

Agenda Item: 12

**CITY OF SANTA CLARITA
AGENDA REPORT**

UNFINISHED BUSINESS

CITY MANAGER APPROVAL:

Ken Striplen

DATE: April 13, 2021

SUBJECT: REVIEW AND DISCUSSION OF AN ANALYSIS RELATED TO THE
FEASIBILITY OF FORMING A LOCAL PUBLIC HEALTH
DEPARTMENT

DEPARTMENT: City Manager's Office

PRESENTER: Jerrid McKenna

RECOMMENDED ACTION

City Council review and discuss the analysis, developed by Management Partners, related to the feasibility of forming a local public health department.

BACKGROUND

Since the beginning of the pandemic in March 2020, the Los Angeles County Department of Public Health (DPH) has issued blanket restrictions that have applied to many different communities, which have been dissimilarly impacted by the COVID-19 Pandemic (Pandemic).

With the disruption caused to the local economy by these restrictions, the City Council authorized \$25,000 to hire a firm to evaluate the potential for establishing a local public health department at the September 22, 2020, regular City Council meeting. A contract for this service was executed with Management Partners on December 17, 2020.

Management Partners reviewed more than 25 sources of information ranging from City of Santa Clarita (City) specific COVID-19 case rates to Los Angeles County (County) financial documents to better understand the funding needed to provide public health services. As part of this research, Management Partners also viewed hours of Council meetings and conducted a comprehensive review of California codes and statutes.

Conclusion

After researching recent case studies and careful consideration of the available options, Management Partners concludes, "We do not find that there is a compelling case to change the basic structure of public health regulation. This is due to the expense and complexities that

would arise and doubts about how much local control is possible given the state’s authority in controlling and regulating public health responses, as well as the regional and even statewide nature of many such issues.” (page 17)

The full report completed by Management Partners is attached to this item for review, in addition, a summary of key findings from their analysis that has been included in the staff report below.

Key Findings

City staff reviewed the analysis and has provided the following key findings:

Public Health in California

Statutes regarding public health services are found in the Health and Safety Code, Government Code, Penal Code, and Code of Regulations. According to the Health and Safety Code, the California Department of Public Health has statewide authority during times of emergency, such as the most recent COVID-19 Pandemic. Meaning, during these times, local or county regulations are superseded by the State. Furthermore, public health services are most commonly provided by county governments in California. Only three cities in the state have their own public health department: Long Beach, Pasadena, and Berkeley. (pages 4-5)

About Los Angeles County DPH

The Los Angeles County DPH is one of the largest organizations in the United States, serving 85 cities and over 100 unique unincorporated areas. A majority of funding for operations comes from state, federal, or other governmental agencies (46.3 percent). DPH’s total budget for Fiscal Year 2020/21 was \$1.2 billion, which equates to a per capita cost of \$128.32. (page 6)

DPH Services in Santa Clarita

The City has contracted with the County for these services since incorporation in 1987. The City does not pay directly for these services, rather the funding is derived from residents’ property tax to pay for general pooled County services. The most recent contract was signed in 2018 and is effective through June 30, 2023. (page 6)

COVID-19

Throughout the Pandemic, the City has experienced a more positive outcome (fewer cases and deaths) than the County as a whole and when compared to other individual communities in the County. However, health care restrictions have been imposed Countywide, causing significant disruption to the local economy. (page 7)

Table 2. Santa Clarita and Nearby Communities' Coronavirus Experience as compared with Los Angeles County: March 13, 2020 through December 13, 2020

	Los Angeles County	Santa Clarita	+/- than LA County	Lancaster	+/- than LA County	Palmdale	+/- than LA County	Castaic	+/- than LA County	Stevenson Ranch	+/- than LA County	Val Verde	+/- than LA County
Total Cases	751,335	12,130		13,971		15,579	15,579	2,955		626		188	
Adjusted Case Rate	7,640	5,564	-27%	8,733	+14%	9,901	+30%	10,194	+33%	2,919	-62%	5,501	-28%
Total Deaths	9,900	109		118		123		6		3		1	
Adjusted Death Rate	96	55	-43%	88	-8%	101	+5%	26	-73%	18	-81%	50	-48%

¹per 100,000 population

Forming a Local Health Department

The State's Health and Safety Code requires the City Council to discontinue County services via resolution or ordinance by March 1 to be effective July 1 of any given year. The City must also appoint a health officer to enforce public health laws and regulations and must, at a minimum, provide a list of required basic services:

Table 3. California Code of Regulations §1276: Basic Services

Health Department shall offer at least the following basic services to the health jurisdiction which it serves:
Collection, tabulation and analysis of all public health statistics
Health education programs
Communicable disease control
Services to promote maternal and child health
Environmental health and sanitation service and programs
Laboratory services
Nutrition services
Chronic disease services
Services directed to social factors affecting health
Occupational health services
Family planning services
Public health nursing services

Based on financial information provided by Los Angeles County, Long Beach, Pasadena, and Berkeley, the City of Santa Clarita could expect ongoing operating costs ranging from \$23.8 - 29.8 million. This does not include start-up costs such as: office space, capital equipment, supplies, service contracts, technology, training, data security, legal services, and risk assessment. Impacts on other existing City departments would also need to be considered (Human Resources, General Services, and Purchasing). (page 13)

The estimated start up costs, according to a recent report conducted by San Dimas-with a population of only 33,621-could cost somewhere between \$60 to \$90 million. Based upon that figure, the City of Santa Clarita's first year costs could exceed \$100 million.

Table 1. A Comparison of Los Angeles County with Other California City Public Health Departments

	Los Angeles County	Long Beach	Pasadena	Berkeley
Department	Public Health	Health and Human Services	Public Health	Health, Housing and Community Services
Population January 1, 2020 ¹	10,172,951	472,217	144,842	122,580
Public Health Budget FY 2020-21	\$1,226,240,000	\$63,367,978 ²	\$15,558,271	\$54,578,416 ³
Public Health Staff (FTEs) FY 2020-21	5,206.00	369.18 ²	98.38	246.18 ³
Estimated Per Capita Cost	128.32 ⁴	134.19 ²	107.42	445.25 ³

¹Estimates from California Department of Finance

²Long Beach's budget excludes \$94 million in housing authority costs and related staffing.

³Housing authority functions, costs and staffing could not be identified or separated out.

⁴Population figures for Long Beach and Pasadena were subtracted from Los Angeles County population (resulting in a County population figure of 9,555,892) since those cities have their own health departments and are not served by Los Angeles County

Options for Consideration

During their research, Management Partners reviewed the four possible options below for the City of Santa Clarita outlining advantages and drawbacks of each. Options 1 through 3 highlight significant challenges mostly related to cost and coordination of services, with option 4 being the preferred option at this time. (pages 13-16)

- 1) Establish a City Public Health Department
- 2) Partner with Other Cities in the Area (i.e. Lancaster and Palmdale)
- 3) A Hybrid Model: Contract with County for Some Services (i.e. hire a public health officer and take over *some* health services, but coordinate with the County for other services)
- 4) Remain with the County System and Lobby for More Local Input

Case Study

Management Partners reviewed the City of Los Angeles' consideration of forming their own local public health department in 2013. After reviewing a list of significant challenges ranging from the cost to provide services to duplication and redundant services, the City of Los Angeles ultimately decided against this option. (page 9)

ALTERNATIVE ACTION

Other action(s) as determined by the City Council.

FISCAL IMPACT

None by this action.

ATTACHMENTS

Local Health Memo

Health Officers in CA Code 2018 (available in the City Clerk's Reading File)

Management Partners



To: Mr. Ken Striplin, City Manager, City of Santa Clarita

From: Andrew Belknap, Senior Vice President
Teri Cable, Senior Management Advisor

Subject: Analysis of Local Public Health Department Options

Date: February 25, 2021

Executive Summary

Management Partners was retained by the City of Santa Clarita to evaluate the potential for establishing a local public health department and identify options for doing so. City leaders are interested in obtaining more local control over public health regulations and actions taken in response to the current COVID-19 pandemic. This issue arose due to concerns that blanket regulations imposed across all of Los Angeles County were not appropriate for circumstances in Santa Clarita.

This memorandum presents the results of this analysis. It begins with background information on the origins of the issue and then explains the existing public health regulatory environment in California and in Los Angeles County. Next, research on city-based public health systems is documented. From this, the memorandum moves to a discussion of the requirements for establishing a public health department, and finally the options the City of Santa Clarita may pursue to obtain additional local control.

Our analysis concludes that Santa Clarita could develop a local city-based public health department or partner with other cities in a joint-powers authority. However, our analysis also concludes that such a step would be fraught with intergovernmental complexity and expense and would thrust City leaders into difficult choices.

To appreciate the complexity and difficulty of taking on a public health function, it is important to understand how public health regulation has evolved in California. As California developed and urbanized, public health functions became more regional and centralized, largely in response to the fact that communicable diseases do not respect political boundaries.

Today (and before the intense issues associated with COVID-19 exploded in 2020) local public health services are predominantly provided at the county level, but subject to state oversight via the California Department of Public Health. In fact, as the COVID-19 emergency has unfolded, the relevant regulatory authority regulations were initially made by regional health officers in

the Bay Area and then in Los Angeles County on March 16 and March 19, 2020. Shortly thereafter (on March 21, 2020) a statewide order was issued, and this has continued to be the overarching regulation although regional components and variations are recognized with the approval of the State Public Health Officer. There has been some confusion about seemingly overlapping state/local regulations and, undoubtedly, public health regulatory approaches will be debated and possibly revised based on experiences with COVID-19.

There are several ways Santa Clarita can gain more local control over public health functions and they are described in more detail in this memorandum. They range from establishing a full local public health function, to sub-regional approaches, to providing for more local input at the county level. However, other than providing more local control, these alternative approaches do not offer clear improvements; but would add costs and responsibilities to the City of Santa Clarita's portfolio.

The desire for local control is understandable and Santa Clarita would bring benefit from tailoring programs and regulations to local circumstances. The Los Angeles County Department of Public Health is, after all, one of the largest such organizations in the United States, with a diverse mixture of affected jurisdictions. With such a large organization, even sub-regional variations present a challenge.

Perhaps the most prominent realization surfaced from this analysis is that true local control of public health may be something of a mirage. Under current law the State of California has the final say about health-related issues and based on experience during the current COVID-19 emergency, state leaders exercise this power in the interest of the entire state.

Background

Introduction

The County of Los Angeles (County) provides public health services to the City of Santa Clarita. As part of the County system, the City is required to follow guidelines and restrictions issued by the County Department of Public Health (DPH). Recent public health orders issued by the DPH in response to the COVID-19 pandemic have resulted in operational restrictions that have seriously impacted many of the County's and City's businesses. This has resulted in job losses and substantial economic loss.

Los Angeles County is the largest county (by population) in the United States. DPH is also a large system, providing public health services to 85 cities and over 100 unique unincorporated areas. Because of its size, the County public health system includes many different neighborhoods and communities that have been dissimilarly impacted by the COVID-19 pandemic. However, the County has issued guidelines and restrictions based on the statistics, including the number of cases and resulting deaths of the County as a whole.

These restrictions have been in effect since early 2020. Most recently, in November 2020 the County issued a closure order for all restaurants to stop the spread of the virus. The restaurant industry, which has been devastated by various orders and shutdowns, challenged the order based on the lack of health data supporting the decision.

The City filed an amicus brief in support of the lawsuit. Judge James Chalfant who adjudicated the case issued a favorable decision to the plaintiffs, requiring Los Angeles County to provide scientific evidence to justify extending its orders. The County is appealing that decision.

The decision had limited practical effect in that the Governor issued a stay-at-home order that became effective on December 6, 2020, which took precedent over the court's decision and included a closure order for restaurants. The state's decision is being challenged in a separate court case filed in federal court by some of the same plaintiffs involved in the County lawsuit.

As this memorandum was being finalized in late January 2021 the state lifted its stay-at-home order and allowed some outdoor dining and personnel care businesses to reopen with limited occupancies. Los Angeles, like most California counties, aligned current regulations with the state's latest order and essentially continued guidance and restrictions in accordance with the most restrictive "purple" tier of the COVID-19 statewide regional regulations.

Due to its lower rate of COVID-19, Santa Clarita leaders are interested in looking at options for providing its own health services and establishing a local public health department or partnering with other cities. This report provides a high-level review of the requirements, funding estimates and factors for consideration by the City.

Project Approach

In completing this analysis, Management Partners reviewed City databases and documents, budget documents and reports from other jurisdictions, industry reports, health codes, and viewed various City Council meetings. These are discussed below.

Document Review

To begin this assignment, Management Partners reviewed databases, contracts, correspondence, City ordinances related to the COVID-19 pandemic. Samples of the documents include:

- City tracking of COVID-19 positive cases rates,
- Contracts with the County for health care,
- Memorandum of Understanding with the County to dispense medical countermeasures,
- City's 2020 correspondence to Governor and to the Board of Supervisors,
- Santa Clarita Municipal Code Title 9: Health and Safety,
- Los Angeles County Code Title 11: Health and Safety,
- City's Agenda report dated September 22, 2020, and
- Payments made to Los Angeles County for public health services.

Similarly, we reviewed documents from other cities and the County related to the current pandemic, analyses on establishing a separate health department and state statutes that apply to public health requirements. Samples of the documents reviewed include:

- Los Angeles County COVID-19 data;
- Websites and public health services/budgets for Los Angeles County, and the cities of Long Beach, Pasadena, Berkeley and Vernon;
- Health and Safety Code and California Code of Regulations statutes related to public health;
- Health Officers in the California Code document;
- City of Los Angeles memorandum titled *“Costs, Timeline, and Funding Necessary to create a City Public Health Department;”*
- County of Los Angeles Public Health memorandum titled *“Impact of City of Los Angeles Public Health Protection Act;”*
- City of Beverly Hills report titled *“Explore Creating City Public Health Department;”*
- Authority and Responsibility of Local Health Officers and Emergencies and Disasters;
- California State and Local COVID-19 Orders authored by Pillsbury Law;
- Judge Chalfant’s ruling in case titled *California Restaurant Owners, Inc./Mark’s Engine Company No. 28 Restaurant, LLC vs. County of Lost Angeles County of Public Health*, heard in December 2020;
- Los Angeles County and Alameda County Municipal Service Reviews;
- California Public Health and Emergency Medical Powers (chapter in California Public Health and Emergency Medical Operations Manual 2018-2019); and
- News articles on Los Angeles County’s handling of the pandemic.

Council Meetings

We are viewed the following City Council meetings and presentations:

- Santa Clarita City Council meeting held on December 22, 2020;
- Former Mayor’s Smyth’s presentation to the community on December 7, 2020;
- Mayor Miranda’s presentation to the community on December 18, 2020;
- Los Angeles City Council meeting dated June 19, 2013; and
- City of Beverly Hills Council meeting dated December 8, 2020.

How Public Health Services are Provided in California

Authority

Statutes regarding public health services are found through various California codes, including the Health and Safety Code (HSC), Government Code (GC), Penal Code (PC) and Code of Regulations (CR).

The California Department of Public Health (CDPH) is part of the California Health and Human Services Agency. CDPH’s fundamental responsibilities include infectious disease control and prevention (such as the coronavirus), food safety, environmental health, laboratory



services, patient safety, emergency preparedness, chronic disease prevention and health promotion, family health, health equity, and vital records and statistics. The department has statewide authority during times of emergency and may take the necessary action to protect and preserve public health.

HSC § 131080 reads:

The department may advise local authorities and when in its judgement the public health is menaced, it shall control and regulate their action.

Notwithstanding the state's authority, the responsibility for day-to-day public health lies with the local governing body.

HSC § 101450 reads as follows:

The government body of a city shall take measures necessary to preserve and protect the public health, including the regulation of sanitary matters in the city, and including if indicated, the adoption of ordinance, regulations and orders not in conflict with general laws.

Current Practice

Even though cities have the authority by statute, public health services are most commonly provided by county governments in California. Most cities have delegated this authority and entered into an agreement with their county to provide these services.

Los Angeles County has a fully developed public health system, operating 14 public health centers in the County. The two closest to Santa Clarita are in Lancaster and Pacoima.

Based on a report provided by the Auditor Controller of the County, Santa Clarita has not paid anything directly to the County for its public health services in the last 12 years. However, Santa Clarita residents and property owners pay indirectly for these services. Revenues to fund County health services come in large part from the County's general fund, which is largely derived from property taxes paid by property owners in Santa Clarita and from other incorporated and unincorporated areas in Los Angeles County. In addition, the State provides significant funding for health services, derived primarily from income taxes paid by residents of the State, including those from Santa Clarita. All public health services (expenditures) have been provided by the County.

Only three cities in the state provide their own health departments: Long Beach and Pasadena in Los Angeles County and Berkeley in Alameda County.¹ These city health departments all came into being in the late 1800s when the cities were originally incorporated. Until approximately 1920, it was common for cities to have an independent health department function. The move to more regional county-based systems began after the flu pandemic of 1918-1919. Over time most cities relied on a county health department. The majority of the 482 cities in California incorporated after 1920 and have never operated a public health function.

¹Vernon, in Los Angeles County, also has its own health department, but focuses on providing environmental health services. Vernon's total population is fewer than 300 residents.

Table 1 below shows a comparison of populations served and the budgets of these three departments compared with Los Angeles County.

Table 1. A Comparison of Los Angeles County with Other California City Public Health Departments

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¹Estimates from California Department of Finance

²Long Beach's budget excludes \$94 million in housing authority costs and related staffing.

³Housing authority functions, costs and staffing could not be identified or separated out.

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Public Health Services in Santa Clarita

Santa Clarita has contracted with the County for health services since its inception and in 1998 adopted the County's latest public health codes. The most recent contract was signed in 2018 and will be effective through June 30, 2023. The City has the right to cancel this agreement with the County effective July 1 of any year with 30 days prior written notice.

Further, a Memorandum of Understanding with the County for dispensing of medical countermeasures, such as vaccines, during major public health emergencies was signed in 2018 and will be effective for ten years (until January 1, 2028). This agreement can be cancelled by the City with 60 days prior written notice.

During the current pandemic, City officials have expressed their concerns in letters to the Governor and to the Board of Supervisors about directives from the state and from the County Department of Public Health, citing their broad impacts on the City's businesses.

- In May 2020 City leaders requested that the north county cities of Santa Clarita, along with Lancaster and Palmdale, be allowed to reopen due to their lower incidents of cases and death.
- In November 2020 with the closures of indoor malls and outdoor dining, City leaders objected to the County's directives which were stricter than state requirements. The City's objection about prohibiting outdoor dining was based on the lack of science and data. This was challenged, and as noted above, eventually this dispute ended up in court.



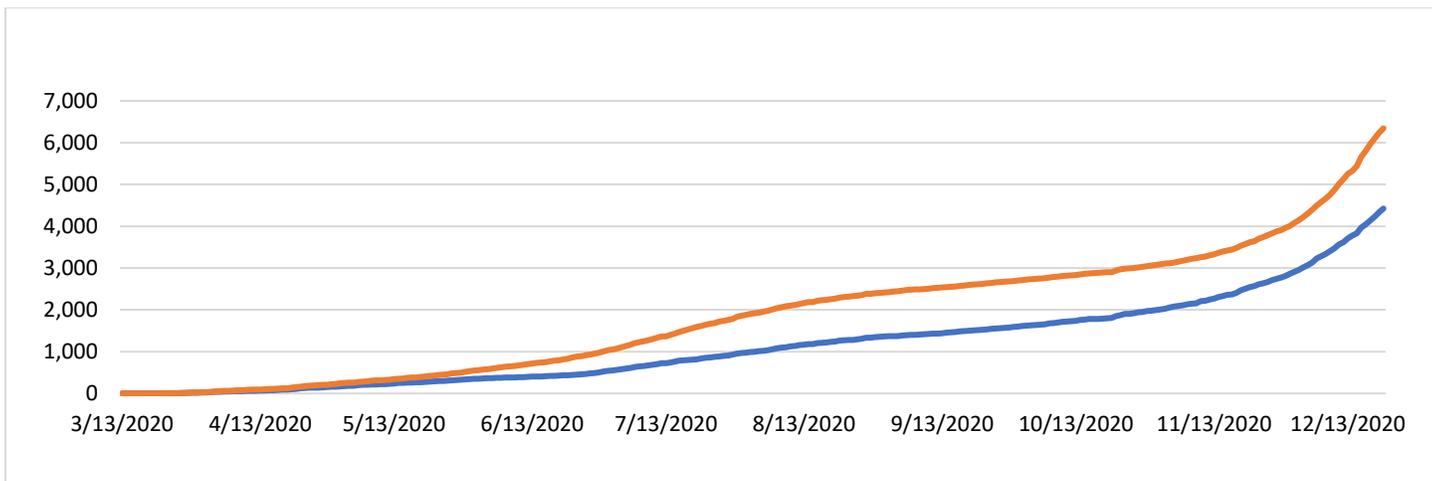
Effective December 6, 2020, state officials issued a stay-at-home order that included the closure of restaurants, including those with outdoor dining. A separate legal challenge to the state’s closure has been filed. As of mid-January 2021, all restaurants in the region are prohibited from serving or seating patrons outdoors and are restricted to offering food and beverages via takeout, drive-through, or delivery.

COVID-19 Experience in Santa Clarita

Santa Clarita staff has tracked the City’s cases since the pandemic began in March 2020 and based on the data the City has experienced a more positive outcome (fewer cases and deaths) than the County as a whole. (Differences are thought to be based on several factors, including income, education, housing density and types of businesses.) However, health care restrictions have been imposed countywide.

Figure 1 below shows the City of Santa Clarita’s experience during the last nine months compared with the County of Los Angeles. In general, the number of cases and deaths in the City have been less than in the County. However, the graph also shows that recently cases and deaths have risen dramatically.

Figure 1. Los Angeles County and City of Santa Clarita COVID-19 Adjusted Positive Case Rate per 100,000 population



COVID-19 Experience in Lancaster, Palmdale, and Nearby Communities

Leaders in the nearby communities of Lancaster and Palmdale have also floated the idea of separating from the County system and partnering with Santa Clarita. Both cities, however, have experienced higher rates of adjusted case and death rates from the virus than the County as a whole. Statistics in the Castaic, Stevenson Ranch and Val Verde neighborhoods adjacent to Santa Clarita have been more positive. Table 2 below shows the adjusted case and death rates reported by the County in these areas.

Attachment: Local Health Memo (LOCAL PUBLIC HEALTH DEPARTMENT ANALYSIS)

Table 2. Santa Clarita and Nearby Communities' Coronavirus Experience as compared with Los Angeles County: March 13, 2020 through December 13, 2020

	Los Angeles County	Santa Clarita	+/- than LA County	Lancaster	+/- than LA County	Palmdale	+/- than LA County	Castaic	+/- than LA County	Stevenson Ranch	+/- than LA County	Val Verde	+/- than LA County
Total Cases	751,335	12,130		13,971		15,579	15,579	2,955		626		188	
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Total Deaths	9,900	109		118		123		6		3		1	
Adjusted Death Rate	96	55	-43%	88	-8%	101	+5%	26	-73%	18	-81%	50	-48%

¹per 100,000 population



Research Conducted in Other Cities

The City of Los Angeles considered forming its own department in 2013. Los Angeles, with 40% of the County's population evaluated the formation of a city health department resulting from a public referendum sponsored by the AIDS Healthcare Foundation. Proponents claimed that the DPH was unprepared for a major public health emergency and that the City did not receive its fair share of public health dollars spent. This triggered an in-depth analysis by the city, as well as by the County of Los Angeles.

As part of that evaluation, the city and county administrative offices identified the following challenges:

- The cost of public health services could likely require the City of Los Angeles to allocate general fund revenues and during lean times, reduce other city services to pay for services.
- Supplemental sources of revenue in addition to monies allocated based on city population, (particularly grants) would be difficult for a city to obtain. Many of them are competitive or specified for a county.
- Close coordination between the city and county would be needed. Delays and the complexity in managing cross-jurisdictional disease investigations could result in inefficient use of resources and delays in emergency preparedness.
- Having a city department would result in a duplication of administrative infrastructure and fragmented or redundant services.
- The least senior and inexperienced staff would be laid off from the county and would be available to be hired by the city.
- Smaller departments like Pasadena and Long Beach provide a more limited scope of services than the county.
- The loss of revenue from the city could cause the county to constrict its mission and services.

The City Council ultimately decided against establishing its own health department.

Because of the current pandemic, several Los Angeles County cities are exploring the option of an independent health department or a joint operation with other cities. Based on media reports, West Covina, several cities in the San Gabriel Valley area, Lancaster, Palmdale, South Bay cities and Beverly Hills all have concerns with the shutdowns and their effects on their business communities. The results of those investigations are unknown at this time.



Services and Funding of Public Health Departments in Los Angeles County

Management Partners took a closer look at the public health services already provided in the Los Angeles County area. We reviewed the budgets of the three local agencies, Los Angeles County, Pasadena, and Long Beach, the services provided by each, along with revenue and expenditure data. A summary of each budget is shown in Attachments A, B and C.

While these jurisdictions vary in organizational structure, there are substantial similarities in the services provided and funding sources which may serve to provide insight to Santa Clarita leaders as they consider their options. Mandated services required by the state are provided as well as services identified by the governing body as needed in the community. Some budget highlights of the three departments are shown below.

Los Angeles County's FY 2020-21 budget:

- Total budgeted public health expenditures are \$1.2 billion.
- Net county costs are \$222.2 million or 18.1% of the public health budget.
- Funds from state, federal and other governmental agencies provide a substantial portion (46.3%) of funding for the County's public health services.

Pasadena's FY 2020-21 budget:

- Total budgeted public health expenditures are \$15.6 million.
- Minimal funding (5.8%) from other sources (which may include the general fund) is allocated for public health.
- The majority of funding (69.8%) comes from intergovernmental revenues. Licensing and permit revenues provide 13.7% of the Health Department's funding.

Long Beach's FY 2019-20 budget:

- Long Beach combines its public health services with its housing and human services for a total budget of \$153.4 million.
- Total budgeted public health expenditures are \$59.7 million.
- Funds from other agencies provide \$37 million (65%) in public health revenues out of a total of \$56.7 million in public health revenue.
- Total department expenditures exceed revenues by \$4.4 million. Presumably, the City has reserves or will allocate general fund revenues to balance its budget.

Requirements and Responsibilities of Establishing a Department

Even though counties provide the majority of health care services as discussed above, cities are charged with the responsibility, and may establish their own department. If they do, they must follow state requirements. These requirements are briefly summarized below.



Appointment of a Health Officer

Each city must appoint a health officer (although this function can be contracted to the county).

HSC § 101460 reads:

Every government body of a city shall appoint a health officer, except when the city has made other arrangement as specified in this code, for the county to exercise the same powers and duties within the city, as are conferred upon city health officers by law.

The local health officer is delegated the responsibility for enforcement of public health laws and regulations.

HSC § 101470 reads:

Each city health officer shall enforce and observe all of the following:

- (a) Order and ordinance of the government body of the city pertaining to the public health.*
- (b) Orders, quarantine and other regulations, concerning the public health prescribed by the department. ²*
- (c) Statutes relating to the public health.*

The health officer must be a physician in good standing. Immediately following an appointment, the city must notify the California Department of Public Health.

CCR § 1300 reads:

The health officer shall be a graduate of a medical school of good standing and repute and shall be eligible for a license to practice medicine and surgery in the State of California; provided however that those health officers on a full-time basis as of September 19, 1947, shall be considered as meeting the requirements of this section.

HSC § 101465 reads:

Immediately after the appointment of a city health officer the governing body shall notify the director of the appointment and the name and address of the appointee.

Duties of the Public Health Officer

Health officers have many responsibilities as identified in the various codes that make up California's statutes. In 2018 the California Health Officers Association updated a reference document titled "*Health Officers in the California Code*", which lists the various responsibilities (submitted to the City under separate cover). The document identifies the code reference for each responsibility and further categorizes each into one of nine categories:

1. Duty
2. Reporting
3. Consultation
4. Collaboration
5. Authority
6. Approval

² Department in this context refers to the State Department of Public Health

7. Emergency Power
8. Definition
9. Clarification

Required Health Services

Basic services required of public health departments are outlined below in Table 3. Added detail on these services is found in section 1276 of the California Code of Regulations (CCR) and shown in the Appendix. Health departments are required to provide the basic services listed in the CCR, but may offer additional, non-mandated services as needed in the community.

Table 3. California Code of Regulations §1276: Basic Services

Health Department shall offer at least the following basic services to the health jurisdiction which it serves:
Collection, tabulation and analysis of all public health statistics
Health education programs
Communicable disease control
Services to promote maternal and child health
Environmental health and sanitation service and programs
Laboratory services
Nutrition services
Chronic disease services
Services directed to social factors affecting health
Occupational health services
Family planning services
Public health nursing services

Timing of Decision

The decision to have the County provide health care services in a city or to discontinue those services must be done by resolution or ordinance of the city. The section below addresses the timing of those decisions, which essentially requires a council decision by March 1 of any year, with the service change to become effective the following July 1.

HSC § 101380 reads:

The resolution or ordinance shall be adopted and a certified copy served on the clerk of the board of supervisors on or before the first day of March of any year, and the services of the county health officer in the city shall commence on the first day of July following service of notice. The services shall continue indefinitely until the governing body of the city terminates them by adoption of a resolution and ordinance and service of a certified copy on the clerk of the board of supervisors on or before the first day of March of any subsequent year. The services of the county health officer shall terminate on the first day of July following service of notice.



This essentially means that the earliest date Santa Clarita could have its own health officer would be July 1, 2021. This would require the City to complete its investigations and adopt and deliver a resolution/ordinance to the Board of Supervisors by March 1, 2021. This is a longer notice period than required under the City's current contract with the County.

Options for Consideration by Santa Clarita

Management Partners has identified four options for leaders in the City of Santa Clarita to consider in providing public health care services. Three of these options would allow greater decision-making authority over public health activities. These options are:

1. Establishing a city health department
2. Partnering with other cities through a joint powers authority or other partnership arrangement
3. Establishing a hybrid model; appointing a local health officer and contracting for other public health services
4. Maintain the current contracting arrangement with the County, but lobby for more local input.

Option 1. Establishing a City Public Health Department

Although the cost of establishing a new City Public Health Department would require additional evaluation, using the per population costs identified above for the three departments located in the Los Angeles County area will provide a usable estimate. Based on Table 1 above, the City could expect ongoing operating costs ranging from \$107.42 (Pasadena's estimated per capita cost) to \$134.19 (Long Beach's estimated per capita cost) per person. Based on the City's population of 221,932 (as of January 1, 2020) estimated annual costs would range from \$23.8 million to \$29.8 million.

This estimate does not include start-up costs such as:

- Acquisition of laboratory and office space, capital equipment, supplies, service contracts and information technology.
- Training and associated costs to comply with the Health Insurance Portability and Accountability Act regulations, the national standard for privacy and protected health information.
- Data security, legal liability and risk costs.

Impacts on other city departments (Human Resources, the City Attorney's Office, Risk Management, General Services, Purchasing) would also need to be considered. These could be substantial and may result in the need for additional staff in those departments.

Advantages

With a city health department, Santa Clarita would have local control to make public health guidance and set regulations within City boundaries. This would allow the City to gather, review and assess the public health data and determine its own strategies for



addressing issues. Arguably, this would allow the City to better tailor its public health programs to the needs of the Santa Clarita community.

Drawbacks

1. Decisions made at the local level can be overruled by directives from the California Department of Public Health. We have seen this occur during the COVID-19 pandemic, when Pasadena's restaurants were shut down by the Governors' order effective December 6, 2020.
2. While making health-related decisions at the local level is the primary advantage, these decisions can be difficult and controversial, especially when decisions affect both public health and the concerns of businesses, both of which are critical to the public and their well-being.
3. Providing public health services will require ongoing coordination with the other public health agencies, as health is not a municipal issue that stops at city boundaries.
4. Health care can be costly, which may require other municipal services to be reduced to balance the budget. Further, health care costs often rise in excess of consumer price indices that governments rely on to estimate their expenditures.
5. Establishing a city health department will be a duplication of available local services. The County has already planned, staffed, and implemented public health programs that serve the Santa Clarita community.
6. Similarly, the County is more experienced, has greater expertise and more established linkages with other health care providers than the City is likely to have (at least initially) in providing public health services. In an emergency, such as a pandemic, this could be important for sound decision making.
7. It will require substantial effort to establish a local health department. This includes developing job descriptions, hiring staff, securing facilities, ordering supplies and capital equipment, setting fees for services, contracting for ancillary services, and designing/ implementing new programs.
8. As a smaller public health operation, the City is likely to have less purchasing power and economies of scale than those available to the County.
9. The City is less likely to be competitive for grants than other, more experienced departments.

Option 2. Partnering with Other Cities in the Area

Other cities in the area, specifically Lancaster and Palmdale, have expressed an interest in forming their own health departments or forming a multi-city department with Santa Clarita. The three cities could establish a Joint Powers Authority (JPA) or similar partnership arrangement to form a health department separate from the County. The JPA could be expanded initially or later to include other cities.



Similarly, the City could partner, contract, or form a JPA with a city that has its own public health department. The closest one in proximity to Santa Clarita is Pasadena.

For the most part the advantages and drawbacks to this approach are similar to Option 1, however a few potential differences are noted below.

Advantages

Relative to a stand-alone system, there may be cost advantages with shared costs and economies of scale.

Drawbacks

1. Decision making can be difficult in a regional JPA as perspectives and community needs vary. Cities may experience health care differently, a circumstance that could lead to conflicts and different priorities in decision making. This could be the case with any combination of cities.
2. Palmdale and Lancaster are located close to each other but 37 and 44 miles from Santa Clarita, respectively. Pasadena is 32 miles away. Location of convenient health care clinics/facilities for all JPA members may be an issue.
3. Health care can be costly and during period of economic hardship, may require other municipal services to be reduced to balance the budget. This could lead to differences between members in desired service levels and the ability/priority to fund the JPA.

A similar, but related alternative would be the establishment of a Santa Clarita Valley area health department that includes neighboring communities such as Castaic, Stevenson Ranch, Val Verde, and Newhall Ranch. However, since these are unincorporated County areas, it would likely be difficult to obtain approval from the County to contract public health services to a new health department.

Option 3. A Hybrid Model: Contract with the County for Some Public Health Services

The City may wish to hire its own health officer, but contract some or all remaining public health services. The Health and Safety Code provision below appears to allow a city to contract with the County for some or all public health functions.

HSC § 101400 reads:

The board of supervisors may contract with a city in the county and the governing body of a city may contract with the county for the performance by health officers or other county employees of any or all enforcement functions within the city related to ordinances of public health and sanitation and all inspections and other related functions.

A hybrid model would allow the City of Santa Clarita to make its health care decisions and still contract with the County of Los Angeles to perform some (but not all) of the public health functions it currently provides. It is unclear how this would be received by the County, as this model does not currently exist with any other city in Los Angeles County.



Advantages

1. With a city health officer, Santa Clarita would have some control over public health decisions and regulations within city boundaries. This would allow the City to gather, review and assess public health data and determine its own strategies for addressing the issues.
2. The County would likely be amenable to continue providing the majority of public health services through a revised contract with the City.
3. The cost of this approach would likely be less than for Options 1 or 2.

Drawbacks

1. Decisions made by the city's health officer can be overruled by state directives from the California Department of Public Health.
2. While making health-related decisions at the local level is the primary advantage, these decisions can be difficult and controversial, especially when they affect both public health and the concerns of businesses, both of which are critical to the public and their well-being.
3. Having a city health officer will require ongoing coordination with the other public health agencies, as health is not a municipal issue that stops at city boundaries.
4. Hiring a city health officer and support staff may be costly and will likely be a general fund expense. The community health officer in Long Beach has responsibility for public health emergency management and is budgeted at \$1.2 million per year.
5. This option may provide less meaningful local control than Options 1 and 2.

Option 4. Remain with the County System and Lobby for More Local Input

City leaders can decide to remain with the County public health system, and address the concerns of the business community by looking at alternative ways to assist affected businesses. This is similar to actions the City has already taken in advocating for a more nuanced approach to regulation. These actions could include:

- Suggesting that County DPH establish regional zones or districts for regulatory purposes when there are verifiable regional differences within the County with respect to required public health regulations.
- Providing funds for additional low-cost business loans or grants.
- Lobbying the County Board of Supervisors for more input in public health decision making, potentially via a subcommittee of local city officials.



Conclusion

This analysis provides an overview of the public health system in California and in Los Angeles County and the possible steps Santa Clarita leaders might consider to gain more local control in decisions about public health issues. These options include creating a local public health department, forming a regional JPA to serve multiple cities, or working with County and state officials to have greater input in decision making.

We do not find that there is a compelling case to change the basic structure of public health regulation. This is due to the expense and complexities that would arise and doubts about how much local control is possible given the state's authority in controlling and regulating public health responses, as well as the regional and even statewide nature of many such issues.



Attachment A – County of Los Angeles Department of Public Health

Services Provided

The County Department of Public Health provides an array of public health services to the community. The department's services are provided in the following areas:

1. Communicable Disease Control and Prevention
 - a. Acute communicable disease control
 - b. Tuberculosis control
 - c. Immunization,
 - d. Veterinary public health
 - e. Public health laboratory
2. Health Protection and Promotion
 - a. Environmental health
 - b. Community health services
3. Substance Abuse Prevention and Control
4. Children's Medical Services
 - a. California children's services program
 - b. Child health and disability prevention program
 - c. Child welfare public nursing
5. Division of HIV and STD Programs
 - a. Overall response to HIV and STD infections
6. Antelope Valley Rehabilitation Centers
 - a. Residential recovery and medical rehabilitation services to alcohol or drug dependent individuals
7. Administration
 - a. Support and oversight of department operations

Los Angeles County's FY 2020-21 public health revenues are shown below in Table 4. It shows that money from state, federal and other governmental agencies provide a substantial portion (46.3%) of funding for the County's public health services. Net county costs are \$222.2 million or 18.1% of the public health budget.

Table 4. County of Los Angeles Department of Public Health Revenues

Revenues for FY 2020-21	Budget	Percent of Total
Federal grants and aid	\$226,272,000	18.5%
State aid	\$339,689,000	27.7%
Other governmental agencies	\$772,000	0.1%
License and permits	\$737,000	0.1%
Institutional care	\$202,132,000	16.5%

Revenues for FY 2020-21	Budget	Percent of Total
Charges for services	\$364,000	0.0% ¹
Other revenues	\$139,579,000	11.4%
Total Public Health Revenues	\$909,545,000	74.2%
Intrafund Transfers	\$94,450,000	7.7%
Net County Cost to balance	\$222,245,000	18.1%
TOTAL	\$1,226,240,000	100.0%

¹Less than .1%

Expenditures

In FY 2020-21, Los Angeles County's budgeted expenditures for the Public Health Department are shown in Table 5 below.

Table 5. County of Los Angeles Department of Public Health Expenditures

Expenditures FY 2020-21	Budget (in thousands)	Percent of Total
Communicable Disease Control and Prevention	\$72,552,000	5.9%
Health Protection and Promotion	\$482,853,000	39.4%
Substance Abuse Prevention and Control	\$353,341,000	28.8%
Children's Medical Services	\$160,997,000	13.1%
Division of HIV and STD Programs	\$94,513,000	7.7%
Antelope Valley Rehab. Centers	\$3,476,000	0.3%
Administration	\$58,508,000	4.8%
TOTAL	\$1,226,240,000	100.0%



Attachment B—Pasadena Public Health Department

Services Provided

The Pasadena Public Health Department provides public health services to its community with a population of 144,842. Pasadena is a smaller city than Santa Clarita, but closer in size than other local departments. The department services are separated into the following areas:

1. Community Health Services
 - a. Maternal, child and adolescent health
 - b. Travel clinic
 - c. Child health and disability prevention
 - d. Disease prevention and control
 - e. Lead poisoning prevention
 - f. Other related services
2. Environmental Health
 - a. Food protection
 - b. Recreational health
 - c. Body art
 - d. Vector control
 - e. Other related services
3. Health Administration
 - a. Medi-Cal administration
 - b. HR/payroll
 - c. Accounts receivable
 - d. Vital records
 - e. Budget development and oversight
 - f. Other administrative services
4. Prevention and Policy Programs
 - a. Tobacco prevention and control
 - b. Nutrition education and obesity prevention
 - c. Women, infant and children
 - d. Other related services
5. Social and Mental Health Services
 - a. Substance abuse
 - b. HIV surveillance
 - c. HIV testing and counseling
 - d. Grants for homeless individuals
 - e. DMH transitional aged youth
 - f. Other related services



Pasadena's FY 2020-21 public health revenues are shown below in Table 6. The table shows that most funding (69.8%) for Pasadena's public health services comes from intergovernmental revenues. Minimal funding (5.8%) from other sources is allocated for public health.

Table 6. City of Pasadena Public Health Department Revenues

Revenues for FY 2020-21	Budget ¹	Percent of Total
License and permits	\$2,131,000	13.7%
Intergovernmental revenue ²	\$10,852,000	69.8%
Charges for services	\$607,000	3.9%
Other	\$1,064,000	6.8%
Total Public Health Revenues¹	\$14,655,000	94.2%
Balance ³	\$903,000	5.8%
TOTAL REVENUES	\$15,558,000	100.0%

¹Rounded to nearest thousand

²Includes \$38,000 from Homeland Security grant

³Presumably, balance comes from general fund

Expenditures

Pasadena's budgeted expenditures for the Public Health Department during FY 2020-21 are shown in Table 7 below.

Table 7. City of Pasadena Public Health Department Expenditures

Expenditures FY 2020-21	Budget ¹	Percent of Total
Community Health Services	\$2,587,000	16.6%
Environmental Health	\$2,211,000	14.2%
Health Administration	\$3,967,000	25.5%
Prevention and Policy Programs	\$4,743,000	30.5%
Social and Mental Health Services	\$2,050,000	13.2%
TOTAL	\$15,558,000	100.0%

¹Rounded to nearest thousand



Attachment C—Long Beach Department of Health and Human Services

Services Provided

The Long Beach Department of Health and Human Services provides public health, housing and related human services to its community with a population of 472,217, which is approximately twice the size of Santa Clarita. The department's services are separated into the following areas:

1. Physician Services
 - a. Clinical services
 - b. Laboratory services
2. Community Health Officer
 - a. Public health emergency management
3. Environmental Health
 - a. Environmental health operations
4. Community Health
 - a. Nutrition services
 - b. Nursing services
 - c. Chronic disease and injury prevention
5. Collective Impact and Operations
 - a. Financial
 - b. Administrative operations
 - c. Office of equity
6. Human Services
 - a. Homeless services
 - b. Community impact
7. Housing Authority
 - a. Operations
 - b. Administrative

Revenues

Long Beach combines its public health services with its housing and human services. The most recent detail available is for FY 2019-20. Table 8 below shows total revenues of \$153.4 million. Of that, total public health revenues are \$56.7 million.

Public health revenues received from other agencies total \$37 million. This equates to 65% of total public health revenues (and 24.1% of total department revenues). Taxes and licenses and permits contribute 5.3% and 3.1% of total department revenue, respectively.



Table 8. City of Long Beach, Department of Health and Human Services Revenues

Revenues for FY 2019-20	Budget	Percent of Total
License and permits	\$4,683,245	3.1%
Revenue from other agencies (excluding Housing Authority)	\$36,965,154	24.1%
Charges for services	\$1,074,780	.7%
Taxes	\$8,200,000	5.3%
Misc. revenues	\$5,808,187	3.8%
Subtotal Public Health Funding¹	\$56,731,366	
Fund Impact (Needed to balance)	\$4,414,978	2.9%
Revenues from Housing Authority	\$92,215,718	60.1%
TOTAL HEALTH AND HUMAN SERVICES REVENUES	\$153,362,062	100.0%

¹This represents a combination of health and related services with 91% of funding provided by the health fund.

In the City's 2020-21 fiscal year update, departmental expenditures are expected to increase to \$157.3 million. Excluding the housing authority, public health services are budgeted at \$63.4 million.

Expenditures

The City's budgeted expenditures for the Department of Health and Human Services in FY 2019-20, are shown in Table 9 below. Total public health expenditures are \$59.7 million. Total department expenditures exceed revenues by \$4.4 million. Presumably, the city has reserves or will allocate general fund revenues to balance its budget.

Table 9. City of Long Beach Health and Human Services Expenditures

Expenditures for FY 2019-20	Budget	Percent of Total
Physician Services	\$12,074,402	7.9%
Community Health Officer	\$1,175,316	0.8%
Environmental Health	\$8,566,912	5.6%
Community Health	\$12,828,269	8.4%
Collective Impact and Operations	\$3,309,841	2.2%
Human Services ¹	\$21,765,383	14.2%
Subtotal Public Health	\$59,720,123	
Housing Authority	\$93,641,939	61.1%
TOTAL PUBLIC HEALTH AND HUMAN SERVICES	\$153,362,062	100.0%

¹Includes \$3,600 in general funds and \$835,800 in Certified Unified Program Agency funds



Appendix – California Code of Regulations

17 CCR § 1276

§ 1276. Basic Services.

The health department shall offer at least the following basic services to the health jurisdiction which it serves:

- (a) Collection, tabulation and analysis of all public health statistics, including population data, natality, mortality and morbidity records, as well as evaluation of service records.
- (b) Health education programs including, but not necessarily limited to, staff education, consultation, community organization, public information, and individual and group teaching, such programs to be planned and coordinated within the department and with schools, public and voluntary agencies, professional societies, and civic groups and individuals.
- (c) Communicable disease control, including availability of adequate isolation facilities, the control of the acute communicable diseases, and the control of tuberculosis and the venereal diseases, based on provision of diagnostic consultative services, epidemiologic investigation and appropriate preventive measures for the particular communicable disease hazards in the community.
- (d) Medical, nursing, educational, and other services to promote maternal and child health, planned to provide a comprehensive program to meet community needs in these fields.
- (e) Environmental health and sanitation services and programs in accordance with an annual plan and program outline as required in Title 17, Section 1328, and approved by the State Department of Health and the applicable services and program standards as specified in the State Department of Health "Services in a Local Environmental Health and Sanitation Program," September 1976. The required services and programs shall be as follows:
 - (1) Food.
 - (2) Housing and institutions.
 - (3) Radiological health in local jurisdictions contracting with the State Department of Health to enforce the Radiation Control Law pursuant to Section 25600-25654 and Sections 25800-25876, Health and Safety Code.
 - (4) Milk and dairy products in local jurisdictions maintaining an approved milk inspection service pursuant to Section 32503, Food and Agricultural Code.
 - (5) Water oriented recreation.
 - (6) Safety.
 - (7) Vector control.
 - (8) Wastes management.
 - (9) Water supply.
 - (10) Air sanitation.
 - (11) Additional environmentally related services and programs as required by the County Board of Supervisors, City Council, or Health District Board.
 - (12) And may include land development and use.
- (f) Laboratory services, provided by an approved public health laboratory in health departments serving a population of 50,000 or more. Such laboratories shall provide:



- (1) Services necessary for the various programs of the health department.
- (2) Consultation and reference services to further the development of improved procedures and practices in laboratories employing such procedures related to the prevention and control of human disease.
- (g) Services in nutrition, including appropriate activities in education and consultation for the promotion of positive health, the prevention of ill health, and the dietary control of disease.
- (h) Services in chronic disease, which may include case finding, community education, consultation, or rehabilitation, for the prevention or mitigation of any chronic disease.
- (i) Services directed to the social factors affecting health, and which may include community planning, counseling, consultation, education, and special studies.
- (j) Services in occupational health to promote the health of employed persons and a healthful work environment, including educational, consultative and other activities appropriate to local needs. Where the population of a health jurisdiction exceeds 500 thousand, the program in occupational health shall include a planned and organized service with trained staff.
- (1) "Services in occupational health" shall mean, as a minimum, a program of industrial sanitation and surveillance of occupational health hazards to insure that places of employment are maintained in a healthful and sanitary condition. For the purpose of this section, "sanitary condition" is defined as equivalent to that described in the "Recommended Standards of Sanitation in Places of Employment" issued by the California State Department of Health Services. Such services shall be provided by at least one Occupational Health Sanitarian as defined in Section 1307, or any one of the occupational health disciplines in Section 1306, with medical, sanitation, and public health nursing support available.
- (2) "Planned and organized service" shall include services in occupational health as defined above, and in addition the prevention of work-induced illness and disability by recognizing, evaluating and preventing unhealthful environmental conditions and practices in places of work.
- (3) "Trained staff" shall be defined as follows:
- (A) When the health jurisdiction includes a population of 500,000 to 1,000,000, at least 1, and after July 1, 1968, 2 full-time health professionals representing 1 or 2, respectively, of the disciplines listed in part (4) hereof shall be employed.
- (B) When health jurisdictions include more than 1,000,000 population at least 2, and after July 1, 1968, 3 full-time health professionals representing 2 or 3, respectively, of the 5 disciplines listed in part (4) hereof shall be employed.
- (C) When health jurisdictions include more than 5,000,000 population, at least 10 full-time health professionals including all 5 of the disciplines listed in part (4) hereof shall be employed.
- (4) Occupational health disciplines include: Occupational Health Physician; Occupational Health Nursing Consultant; Industrial Hygiene Engineer; Industrial Hygienist (including sanitarians with appropriate training); and Industrial Hygiene Chemist as defined in Section 1306.
- (k) Appropriate services in the field of family planning, which may include:
- (1) Promotion of availability of program elements such as:



- (A) Assembling knowledge about family planning, attitudes, values, and information held by population groups.
- (B) Public and professional educational services about the health benefits of family planning and fertility control methods.
- (C) Professional services for sterility correction, fertility control and genetic counseling for all segments of the population, making available methods acceptable to families of any religious persuasion.
- (D) Evaluation of the adequacy of the community's family planning efforts.
- (2) Provision of program elements which are not otherwise likely to be made available, including family planning services for those groups who cannot reasonably obtain them.
- (I) Public health nursing services to provide for the preventive and therapeutic care of the population served.

