendations were reviewed both at the Subcommittee and Steering Committee level. Summary recommendations, physician and faculty compensation recommendations, audit responsibility recommendations, budget recommendations, and information system recommendations are presented, prioritized and summarized below.

Financial Recommendations Specific to King/Drew Medical Center and Drew University

- Drew University should allocate its overhead costs such as institutional support and fund raising into the three major program areas of instruction, public service and research (and by project or grant within each of those areas), in order to obtain insight into what drives the profit or loss of each. The allocations should be based on reasonable drivers of the related overhead expense, and take into account program activities that require greater or fewer resources. This effort should be made at least quarterly.
- At King/Drew, the numeric differences between publicly available financial reports [i.e. the Office of Statewide Health Planning and Development (OSHPD) report, and the Medicare cost report and annual audit] should be reconciled, and explained by management, and reviewed by the Los Angeles County Board of Supervisors, Drew University Board of Trustees and appropriate University of California officials.

- Camden observed that Drew's year-end closing process took in excess of 11 weeks. Drew should review its year-end financial closing procedures and determine how to produce auditable statements more quickly after year-end. The target should be four to six weeks.

Physicians and Faculty Compensation

- A tightly integrated physician staff, planning, and budgeting process between King/Drew and Drew University must be developed. At a minimum, it will identify physician compensation levels and establish volume-based full-time equivalent (FTE) position requirements for clinical and academic services. Monthly reports should be provided to physician managers to monitor and compare actual performance to budget.
- The supervision of clinical and academic functions should be combined under the management of Drew University, with the university accountable to the County. This arrangement creates a single point of management and accountability, regardless of the employment status of a physician as a County employee, through Drew University or both.
- A coordinated, routine and pro-active mechanism to share King/Drew physician employment data between King/Drew and Drew University must be created. It should establish a process for the medical center and the university to jointly approve new physician hires and compensation levels.
- A single time card tracking system for physicians must be established, with clear definitions and guidelines on how physicians are to apportion time to clinical and academic activities.
- It is important to eliminate the requirement that an individual physician must first be scheduled to meet County clinical obligations (e.g., 40 hours per week) before academic teaching hours will

be considered and counted. Department chairs should be allowed flexibility to schedule physicians as necessary to meet overall budgeted department clinical and academic requirements, even if that means, for example, that one physician's hours were all clinically related, while another's were all academic hours.

- A system and policy must be established that requires all physicians to submit patient encounter data. This data to be used for tracking productivity and where applicable, for billing of physician services.
- Specific productivity and financial data should be made available to the physicians in each department to enhance knowledge, build awareness, utilize peer pressure and provide a comparative benchmark.
- Drew University's Dean and executive management should have increased evaluative and budget oversight over Department Chairs.

Audit Responsibility

- At Drew, all matters brought to management's attention through the external auditor's management letters, should be addressed and cleared in a reasonable timeframe.
- The Steering Committee concurs with management's decision to create an Internal Audit function that reports to the Drew Board of Trustees or Board Audit Committee.
- At Drew, in several instances schedules in support of balance sheet accounts did not agree with the figures shown on the audited statements. All balance sheet accounts should be reconciled on a monthly basis, and any post closing entries should be entered on the schedules.

Budgets

- Drew should prepare a capital budget annually.
- King/Drew should design monthly budgeting and monitoring processes and reports that are useful in a hospital environment, timely and reliable.
- King/Drew should modify the annual budget process to create an environment in which each hospital manager better understands and takes more ownership in the budget creation process, and in which there is an incentive for managers and physicians not to spend unnecessarily.
- Drew University's annual budget process takes from six to nine months. Even on the short end of that timeframe, given the small degree of variation in the numbers between years, and the nature of the grant review process throughout the year, the added value of taking several months to create a budget does not appear productive or useful. The time should be reduced to less than three months.
- Before Drew University accepts a clinical or investigational trial, the Principal Investigator should work with Drew's Office of Grants and Contracts and the sponsoring company to prepare a detailed budget for the trial. In some instances a budget seemed to be prepared after the trial was accepted and payments were being made.

Full-time Equivalents-Drew University

- All personnel should be budgeted on an FTE basis.
- Budgets should be monitored against "actual" on an FTE basis for all personnel.

- Staffing benchmarks should be determined from similar universities for key positions, and compared to staffing levels at the university at least annually.

Full-time Equivalents-King/Drew Medical Center

- The content of the labor distribution reports should be reviewed and corrected immediately, and new processes put in place to assure accurate departmental information is maintained.
- A permanent solution for the shortcoming in labor reports must be sought, even if it means upgrading or replacing the timekeeping system.
- Management should select hospitals that they believe are comparable and compare FTEs in key areas on a regular basis.

Information Systems

- For Drew University, management should continue implementing changes in the human relations/payroll module that should resolve shortcomings noted by The Camden Group and the UC Vice Chancellor's report.
- For both the Drew University and King/Drew Medical Center, most perceived shortcomings of information systems are not due to the system selection. Rather, there is a lack of staff training or inadequate processes that result in systems not being used to their fullest extent.

For King/Drew the capabilities of the time and attendance systems should be explored so that meaningful departmental reports can be produced. The human relations/payroll or time and attendance systems should be upgraded as necessary.

Potential Publicly Reportable Performance Measures

Performance measures can be used to pay bonuses to the medical school if the physicians exceed pre-determined quality of care targets and/or impose penalties if these targets are not reached. Exceptions can be recognized if the failure to meet performance targets can be shown to have been the fault of factors not under the control of the hospital.

The types of performance measures that could be considered at King/Drew Medical Center include the following:

- **Pediatric Immunization** – Children by their second birthday must have a written order in their record for all required immunizations.
- **Women’s Health** – Mammogram Screening – Women between the ages of 41 and 50 who receive screening care at the hospital must have a mammogram order in writing in their medical record within the past 12 months.
- **Radiology Readings** – Routine radiology images must be read by an attending radiologist within 24 hours (or the next working day following a weekend or holiday).
- **Women’s Health – Pap Test Screening** – Women aged 18 through 63 who receive primary care at the hospital must have a Pap test ordered during the past 12 months.
- **Diabetic Retina Eye Exam** – Diabetic patients who received primary care at the hospital during the quarter must have a retinal eye exam documented during the past 12 months.
- **Consults** – Consults in the emergency room must be provided within 30 minutes.
- **Physician Provider On-time in Operating Room** – Physician providers must be on time for operating room procedures.
- **Follow-up Discharged Patients** – Appropriate follow-up visits must be ordered for discharged patients with behavioral health visits scheduled within 30 days.
- **Psychiatric Readmission** – Except where required by law or medical condition, discharged psychiatric patients shall not be readmitted within fewer than 15 days.
- **Substance Abuse Follow-up** – Patients discharged from inpatient substance abuse treatment will, as indicated, have an outpatient visit scheduled within five days.
- **Dental Screening** – Pregnant women and children aged 3 or older who are referred and present at dental clinics will receive a general dental screening as part of their initial evaluation.
- **Continuing Medical Education** – All physician providers must meet CME requirements.
- **Medical Staff Reappointments** – A complete reappointment package must be submitted to the medical staff office at least three months before appointments expire.
- **Quality Assurance – Departmental Activities** – Each department must follow policies that require regular meetings of department quality assurance committees, minutes, a quality assurance plan, and an annual report.
- **Medical Record Completion** – Fewer than 5 percent of all medical records must remain uncompleted “for reasons within the physician’s control” more than 30 days after discharge.

Looking Ahead

“The King/Drew Complex has an opportunity to become a national center of excellence...in multicultural health...”

The integral relationship between King/Drew Medical Center and Drew University is a unique and socially significant convergence that recognizes the need to support a safety net hospital with an academic arm committed to robust scholarly activity and capable of driving policy changes to address the needs of vulnerable populations at the local, state, and national level.

Moving forward, the King/Drew Medical Center and Drew University – the King/Drew Complex – has an opportunity to become a national center of excellence in multicultural health through the implementation of recommendations made by both the Steering Committee and Navigant. While much work remains to be done, progress is being made, and there are reasons for optimism and hope, including:

- While residency training at King/Drew has been under intense scrutiny, it should be noted that seven of eight residency programs at King/Drew have been recertified in the past eight months after being reviewed by national residency review committees. A total of 13 residency programs have full accreditation.
- Drew University has developed a unique and comprehensive medical and health education pipeline. This includes sponsorship of Head Start programs, elementary school “Saturday Science” academies, hospital rotations for students enrolled in the King/Drew magnet science high school, establishment of a King/Drew School of Allied Health for midlevel professionals, a joint undergraduate medical training program with UCLA, as well as sponsorship of 18 residency training programs in conjunction with King/Drew and the Los Angeles County Department of Health Services.
- The UCLA/Drew undergraduate medical education program has been a success, and has resulted in graduates who successfully compete for residency programs nationally and do well academically, and graduates who practice in medically underserved areas at a rate far above those from other medical programs.
- Drew University has been one of the most successful medical schools in the nation in producing racially and ethnically diverse medical students, interns, and residents. Although much smaller in size than other medical schools, Drew University accounts for approximately 10 percent of underrepresented minority physicians graduating from California medical schools. In 2004, 32 percent of

medical students were African-American, and 31 percent were Latino. Among medical interns and residents, 21 percent were African American, 22 percent were Asian, and 11 percent were Latino. Furthermore, Drew University has been a critical resource of diverse allied health professionals – an astounding 48 percent of students in 2004 were African American, while 22 percent were Latino. In its landmark report "Unequal Treatment," the Institute of Medicine identified the importance of increasing the proportion of underrepresented racial and ethnic minorities among health professionals as a key strategy to reduce health disparities.

- Drew boasts a faculty that is among the most racially and ethnically diverse of any medical school in the nation. Nationally, about four percent of the medical school faculty is from underrepresented populations; at Drew University the number is 45 percent. Moreover, 60 percent of full-time Drew faculty share joint appointments at the UCLA School of Medicine.
- The National Institute of Health awarded Drew University faculty over \$20 million in research grants – only 39 of the nation's 126 four-year medical schools received more funding.

Vision

When ultimately realized, the Steering Committee's vision for the King/Drew Complex will result in South Los Angeles' underserved population receiving these basic, but fundamental health care assets and services:

- A single CEO or executive with joint responsibility for services at King/Drew Medical Center and academic programs at Drew University.
- Employees dedicated to the difficult and sometimes under-appreciated work of providing care for the underserved community that surrounds the hospital.

- A restructured affiliation agreement between Los Angeles County and Drew University that establishes clear accountability for medical services, both clinical and teaching.
- A well-developed faculty practice plan that creates greater accountability of Drew University faculty through peer review.
- A tightly integrated physician staffing, planning and budgeting process between King/Drew Medical Center and Drew University.
- Greater responsibility for the quality of clinical services residing in Drew University whereby dual accountability of physicians to both the County of Los Angeles and Drew University will be eliminated.
- King/Drew Medical Center residency and training programs, which are stabilized, reduced in size or selectively expanded as appropriate, and provide an ongoing source of culturally competent medical training.
- Achievement of residency programs that regain and retain accreditation.
- Drew University's faculty adds to the \$20 million in research grants already in hand.
- Drew University's Board of Trustees are highly skilled and committed to King/Drew Medical Center providing the highest level medical services to the community and being integral to the health care system in Los Angeles County.
- Private sector entities are included as stakeholders and beneficiaries of King/Drew Medical Center, including being beneficiaries of King/Drew Medical Center graduates.
- South Los Angeles residents have a consistent, diverse and educated patient voice that demands, and gets, quality medical care.

- King/Drew Medical Center’s potential as a multi-cultural health center with health services, medical training, and research programs directed toward the health needs of South Los Angeles is fully realized.

KING/DREW COMPLEX STAKEHOLDERS

The Steering Committee anticipates that all stakeholders in the King/Drew Medical Center Complex will participate fully in the implementation of the 10 recommendations and the realization of the vision for the future of King/Drew. Following is a snapshot of recommended activities specific stakeholders should undertake, and in some instances have already undertaken, to help make the vision a reality.

Los Angeles County Department of Health Services

- Regain JCAHO accreditation for King/Drew Medical Center;
- Maintain Medicare and Medicaid funding;
- Support Drew University Faculty Practice Plan when adopted;
- Link and evaluate performance of CEO to performance of Drew faculty;
- Revise the King/Drew Affiliation Agreement to place more direct responsibility and accountability on Drew University for the hiring and supervision of physicians providing patient care at King/Drew Medical Center;
- Implement changes recommended by Navigant Consulting Inc.;
- Revise resource allocation in South Los Angeles to better meet unmet need in Service Planning Area (SPA) 6;
- Explain variations in publicly available financial reports (Office of State Health Planning, Medicare, Independent Audits);

- Develop tightly integrated physician staffing, planning, and budgeting process between King/Drew and Drew University in identifying physician compensation levels and establishing a volume-based full-time equivalent position requirement for clinical and academic services;
- Create coordinated routine and proactive mechanism to share King/Drew physician employment data between King/Drew and Drew University including establishment of a process for King/Drew and Drew University to jointly approve new physician hires and compensation levels;
- Establish a single time-card tracking system for physicians;
- Institute a system and require all physicians to submit patient encounter data; and
- Make Department Chairs responsible and accountable for all aspects of physician clinical services, teaching, research, funding, compensation, work assignments, budgeting, quality benchmarks and other aspects of managing their departments.

Drew University Board of Trustees

- Maintain focus on attaining quality of care of patients served in the King/Drew complex;
- Recruit and add trustees that meet institutional leadership needs;
- Recruit and select outstanding President;
- Lead by example through a multicultural leadership team;
- Demonstrate strong support of a Drew Faculty Practice Plan;
- Develop strong fundraising capacity for the University, including an annual capital budget;
- Develop information technology and research agendas necessary to evaluate the clinical work of King/Drew Medical Center staff;

- Attain ACGME certification for overall residency training;
- Improve communication with outside communities regarding the assets of Drew University; and
- Support executive level creation of an internal audit function that reports to the Board Audit committee.

Independent Advisory Board to King/Drew Medical Center

- Oversee implementation of the Navigant recommendations;
- Make recommendations concerning timing for reopening Trauma Center and neonatal intensive care unit at King/Drew;
- Make recommendations regarding which residency programs should be maintained, and eliminated and at which institutions the programs should be conducted; and
- Include leadership of private managed care sector.

Los Angeles County Board of Supervisors

- Support independent work of the King/Drew Advisory Board;
- Respect inclusion of community vision for the future of health care in South Los Angeles;
- Support a revised County-Drew Affiliation Agreement; and
- Support continuation of the King/Drew Medical Center and Drew University partnership.

State of California

- Support continuing the UCLA-Drew University undergraduate medical training program;
- Support funding for the Urban Health Institute at Drew University; and
- Support by the University of California in brokering helpful relationships between UC campuses and King/Drew with respect to residency issues.

South Los Angeles Community

- Participate in education, outreach and training programs offered by South Los Angeles organizations in collaboration with The California Endowment to strengthen and empower the community voice in demanding quality care at King/Drew Medical Center; and
- Participate in important policy decisions which should be made by health leaders with input by community stakeholders.
- Address the needs of the entire community across racial, linguistic, and cultural lines.

Navigant Consulting

- Select a permanent CEO, Director of Nursing and Director of Human Resources;
- Continue to brief community on Navigant’s work;
- Ensure transition from consultants to permanent employees of new system management.

The Steering Committee will monitor these and other developments in connection with the future of the King/Drew Complex and report to a cross-section of all stakeholders on the findings in this report.

NEXT STEPS

Though nearly a year in the making, this report represents the beginning – not the conclusion – of a long process to restore the reputation, management and medical care provided by King/Drew Medical Center and Drew University. The success of the Steering Committee’s work will be based upon gaining the support of the Los Angeles County Board of Supervisors and the Drew University Board of Trustees, and, in addition, forging partnerships with state legislators, the University of California and private health care providers. Efforts now shift to the process of ensuring that both the private and public sectors are on board with the Steering Committee’s recommendations and agree to work in concert with us to ensure the success and long-term future of King/Drew Medical Center and Drew University.

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