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Governor Signs Legislation Stabilizing Health Services for South Los Angeles

\$100M Annual Funding will Safeguard Health Services for Low-Income, Uninsured Population Affected by King-Harbor Hospital Closure

LOS ANGELES, Calif., October 12, 2007 – In a move to address the regional health impact of the closure of the former Martin Luther King, Jr.-Harbor (King-Harbor) Hospital, Governor Arnold Schwarzenegger today signed into law the creation of a \$100 million annual fund to stabilize health services for low-income, underserved populations of South Los Angeles.

The “South Los Angeles Medical Services Preservation Fund” will be established to provide health services to low-income communities. The Fund will help defray county costs of treating uninsured patients in the South Los Angeles area and provide a financial foundation to reopen a hospital on the MLK site in the future.

The funding will cover health services to uninsured patients at the Martin Luther King Multi-Service Ambulatory Care Center (MLK-MACC), county clinics and health centers, and impacted public and private providers (hospitals and physicians) the county has agreed to pay in response to the closure.

“Through this partnership the state and the county are working together to stabilize health services for South Los Angeles and creating a down payment to reopen a hospital as quickly as possible,” said Los Angeles County Department of Health Services Director Bruce Chernof, M.D.

The funding will be available for three years or until a Medi-Cal certified hospital is reopened. The state will further match a \$5 million county contribution for a total additional \$10 million in supplemental funding to the nine impacted regional hospitals caring for the uninsured routed from King-Harbor.

The SB 474 legislation was authored by Senator Sheila Kuehl in coordination with California’s public and private hospital systems with the cooperation and support of the State Administration. It passed the Assembly on a 78-0 vote and the Senate on a 38-0 vote.