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10 **UNITED STATES DISTRICT COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

12
13 LA ALLIANCE FOR HUMAN
RIGHTS, et al.,
14
15 Plaintiffs,
16
17 v.
18 CITY OF LOS ANGELES, et al.,
19
20 Defendants.

CASE NO. 2:20-cv-02291 DOC (KES)
COUNTY OF LOS ANGELES’
RESPONSE TO COURT MINUTE
ORDER RE: PRODUCTION OF
CONFIDENTIAL DATA AND
INFORMATION; OBJECTIONS TO
ORDER REQUESTING DATA
[DKT. 811]

Assigned to the Hon. David O. Carter
and Magistrate Judge Karen E. Scott

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1 The County of Los Angeles (“County”) submits the following response to the
2 Court’s October 30, 2024, Minute Order Re: Production of Confidential Data and
3 Information; Order Requesting Data (“Order”) [Dkt. 811].

4 **I. PROTECTIVE ORDER**

5 The County has voluntarily agreed to provide information to Alvarez &
6 Marsal (“A&M”) in connection with its assessment of the City of Los Angeles
7 (“City”)’s homelessness programs under Inside Safe, the City-Plaintiffs’ settlement
8 in this action (“LA Alliance”), and the 2020 City-County Memorandum of
9 Understanding, referred to as the “Freeway Agreement” (together, “City
10 Programs”). As indicated in the Order, A&M’s data requests seek, *inter alia*,
11 information regarding medical, mental health, and substance use disorder treatment
12 services protected from disclosure by 42 C.F.R. Part 2, the Health Insurance
13 Portability and Accountability Act (“HIPAA”), and various other federal and state
14 laws. In recognition of the highly “sensitive, confidential” nature of the data
15 requested by A&M, the County appreciates the Court’s prompt attention to entering
16 its proposed protective order, and the County is pleased to report it will be able to
17 produce data responsive to A&M’s requests later today.

18 **II. THE COUNTY’S OBJECTIONS TO A&M’S AUGMENTED SCOPE**
19 **AND COSTS**

20 **A. The County Is Committed To Transparency And Cooperating**
21 **With The Audit Of The City’s Homelessness Programs**

22 Plaintiffs and the City have retained A&M to conduct an audit of “City-
23 Funded Homeless Assistance Programs.” [Dkt. 700.] At an August 29, 2024, status
24 conference, A&M informed the County and the Court that the County was in
25 possession of data that might assist A&M in performing its assessment of the
26 aforementioned City Programs. Following several productive conferences between
27 the County and A&M, on September 25, 2024, A&M provided the County with a
28 list of six data requests, all of which “pertain[ed] to the services provided and

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1 funded by the County to City-funded beds under the relevant Programs.” At the
2 same time, A&M provided the County with a quote of \$180,000 to cover A&M’s
3 fees to incorporate its analysis of the County’s data into its assessment of the City
4 Programs. Based on the provided data requests and this estimate, the County’s
5 Board of Supervisors (“Board”) agreed to cooperate with the City’s audit and
6 provide A&M with the requested data. Shortly thereafter, A&M clarified that its
7 original data requests had inadvertently requested information about interim but not
8 permanent supportive housing, and the County agreed in good faith to accommodate
9 this increase in scope. A&M has described the County as having been “amazingly
10 cooperative” in this process. (10/2/24 Hr’g Tr. at 40:16).

11 **B. The County Objects To The Expansion Of A&M’s Data Requests**
12 **To The County To Include Fieldwork**

13 A&M first raised the suggestion of fieldwork at the October 16, 2024 court
14 conference. To date, A&M has not provided the County with any further details
15 about the nature or scope of such fieldwork, which is not aligned with the scope of
16 the audit for multiple reasons.

17 First, the County agreed to A&M’s assessment of the County’s services
18 provided to the City’s three homelessness programs from June 2020-June
19 2024. The Court made it clear at the Status Conference on October 2, 2024, that this
20 is a retrospective audit, not a prospective audit. (10/2/24 Hr’g Tr. at 8:13-14 (“the
21 A&M audit” is “looking backwards to where and how the money was spent”.)

22 Conducting fieldwork of County facilities now as part of a backwards-looking
23 audit makes no sense and would not be consistent with auditing standards. A&M
24 cannot validate regulated healthcare and mental health services from months to
25 years ago through present-day spot visits. Clients receiving services in County
26 facilities today are not limited to people experiencing homelessness, let alone people
27 experiencing homelessness who reside in the City, and may have no connection to
28 any of the City Programs. Incorporating fieldwork stands to engender confusion in

1 any findings, potentially undermining confidence in A&M’s overall report, and risks
2 creating an inaccurate portrayal of the County’s services.

3 Such an expansion of the audit’s scope would also constitute a clear departure
4 from A&M’s objectives, which relate to assessing only the three agreed-upon City
5 homelessness programs, not the County’s provision of services. Additionally, even
6 with the protective order safeguarding Protected Health Information, allowing the
7 auditor to visit and interview patients at mental health and substance use facilities
8 could still raise significant legal, ethical, and practical concerns.

9 **C. The County Objects To A&M’s Increased Cost Assessment**

10 Based on letters from A&M to the Court in the last week, the Order contains
11 an increased cost estimate of \$620,000—more than three times A&M’s initial quote
12 from a month ago that was agreed to by the Board. A&M has provided no
13 justification for this cost increase to the County.

14 A&M does not explain how any delays in obtaining information have
15 increased A&M’s workload with respect to analyzing the County’s data. The
16 County is responding to A&M’s data requests approximately one week later than
17 expected, due to delays in receiving information regarding the City Programs that
18 the County needed to export relevant data (such as program IDs), and the necessity
19 of securing appropriate protections, such as a protective order or agreement, prior to
20 disclosure. Given the sensitive nature of the data involved, these protections were
21 critical to ensure compliance with the law and safeguard the privacy rights of the
22 thousands of County patients whose health information have been requested by
23 A&M. However, this one-week delay created no additional work for A&M (the
24 County drafted the requisite protective order) and, therefore, does not reasonably
25 explain the significant upward adjustment in costs.

26 To the extent the proposed cost increase relates to A&M’s suggested
27 fieldwork, it is likewise unjustified for the reasons stated above. The County
28 respectfully requests that the audit proceed within the originally agreed budget,

1 based on documented information and with clear alignment to the intended audit
2 scope.

3 **D. The County Objects To Amending A&M’s Engagement Letter**
4 **With The City To Include County Services And Costs**

5 Consistent with the County’s contracting processes, the County has already
6 circulated an engagement letter to A&M related to the County’s provision of data in
7 connection with A&M’s assessment of the City Programs, which would allow the
8 County to pay A&M directly. As the County has made clear to A&M, A&M’s
9 delayed execution of that agreement has not and will not delay the County’s
10 response to A&M’s data requests. There is therefore no need to include the data
11 requests to the County in the City’s engagement letter with A&M, which the County
12 is not a party to. To the extent A&M has any edits to the County’s engagement
13 letter, A&M is invited to provide them. However, the County needs an agreement
14 in place with A&M to the extent the County has agreed to pay A&M related to the
15 County’s voluntary participation in its assessment of the City Programs.

16 In addition, a separate agreement would allow the County to use our standard
17 contractual language to protect the County adequately. For example, if privacy
18 concerns arise regarding the handling of the County’s sensitive data, liability for any
19 breaches would be clear.

20 **IV. CONCLUSION**

21 The County remains committed to cooperating with A&M and providing the
22 necessary data and information with the original agreed-upon scope. A&M has
23 already made several additional data requests regarding County’s services, and the
24 County has agreed to provide them with no issue. The County’s current concerns lie
25 with A&M’s request to expand the scope to include site visits and associated costs,
26 not with the County’s willingness to provide information or data.

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DATED: November 1, 2024

MILLER BARONDESS, LLP



By:

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