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RESPONSE TO THE CIVIL GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES LOS ANGELES COUNTY FIRE DEPARTMENT

2022-2023 CIVIL GRAND JURY RECOMMENDATIONS FOR LOS ANGELES COUNTY FIRE DEPARTMENT WORKERS COMPENSATION

RECOMMENDATION NO. 1.1.b

LACoFD should be invited to participate in the development of the renewal of the TPA Unit C contract.

RESPONSE

Disagree. This recommendation will not be implemented as jurisdiction for this recommendation falls with the CEO.

RECOMMENDATION NO. 1.2.a

LACoFD, working with the CEO and Department of Human Resources (DHR), should amend the existing TPA Unit C contract with Sedgwick to include detailed ASIs on preferred methods of claims management for the remainder of the existing contract. Future contracts with any TPA must include these ASIs.

RESPONSE

Disagree. This recommendation will not be implemented as jurisdiction for this recommendation falls with the CEO.

RECOMMENDATION NO. 1.2.b

The ASI amendments should direct Sedgwick adjusters to provide "point of entry" authorization for all firefighter WC claims for the remainder of the existing contract. Future contracts with any TPA must include these ASIs.

RESPONSE

Disagree. This recommendation will not be implemented as jurisdiction for this recommendation falls with the CEO.

RECOMMENDATION NO. 1.2.c

The ASI amendments should include penalties for delays in claims caused by Sedgwick's claims handling that result in LACoFD having to use overtime staffing for the remainder of the existing contract. Future contracts with any TPA must include these ASIs.

RESPONSE

Disagree. This recommendation will not be implemented as jurisdiction for this recommendation falls with the CEO.

RECOMMENDATION NO. 1.2.d

LACoFD should consider arranging "ride-alongs" to help claims adjusters better understand the nature of firefighters work by observing their activities.

RESPONSE

Disagree. This recommendation will not be implemented. The Department has established a process of a "Show-Me" day at the Department's training facility to help claims adjusters better understand the nature of firefighters work by observing their activities. Attendees include staff from Sedgwick, the CEO, and the Department's Disability Management and Compliance Section (DMCS). The demonstration includes a live fire event with an emergency response operation that will provide more insight on the types of tools and skills used by firefighters on incidents. This event is expected to take place in the fall 2023. Based on the intent of the recommendation the Department believes this satisfies the recommendation.

RECOMMENDATION NO .1.3

The ASI amendments should authorize TPA adjusters to pay up to 25 percent more than the Office Medical Fee Schedule (OMFS) standard fees for doctors to treat firefighter patients in order to expedite treatment and recovery for the remainder of the existing contract. Future contracts with any TPA must include these ASIs.

RESPONSE

Disagree. This recommendation will not be implemented as jurisdiction for this recommendation falls with the CEO.

RECOMMENDATION NO .1.4

LACoFD should work with DHR to expand the contracted clinic network to expedite treatment for the most common firefighter injuries, particularly orthopedic injuries.

RESPONSE

Partially Agree. This recommendation will be implemented. However, this recommendation does not fall within the responsibilities of DHR but within the jurisdiction of the CEO's responsibilities.

RECOMMENDATION NO .1.5

LACoFD should authorize firefighters' workers compensation (WC) claims immediately, and not contest such claims, except where fraud or demonstrable misconduct is suspected.

RESPONSE

Disagree. This recommendation will not be implemented as jurisdiction for this recommendation falls with the CEO.

RECOMMENDATION NO. 1.6.a

LACoFD should offer financially attractive buyouts of Labor Code (LC) 4850 benefits for firefighters who are permanently disabled or forced by injuries into retirement. This would allow firefighters to retire and be replaced by permanent hires.

RESPONSE

Partially Disagree. This recommendation requires further analysis. LACoFD will continue to work collaboratively with CEO and County Counsel on the analysis to ensure any settlement offer is reasonable and weighs available resources and competing priorities. The implementation will be predicated on an injured firefighter's willingness to retire prior to using the full year of the LC 4850 benefit. While receiving LC 4850 benefits, the firefighter continues to accrue retirement service time and other employment benefits that might be paid pre-retirement and pensionable. A settlement of LC 4850 benefits may not be supported by existing law and would unlikely be approved by the Workers' Compensation Board. The analysis of all settlements needs to be conducted on a case-by-case basis and subject to review and approval of all parties.

RECOMMENDATION NO. 1.6.b

LACoFD should continue to offer frequent Academy classes to hire more recruits. This will reduce reliance on backfill overtime staffing.

RESPONSE

Agree. This recommendation has been implemented. The Department continues to maintain a minimum of 3-4 Recruit Training Academies per year. The maximum number of recruits per academy is 56 recruits. On average, 80 percent of recruits are successful in completing the training academy. Each academy costs the Department approximately \$3-4 million. The Department budgets for three recruit academies per fiscal year and funding would need to be identified for any additional academies. Also, staffing at the firefighter rank is not a driving factor in the utilization of backfill overtime. From 2021 to 2022, the Department over hired fire fighters and found that it had no effect on the utilization of backfill overtime.

The Department's utilization of backfill is primarily due to vacancies at the fire fighter specialist rank and the large number of fire captains out on leave which creates staffing issues. In an effort to mitigate the issue, the Department will often over hire captains. In order to reduce the impact of backfill overtime staffing, the Department will have to focus on fire captains out on leave and continue to hold regular promotions for fire fighter specialist and fire captain ranks.

RECOMMENDATION NO. 1.7.a

LACoFD should make full use of CEO Risk Management's Ventiv Claims Enterprise (VCE) to manage WC claims and its RTW program.

RESPONSE

Agree. This recommendation will be implemented and will work collaboratively with the CEO.

RECOMMENDATION NO. 1.7.b

DHR should assist LACoFD by developing a comprehensive Disability Compliance Record module as part of VCE.

RESPONSE

Agree. This recommendation will be implemented. DHR has developed a module for the recording and tracking disability management and compliance Countywide (formerly referred to as "return-to-work"). This new module joins other modules on the Ventiv platform, including modules for the management of workers' comp claims, and absence (protected leave) management.

The module is currently undergoing user testing; once testing has been completed satisfactorily, the module will be rolled out to all departments, along with robust training to ensure fidelity in application.

RECOMMENDATION NO. 1.8

LACoFD should continue to develop creative return-to-work strategies, such as remote work by computer, work from home, and community service work.

RESPONSE

Agree. This recommendation has been implemented. LACoFD continuously evaluates return-to-work strategies. The Department has implemented changes to the patient status report emphasizing the temporary work restriction section which enables the Department to readily evaluate injured workers for limited duty assignments. Alternative limited duty schedules have been implemented to include 9/80, 4/10, and 3/36 as alternatives to the 5/40 schedule. Limited duty from home is an option that is being evaluated. The Department has engaged with Sedgwick to ensure timely delivery of temporary work restrictions.

RECOMMENDATION NO. 1.9

LACoFD should continue to emphasize firefighter training and physical and mental fitness programs to control the frequency and severity of injuries/illnesses.

RESPONSE

Agree. This recommendation will be implemented. The Department's Fitness For Life Program provides modules four times a year, on fitness/health, the last two have addressed the following topics:

- Food Safety and Handling
- Occupational Fitness Assessment Test

Additionally, the Wellness Division will establish a periodical/video quarterly to provide a Well-Talk. It will include the following programs: Peer Support, Chaplains, Fitness for Life and Health Programs Office. These periodical/videos will provide Department members with updated information regarding upcoming events, helpful hints, and navigating the Wellness Division's services.

RECOMMENDATION NO. 1.10

LACoFD should continue to reach out to firefighters on disability through frequent personal contact by peers and supervisors as part of its employee wellness programs.

RESPONSE

Agree. This recommendation has been implemented. In March 2023, the Wellness Division began receiving a list of current employees out on injury/illness over 90 days. This list is disseminated through the peer support leads to our peer support members who reach out and provide a "check-in" and assist with any possible issues the employee maybe having with the workers' compensation claims' process. Follow-up contact is provided, as needed, to assist these employees.



LISA M. GARRETT
DIRECTOR OF PERSONNEL

**COUNTY OF LOS ANGELES
DEPARTMENT OF HUMAN RESOURCES**

HEADQUARTERS
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July 28, 2023

To: Fesla A. Davenport
Chief Executive Officer

From: Lisa M. Garrett
Director of Personnel

RESPONSE TO CIVIL GRAND JURY FINAL REPORT

Attached is the response from the Department of Human Resources to the Civil Grand Jury Final Report regarding the Los Angeles County Fire Department Workers' Compensation.

Should you have questions, please contact me or Pamela A. Missett, Chief Deputy, at (213) 866-2359 or pmissett@hr.lacounty.gov.

LMG:PAM:jgg

Attachment

LMG to CEO - Response to CGJ Report - 07-28-2023

To Enrich Lives Through Effective and Caring Service

RESPONSE TO THE CIVIL GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES DEPARTMENT OF HUMAN RESOURCES

2022-2023 CIVIL GRAND JURY RECOMMENDATIONS FOR LOS ANGELES COUNTY FIRE DEPARTMENT WORKERS' COMPENSATION

RECOMMENDATION 1.2a

LACoFD, working with the CEO and DHR, should amend the existing TPA Unit C contract with Sedgwick to include detailed ASIs on preferred methods of claims management for the remainder of the existing contract. Future contracts with any TPA must include these ASIs.

RESPONSE

Disagree. This recommendation will not be implemented by DHR as jurisdiction for this recommendation is with the CEO's Risk Management Division.

RECOMMENDATION 1.2b

The ASI amendments should direct Sedgwick adjusters to provide "point of entry" authorization for all firefighter WC claims for the remainder of the existing contract. Future contracts with any TPA must include these ASIs.

RESPONSE

Disagree. This recommendation will not be implemented by DHR as jurisdiction for this recommendation is with the CEO's Risk Management Division.

RECOMMENDATION 1.2c

The ASI amendments should include penalties for delays in claims caused by Sedgwick's claims handling that result in LACoFD having to use overtime staffing for the remainder of the existing contract. Future contracts with any TPA must include these ASIs.

RESPONSE

Disagree. This recommendation will not be implemented by DHR as jurisdiction for this recommendation is with the CEO's Risk Management Division.

RECOMMENDATION 1.3

The ASI amendments should authorize TPA adjusters to pay up to 25% more than the OMFS standard fees for doctors to treat firefighter patients in order to expedite treatment and recovery for the remainder of the existing contract. Future contracts with any TPA must include these ASIs.

RESPONSE

Disagree. This recommendation will not be implemented by DHR as jurisdiction for this recommendation is with the CEO's Risk Management Division.

RECOMMENDATION 1.4

LACoFD should work with DHR to expand the contracted clinic network to expedite treatment for the most common firefighter injuries, particularly orthopedic injuries.

RESPONSE

Partially Agree. This recommendation will not be implemented by DHR as jurisdiction for this recommendation is with the CEO's Risk Management Division.

RECOMMENDATION 1.6.a

LACoFD should offer financially attractive buyouts of LC 4850 benefits for firefighters who are permanently disabled or forced by injuries into retirement. This would allow firefighters to retire and be replaced by permanent hires.

RESPONSE

Partially Disagree. This recommendation will not be implemented by DHR as jurisdiction for this recommendation is with the CEO's Risk Management Division.

RECOMMENDATION 1.6.b

LACoFD should continue to offer frequent Academy classes in order to hire more recruits. This will reduce reliance on backfill overtime staffing.

RESPONSE

Partially agree. This recommendation will not be implemented by DHR as jurisdiction for this recommendation is with the LACoFD.

RECOMMENDATION 1.7.a

LACoFD should make full use of CEO Risk Management's VCE to manage WC claims and its RTW program.

RESPONSE

Partially agree. This recommendation will not be implemented by DHR as jurisdiction for this recommendation is with the CEO's Risk Management Division.

RECOMMENDATION 1.7.b

DHR should assist LACoFD by developing a comprehensive Disability Compliance Record module as part of VCE.

RESPONSE

Agree. This recommendation will be implemented in the coming weeks.

DHR has developed a module dedicated to the tracking and management of disability compliance cases Countywide; this module was developed to integrate with and support the County's new framework for disability management and compliance across all departments. The module is currently in the final phase of user testing and will be rolled out for Countywide use in the next few weeks; the expectation will be that all departments, including the LACoFD, will use this module as the sole system of record for managing all their disability cases.

MEDI-CAL
REIMBURSEMENT
The Final Resolution of an
Ongoing Issue



2022 – 2023
LOS ANGELES COUNTY
CIVIL GRAND JURY



July 26, 2023

**Los Angeles County
Board of Supervisors**

Hilda L. Sofia
First District

Holly J. Mitchell
Second District

Lindsay P. Horvath
Third District

Janice Hahn
Fourth District

Kathryn Barger
Fifth District

TO: Fesia A. Davenport
Chief Executive Officer

FROM: Christina R. Ghaly, M.D.
Director

SUBJECT: **RESPONSE TO THE 2022-2023 LOS ANGELES
COUNTY CIVIL GRAND JURY REPORT**

Attached are the Department of Health Services' (DHS') responses to the 2022-2023 Los Angeles Civil Grand Jury (CGJ) Reports Sections:

- *"Have We M.E.T.?" – Recommendation Numbers 1.1, 1.4a, 1.6, 1.7, 1.8a, and 1.8b.*

These recommendations will not be implemented as jurisdiction falls with the Department of Mental Health (DMH). DHS defers to DMH for the responses to Recommendations 1.1, 1.4a, 1.6, 1.7, 1.8a, and 1.8b.

- *"MEDI-CAL Reimbursement, The Final Resolution of an Ongoing Issue" – Recommendation Numbers 1.1 and 1.2*

We concur and will continue to work with the Auditor-Controller in addressing Recommendation Number 1.1.

We concur with and have initiated actions to address Recommendation Number 1.2.

If you have any questions or require additional information, please let me know or your staff may contact Maria Lorena Andrade-Guzman at (213) 288-7901 or Angelo Cariaga at (213) 288-8437.

CRG:nm

Attachments

c: Hal F. Yee, Jr., M.D. Chief Deputy Director, Clinical Affairs
Allan Wecker, Chief Financial Officer
Kevin Lynch, Chief Information Officer



www.dhs.lacounty.gov

*"To advance the health of our
patients and our communities by
providing extraordinary care"*

RESPONSE TO THE CIVIL GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES DEPARTMENT OF HEALTH SERVICES

2022-2023 CIVIL GRAND JURY RECOMMENDATIONS FOR MEDI-CAL REIMBURSEMENT – THE FINAL RESOLUTION OF AN ONGOING ISSUE

RECOMMENDATION NO. 1.1

The LACA-C should continue to follow-up with DHS and report back to BOS on the resolution of the six partially implemented Priority 1 and 2 recommendations.

In the Auditor-Controller's Department of Health Services (DHS) – Online Real-time Centralized Health Information Database (ORCHID) System Review – First Follow-up Review (Report #K19FZ) dated March 17, 2023, they noted the following six partially implemented recommendations:

- 1. **Medical Coding Backlog (Priority 1)** – DHS management implement a plan to resolve the medical coding backlog to ensure patient services are billed within insurance provider's billing deadlines.*
- 2. **Medical Coding Process (Priority 1)** – DHS management strengthen the medical coding process to ensure coding is timely and accurate before billing by:*
 - a. Evaluating enhancing ORCHID (Online Real-time Centralized Health Information Database), and in the interim establishing manual processes, to notify coding staff when incomplete patient records are updated, and notify medical and coding supervisory personnel when incomplete records remain unresolved for extended periods (e.g., 15 or 30 days).*
 - b. Implementing a process to review coding accuracy (e.g., on a sample basis) before billing.*
 - c. Maintaining documentation to support billing error investigations.*
- 3. **Recording Patient Services (Priority 1)** – DHS management review the design of the process for recording patient services in ORCHID to determine whether processes, including management self-monitoring, can be strengthened to ensure medical staff record patient services completely and accurately before they are sent for medical coding.*
- 4. **Privilege User Activity Reviews (Priority 2)** – DHS management strengthen the process for reviewing their employee's user activity in ORCHID by reviewing activity from all privileged users/areas and documenting the review to support the activity is appropriate and authorized.*
- 5. **Management Monitoring of Internal Controls (Priority 2)** – DHS management ensure ongoing self-monitoring processes include:*

- a. *Examination of processes/control activities, such as review of an adequate number of transactions on a regular basis to ensure adherence to County rules.*
 - b. *Documenting the monitoring activity and retaining evidence so it can be subsequently validated.*
 - c. *Elevating material exceptions to management on a timely basis to ensure awareness of relative control risk, and to ensure appropriate corrective actions are implemented.*
6. **Standards and Procedures (Priority 2)** – DHS management ensure written standards and procedures adequately guide supervisors and staff in the performance of their duties for all ORCHID processes.

RESPONSE

DHS agrees with the recommendation.

DHS will work with the Auditor-Controller to ensure that all three Priority 1 recommendations and two Priority 2 recommendations (Issue 5 and Issue 6 noted above) will be fully implemented by September 30, 2023. DHS estimates that Issue 4 – Privileged User Activity Review will be implemented by December 31, 2023.

RECOMMENDATION NO. 1.2

The DHS should complete the resolution of the six partially implemented Priority 1 and 2 recommendations, no later than September 30, 2023.

RESPONSE

DHS agrees with this recommendation.

All three Priority 1 findings and two Priority 2 recommendations (Issue 5 and Issue 6 noted above) will be implemented by September 30, 2023. Issue 4 – Privileged User Activity Reviews will be implemented by December 31, 2023.



OSCAR VALDEZ
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
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PHONE: (213) 974-8301 FAX: (213) 628-5427

ASSISTANT AUDITOR-CONTROLLERS

MAJIDA ADNAN
ROBERT Q. CAMPBELL
CONNIE YEE

July 18, 2023

TO: Fesia A. Davenport
Chief Executive Officer

Attn: Cheri Thomas

FROM: Oscar Valdez
Auditor-Controller

SUBJECT: **RESPONSE TO THE 2022-23 LOS ANGELES COUNTY CIVIL GRAND
JURY FINAL REPORT**

As requested, attached is the Department of Auditor-Controller's response to the Fiscal Year 2022-23 Los Angeles County Civil Grand Jury Final Report sections entitled "MEDI-CAL REIMBURSEMENTS – The Final Resolution of an Ongoing Issue." Per the Grand Jury's request, the Auditor-Controller is responding to Recommendation 1.1.

If you have any questions, please call me at (213) 974-8302.

OV:cy

Attachment

*Help Conserve Paper – Print Double-Sided
"To Enrich Lives Through Effective and Caring Service"*

RESPONSE TO THE CIVIL GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

2022-2023 CIVIL GRAND JURY RECOMMENDATIONS FOR MEDI-CAL REIMBURSEMENT – THE FINAL RESOLUTION OF AN ONGOING ISSUE

RECOMMENDATION NO. 1.1

The Los Angeles County Auditor-Controller (LACA-C) should continue to follow up with the DHS and report back to the BOS on the resolution of the six partially implemented Priority 1 and 2 recommendations.

RESPONSE

The LACA-C agrees with the recommendation and will implement it. The LACA-C will work with DHS to conduct another follow-up review and report back to the BOS on the status of the six partially implemented Priority 1 and 2 recommendations in accordance with our protocol for audit follow-ups.

PROPOSITION 19 IMPLEMENTATION AND RELATED MATTERS



**2022 – 2023
LOS ANGELES COUNTY
CIVIL GRAND JURY**



JEFFREY PRANG
ASSESSOR
COUNTY OF LOS ANGELES
500 WEST TEMPLE STREET, ROOM 320
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July 24, 2023

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Mahin Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

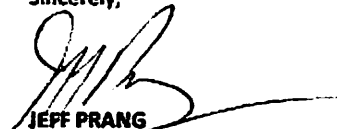
**RESPONSE TO THE FINAL REPORT OF THE 2022-2023
LOS ANGELES COUNTY GRAND JURY**

Dear Supervisors:

The Los Angeles County Office of the Assessor's response to the 2022-2023 Civil Grand Jury Report recommendations is attached. The Civil Grand Jury Report area of interest specific to the Office of the Assessor includes Proposition 19 Implementation and Related Matters.

Should you have any questions regarding our response, please contact George Renkei, Chief Deputy Assessor at (213) 974-3101.

Sincerely,


JEFF PRANG
Assessor

JP:SH:mm

Attachment

c: Fesla Davenport, Chief Executive Officer
Celia Zavala, Executive Officer, Board of Supervisors
Oscar Valdez, Auditor-Controller
Keith Knox, Treasurer and Tax Collector

RESPONSE TO THE CIVIL GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES
OFFICE OF THE ASSESSOR

2022-2023 CIVIL GRAND JURY RECOMMENDATIONS FOR PROPOSITION 19 IMPLEMENTATION AND RELATED MATTERS

RECOMMENDATION NO. 1.3

The BOS should appropriate funds for the development of public education about Proposition 19, proper completion of Preliminary Change of Ownership Reports (PCOR), and related matters, particularly for the purpose of outreach and professional education for real estate professionals such as real estate brokers and agents.

RESPONSE

The Assessor agrees with the recommendation. The recommendation has been partially implemented.

The Assessor aggressively pursues several opportunities each year to educate the public on Proposition 19, ownership issues such as PCORs and other programs and services. The Assessor will work with the BOS to identify funding for further Proposition 19 public education and education on the proper filing of PCORs and other related ownership issues affecting the public. Additional funding would help the Assessor increase public education opportunities and create additional online resources to assist the public in understanding reassessment exclusions and ownership responsibilities. Identification of funding is necessary to increase public education across the County.

RECOMMENDATION NO. 1.4

The BOS should consider increasing the filing fees for assessment appeals, while making a portion or all of it refundable in cases where the appellant prevails.

RESPONSE

The Assessor agrees with the recommendation. The recommendation requires further analysis.

The Assessor agrees that the fees should reflect costs associated with the filing of the application and the Assessor agrees that the costs associated with filings should include costs incurred by the Assessor's office to prepare responses to the application. The Assessor will work with the Assessment Appeals Board (AAB) to study and analyze policies and processes of other counties that have implemented similar fees. The implementation of the filing fee has significantly reduced the number of claims filed by tax agents that have monetized the assessment appeal process. The Assessor believes that further cost recovery will result in the continued

reduction of claims to the most meritorious appeals thereby reducing the backlog and providing expedient resolutions of assessment appeals benefiting the public as a whole.

RECOMMENDATION NO. 1.5

The assessment appeals system should be examined by the County Assessor's office and by the BOS with a view to reforming it and improving the timeliness of appeals and hearings.

RESPONSE

The Assessor agrees with the recommendation. The recommendation has been implemented in part.

The Assessor has actively collaborated with the Executive Office of the BOS to improve the business operations of the multi-agency assessment appeals process. As one of the stakeholders in the process, the Assessor realizes the importance of an efficient and well-operated process. The Assessor recognizes the hard work of the Executive Office of the BOS to modernize the AAB process and business operations and will fully continue to collaborate and support the Executive Office of the BOS to further implement opportunities for efficiencies. There are opportunities to implement additional operational efficiencies and the Assessor and Executive Office have developed a collaborative relationship to explore those opportunities.



COUNTY OF LOS ANGELES
EXECUTIVE OFFICE
BOARD OF SUPERVISORS

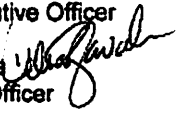
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July 21, 2023

TO: Fesia A. Davenport
Chief Executive Officer

FROM: Celia Zavala 
Executive Officer

2022-23 LOS ANGELES CIVIL GRAND JURY RESPONSE

Attached are responses to the 2022-23 Civil Grand Jury Final Report. We are responding to specific recommendations related to the following sections:

- Proposition 19 Implementation and Related Matters
- Sheriff's Operations. Examining Transparency, Accountability and Community Policing within the Los Angeles County Sheriff's Department
- Zero Emissions and Air Quality Monitoring

Despite not being a designated department for the Proposition 19 response, it is important to mention that we provided feedback because it relates to the operations of the Assessment Appeals Board division within the Executive Office of the Board of Supervisors.

If you have any questions, please contact me at (213) 974-1401, or your staff may contact Hanna Cheru, Assistant Executive Officer, at (213) 893-2564 or hcheru@bos.lacounty.gov.

CZ:HC:ja

RESPONSE TO THE CIVIL GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES
EXECUTIVE OFFICE OF THE BOARD OF SUPERVISORS – ASSESSMENT APPEALS
BOARD (EO-AAB)

2022-2023 CIVIL GRAND JURY RECOMMENDATIONS FOR PROPOSITION 19 IMPLEMENTATION AND RELATED MATTERS

RECOMMENDATION NO. 1.3

The BOS should appropriate funds for the development of public education about Proposition 19, proper completion of Preliminary Change of Ownership (PCORs) and related matters, particularly for the purpose of outreach and professional education for real estate professionals such as real estate brokers and agents.

RESPONSE

The respondent partially agrees with the finding. This recommendation will not be implemented.

The AAB serves as the board of equalization for the BOS, and therefore does not interact with property owners when filing for Proposition 19 applications, filling out PCORs or other property tax forms until after the assessment of their property and only when an appeal is filed. Nonetheless, the AAB agrees that funding should be appropriated for the development of public education about property taxation to avoid unnecessary filings of appeals applications. The AAB agrees to collaborate with the Assessor's Office to develop educational content funded by the BOS.

RECOMMENDATION NO. 1.4

The BOS should consider increasing the filing fees for assessment appeals, while making a portion or all of it refundable in cases where the appellant prevails.

RESPONSE

The respondent agrees with the finding. The recommendation requires further analysis.

The AAB will reevaluate its application filing fees and conduct a cost study including charges by other counties. This study will consider the actual cost of processing appeal applications and consider a refund process. A refund process would need to be evaluated to determine the feasibility of implementation (i.e., minimum reduction amount that warrants a refund, impact on County revenue, percentage of reduction to roll value, etc.). The study will also require research of the policies of other counties and interviews of their staff to determine the challenges of increased filing fees or refunds. Additional meetings will be scheduled with the Assessor's office to discuss process and procedures related to their function. The study is anticipated to take six months.

RECOMMENDATION NO. 1.5

The assessment appeals system should be examined by the County Assessor's Office and by the BOS with a view to reforming it and improving timeliness of appeals and hearings.

RESPONSE

The respondent agrees with the finding. The recommendation has been implemented.

The process to appeal a property tax assessment in the County has evolved organically to service the needs of multiple stakeholders. It is decidedly manual and paper-based, with approximately 60 percent of applications arriving as a paper form, mailed-in or dropped off at the AAB office, despite the option for online submission via a web portal.

The AAB implemented its Business Process Improvement (BPI) multi-phase implementation plan. This plan includes process enhancements using automation and current technologies to streamline our processes, system, online services, and information delivery, as well as the implementation of new scheduling strategies for optimal hearing efficiencies and increased closure rate. As a result, the AAB has been able to schedule new applications within six to eight months (or sooner) from when the appeal is received, as opposed to prior times that could be 10 to 12 months. The AAB has also increased the number of Board hearings from three to four prior to the pandemic, to now eight hearings per day, due to the effectiveness of using virtual hearings. Hearing Officer hearings have also increased from one per day pre-pandemic to two to three virtual hearings per day. The AAB continues to strategize on how to streamline the appeal process and optimize the customer's overall experience.

The AAB has also focused on enhancing the public's experience when navigating the AAB website, including improving the accessibility to information and online services by ensuring the website can be translated and designing an intuitive webpage. The AAB has also increased its public outreach and education efforts by attending community events related to homeownership. More recently, the AAB implemented electronic forms to eliminate manual processing of administrative paperwork to reduce wait times on the submission of forms.

Although the AAB is currently focused on eliminating the existing backlog and enhancing the current AAB system to alleviate major process pain points that exist today, these phases are about getting back to a healthy state. Once there, the AAB will shift its focus to set a new bar and deliver a best-in-class service to taxpayers and County staff. Designing a better user experience will allow for even more efficiencies in application processing and correspondence to be enjoyed by AAB staff.