

# Draft Charity Care Report: 2018-2019

Health Commission Finance and Planning  
Committee

March 2, 2021



San Francisco Department of Public Health  
Office of Policy & Planning

# Agenda

1

**Charity Care Overview and Background**

2

**2018 - 2019 Charity Care Annual Report - City-Wide Charity Care Trends**

3

**2018 - 2019 Charity Care Report - Hospital-specific charity care data**

# Charity Care Ordinance and Reporting Hospitals

## San Francisco Charity Care Ordinance 163-01 passed in 2001:

- Requires hospitals to notify patients about free and discounted services
  - *Review conducted every two years of charity care posting and notifications*
- Requires hospitals to annually report charity care data to DPH

“Charity Care is emergency, inpatient, and outpatient medical care, including ancillary services, provided to those who cannot afford to pay and without expectation of reimbursement”



*\* Reports voluntarily*

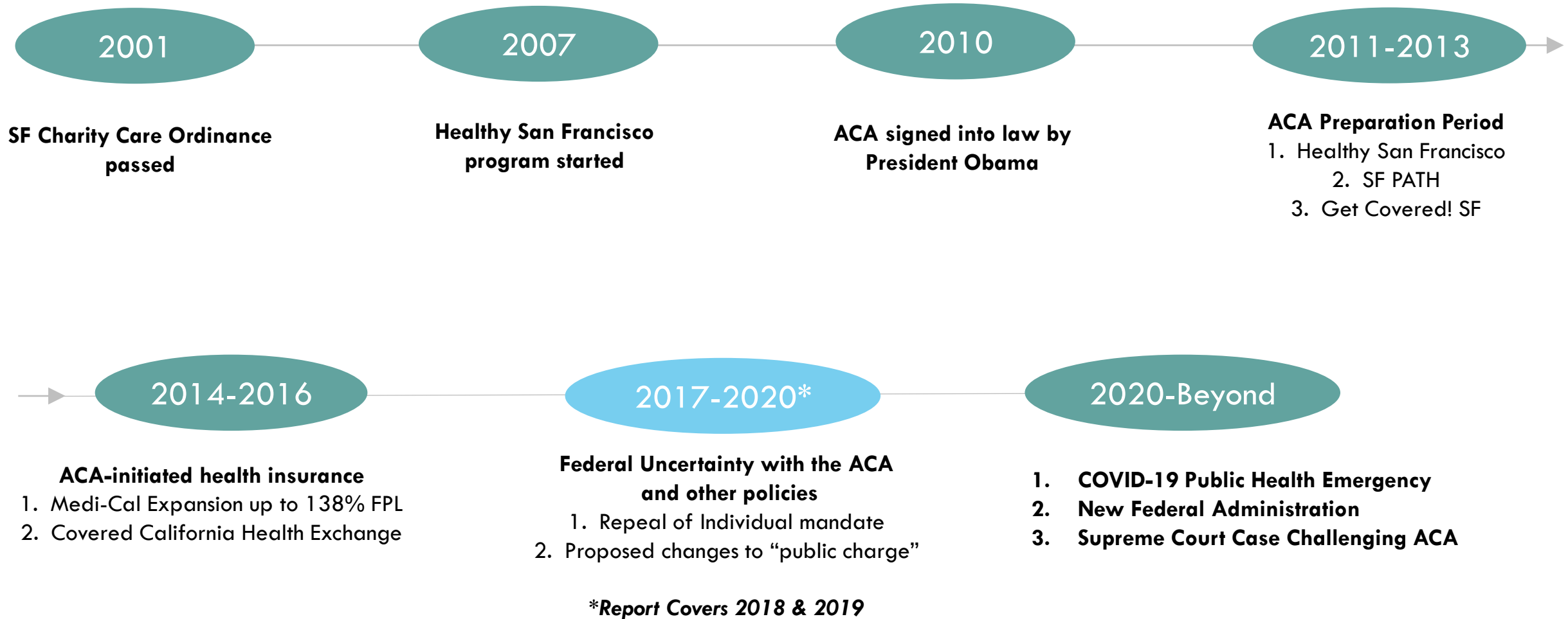


*\* Reports voluntarily*



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# Charity Care Landscape: Timeline



# Charity Care Report Overview

**Goal:** Understand and present trends related to charity care in San Francisco

- Showcases city-wide trends and hospital-specific data
- Tracks traditional charity care and HSF populations
- Engages representatives from the mandatory and voluntary reporting hospitals for development and review
- Report completed and presented to the Health Commission annually
- This year's report includes three years of new hospital data

## **Traditional Charity Care:**

Care provided to under- or uninsured patients not enrolled in HSF, and may be ineligible for Medi-Cal.

## **Healthy San Francisco:**

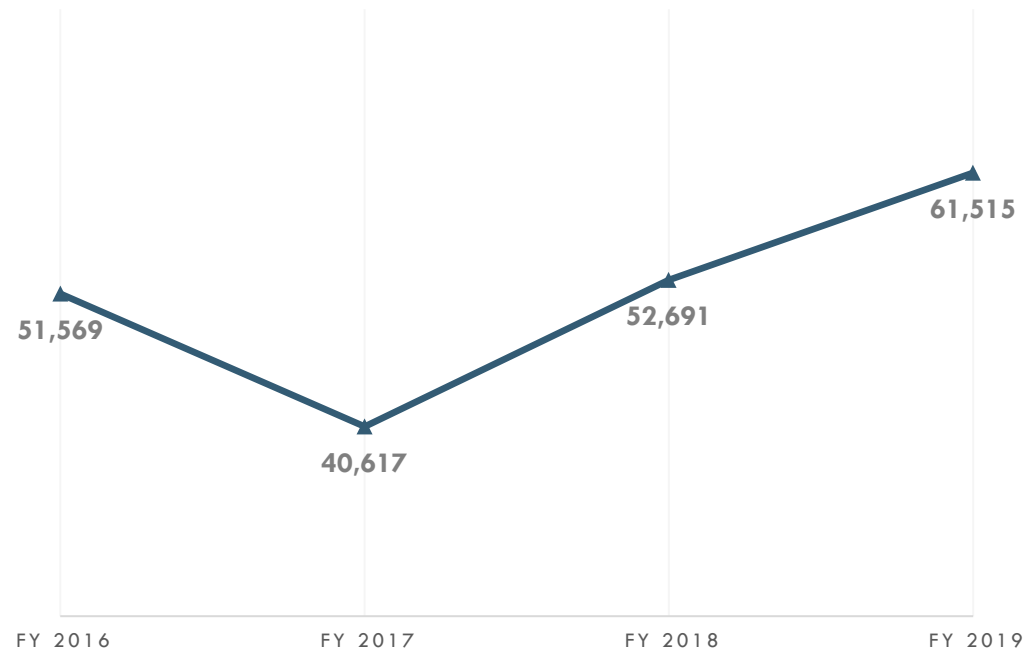
A program created by local ordinance designed to make health care services available and affordable to uninsured San Francisco residents.

# Citywide Charity Care Trends – 2018 & 2019

1. For the first time since implementation of the Affordable Care Act, charity care has increased in San Francisco.
2. Healthy San Francisco and Traditional Charity Care programs continue to serve distinct patient populations.
3. Traditional Charity Care serves the uninsured, those with public and commercial health coverage, and those most likely to experience health inequities – PEH, POC, and Lower SES.

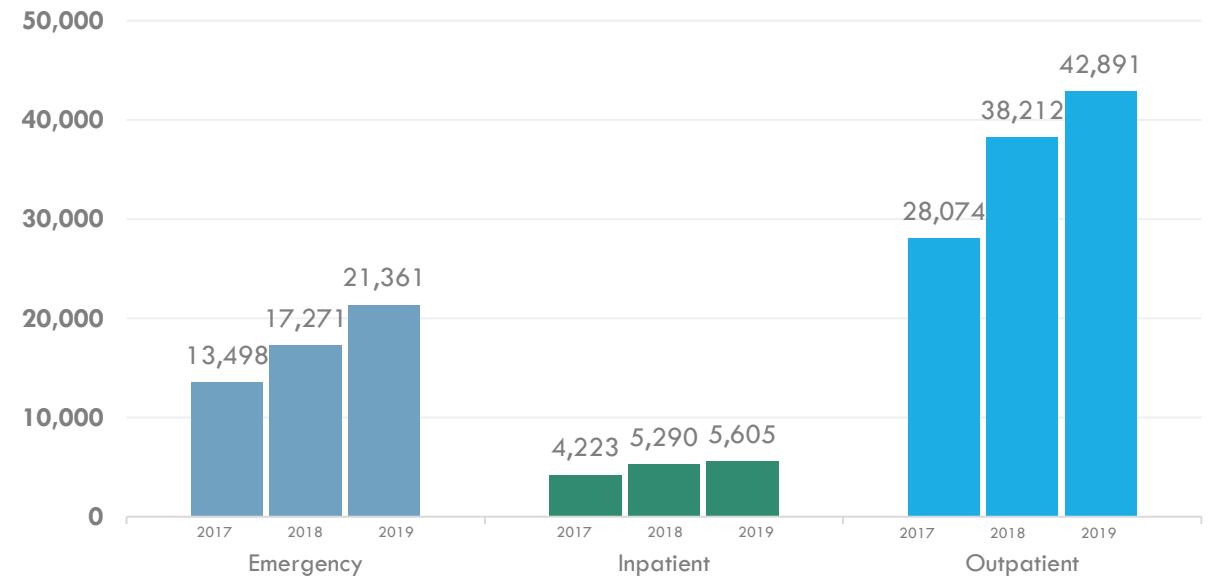
# 1. For the first time since implementation of the Affordable Care Act, charity care has increased in San Francisco.

### Unduplicated Charity Care Patients, 2016-19



**Charity Care Patients increased in San Francisco**

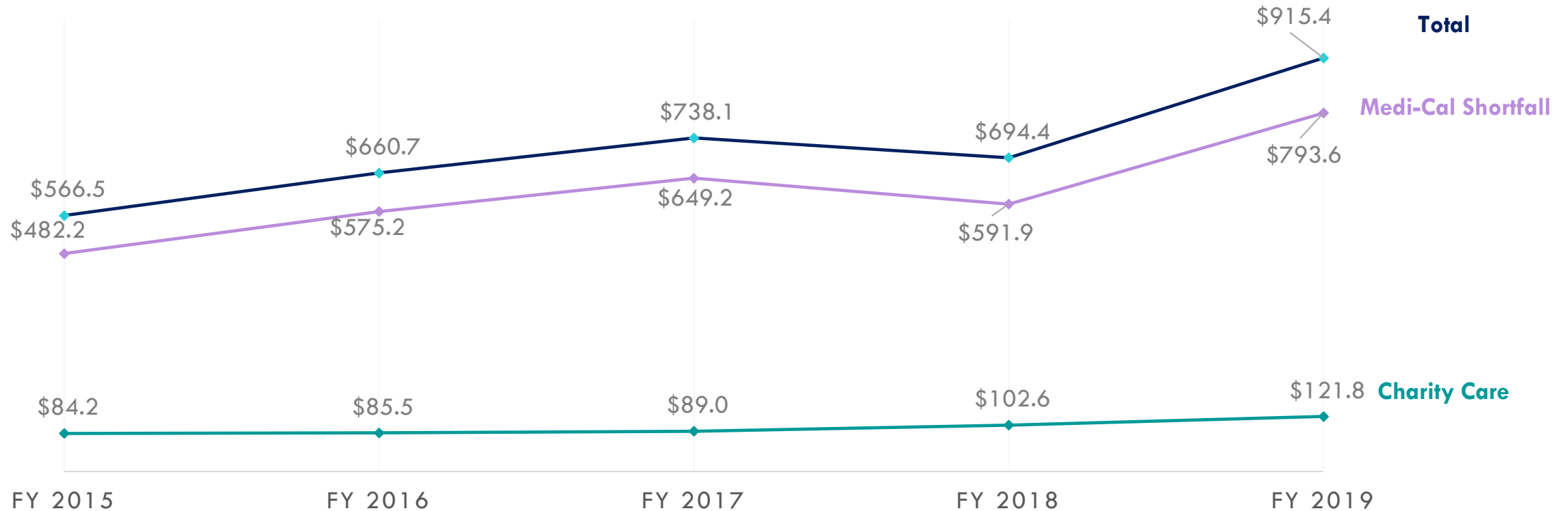
### Charity Care Service Utilization: Emergency, Inpatient, and Outpatient, 2017-19



**Utilization of charity care services overall has increased in San Francisco**

# 1. For the first time since implementation of the Affordable Care Act, charity care has increased in San Francisco.

Charity Care Expenditures and Medi-Cal Shortfall (in Millions), 2015-19

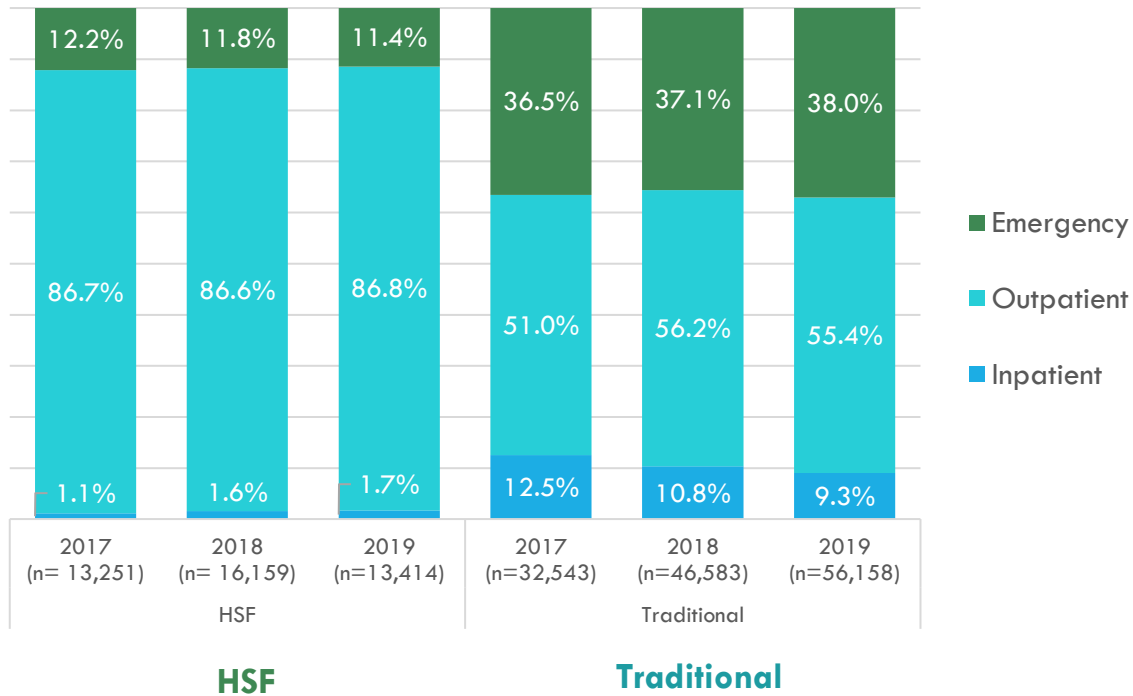


**Charity care expenditures are increasing (36.7 percent rise between 2017-19), and Medi-Cal Shortfall continue to climb**



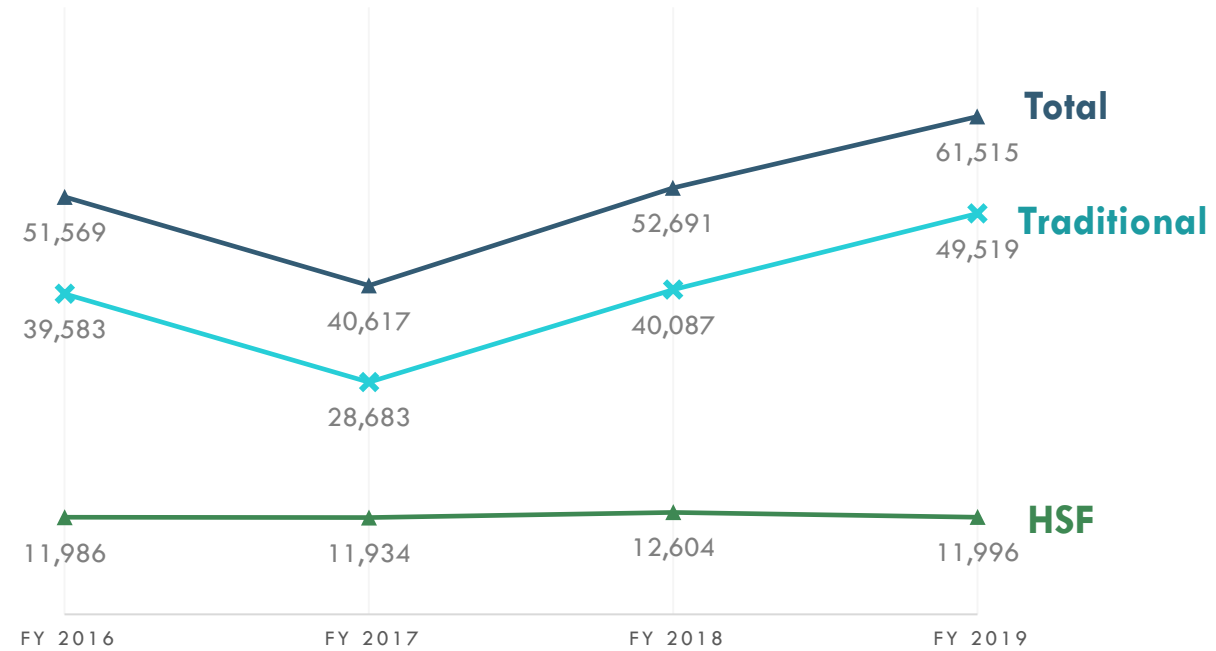
## 2. Healthy San Francisco and Traditional Charity Care programs continue to serve distinct patient populations.

Proportion Services for HSF and Traditional, 2017-19










**Traditional charity care patients more likely to utilize emergency services**

Unduplicated Charity Care Patients, 2016-19



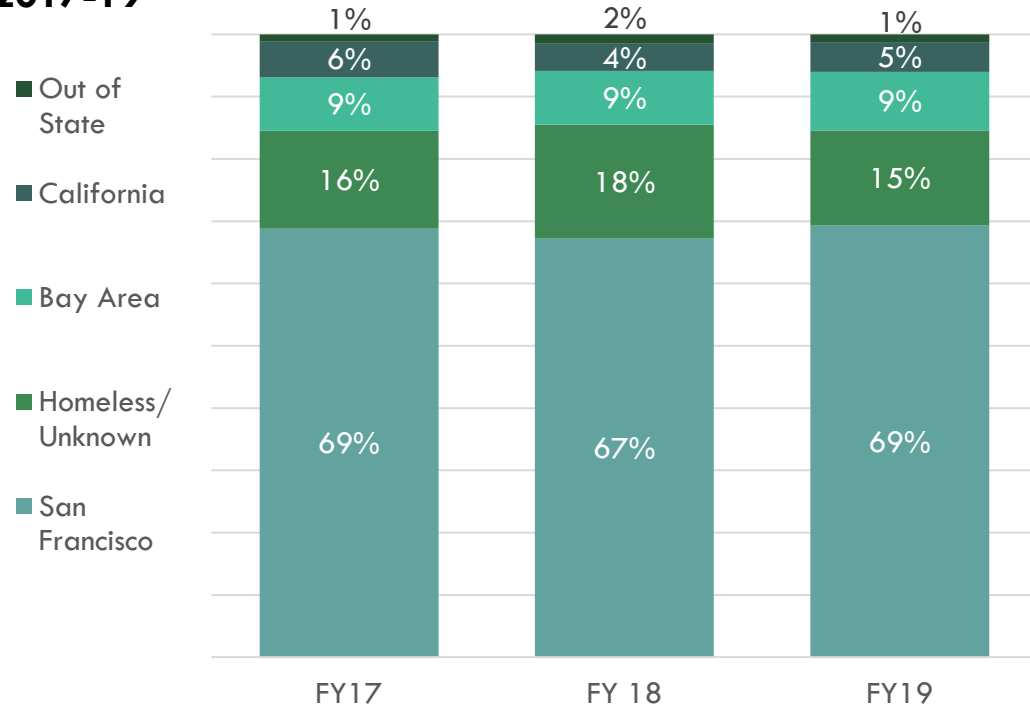
**Traditional charity care patients drove overall charity care increases; HSF population relatively stable**

# Potential factors for observed increase in charity care across San Francisco

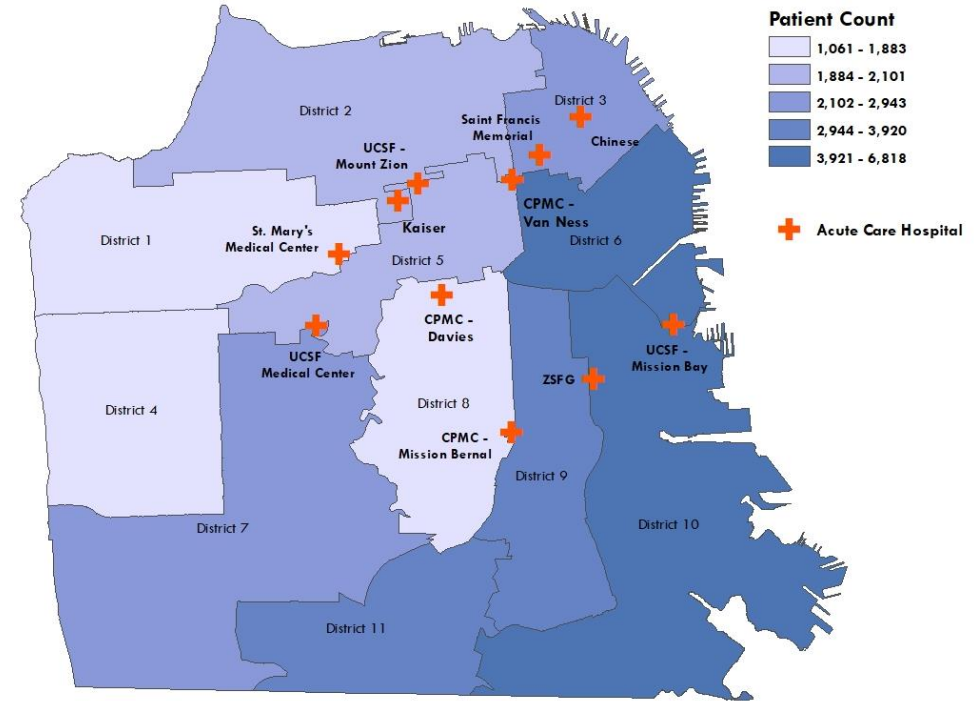
- Overall increase in health services citywide  
- Health Care Cost Inflation  
- Higher acuity patients and longer length of stays 
- Expanded charity care policy at ZSFG  

### 3. Traditional Charity Care serves the uninsured, those with public and commercial health coverage, and those most likely to experience health inequities – PEH, POC, and Lower SES.

**Traditional Charity Care Patients by Reported Residence, 2017-19**



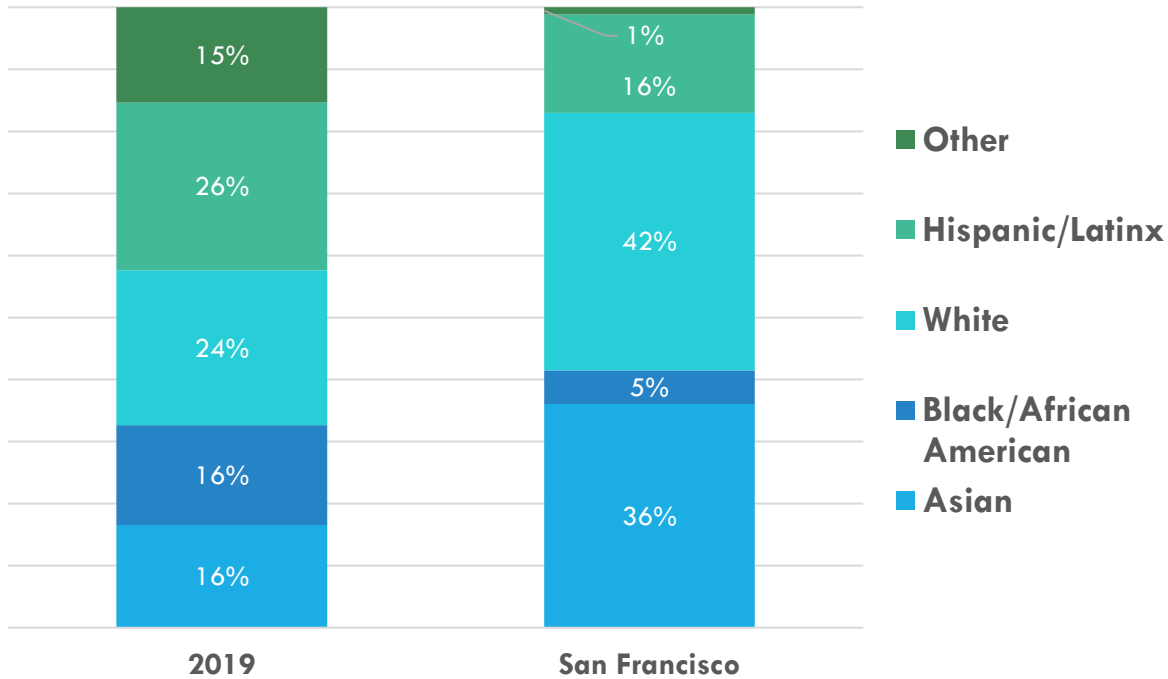
**Traditional Charity Care Patients by Supervisorial District, 2019**



**Traditional Charity Care remains relatively consistent, and continues to cover 1) majority San Franciscans concentrated in districts with lower income neighborhoods and 2) homeless residents.**

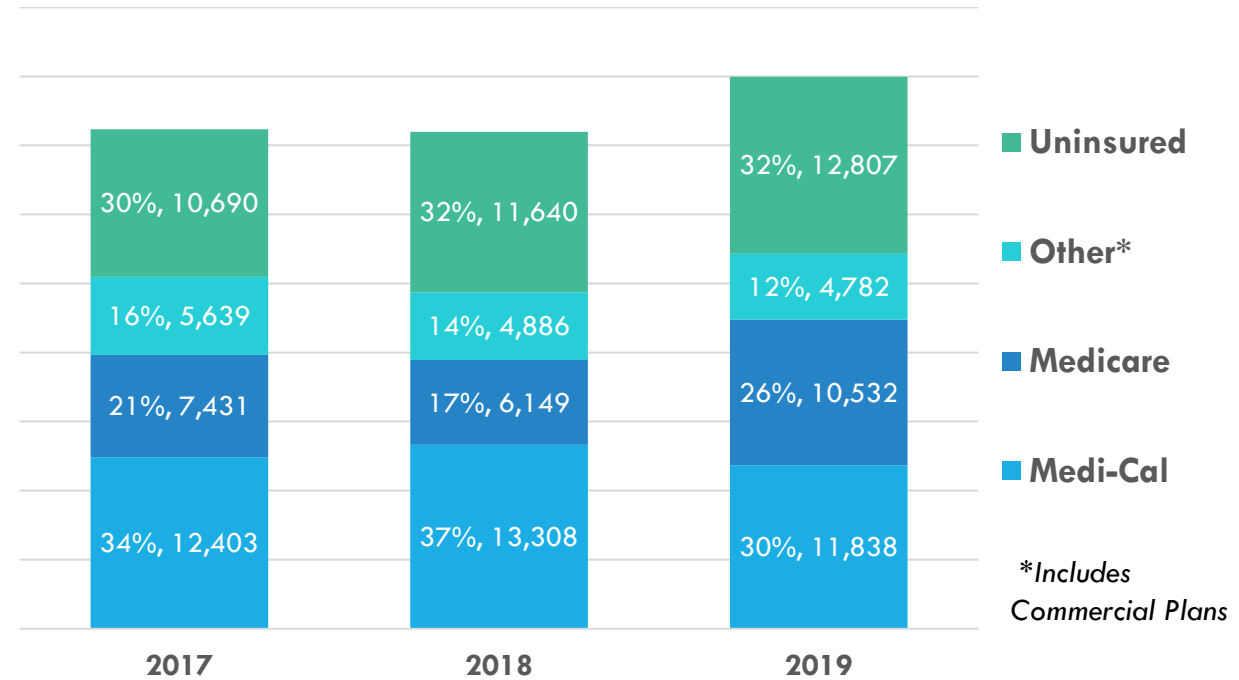
### 3. Traditional Charity Care – New Demographic Data

**Traditional Charity Care by Race/Ethnicity, 2019**



**Traditional charity care patients are more likely to identify as Latinx or B/AA/compared to the overall city population.**

**Traditional Charity Care Patients by Payor Source, 2017-19**

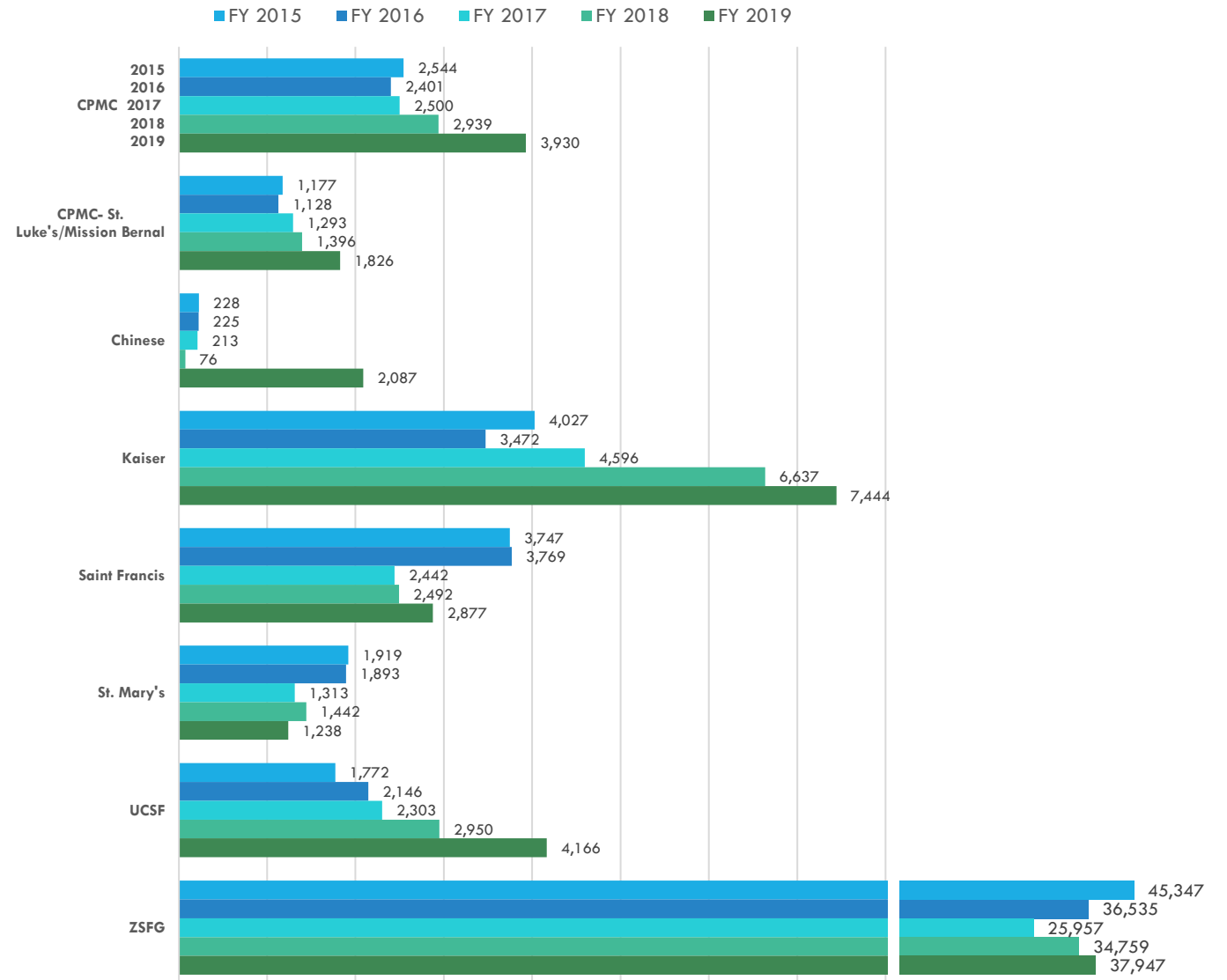


**An estimated 68 percent of traditional charity care patients have some form of health coverage.**

# Hospital-Specific Data

- Most hospitals paralleled Citywide trends in charity care patients, service utilization, and expenditures.
- Seven out of eight reporting hospitals experienced an increase in charity care patients between 2017 and 2019.
- ZSFG continues to be the largest providers of Charity Care in the City

## Charity Care Patients across San Francisco Hospitals



# Hospital-Specific Data

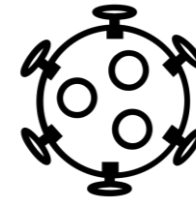
- Citywide trends in the ratio of charity care costs to net patient revenue varied among the eight reporting hospitals.
- Six out of seven reporting hospitals are above the state average.

Charity Care Costs to Net Patient Revenue – 2019				
Hospital	Net Patient Revenue	Charity Care Costs	Ratio of CC Costs to Net Pt. Revenue	State Avg. CC Costs to Net Pt. Revenue
CPMC	\$1,171,100,358	\$13,844,353	1.18%	<b>0.84%</b>
Mission Bernal	\$170,651,795	\$5,336,711	3.13%	
Chinese	\$94,283,579	\$2,454,291	2.60%	
Saint Francis	\$222,529,174	\$4,891,349	2.20%	
St. Mary's	\$212,923,339	\$2,497,893	1.17%	
UCSF	\$3,915,030,261	\$13,343,459	0.34%	
ZSFG	\$783,831,921	\$71,552,887	9.13%	
<p><b>Source:</b> Net Patient Revenue pulled from OSHPD. Annual Financial Reports can be found here: <a href="http://www.oshpd.ca.gov/HID/Hospital-Financial.asp#Profile">www.oshpd.ca.gov/HID/Hospital-Financial.asp#Profile</a></p> <p><b>Note:</b> The ratio of charity care to revenue is used by OSHPD as a metric for evaluating charity care levels.</p>				

# Charity Care – Moving Forward

## 2020 and Beyond:

- COVID-19 Public Health Emergency
- New Federal Administration
- Supreme Court Case Challenging ACA



# Appendix: Healthy San Francisco (HSF) Overview

- **Purpose:** Healthy San Francisco was established in 2007 to make health care services available and affordable to uninsured San Francisco adults who are ineligible for Medi-Cal, and is managed by DPH's Office of Managed Care
- **Delivery System:** HSF's services are provided through a public/private partnership that includes medical homes, hospitals as well as behavioral health and pharmacy services. In FY 18-19:
  - 57% of participants had a medical home within the SF Health Network
  - 36% of participants had a medical home within the SF Community Clinic Consortium.
- **Demographics:** HSF participants have remained relatively similar over the last four years, and continues to see immigration status as a driving factor in participants' ineligibility for other health insurance programs – Latinx patients make up over 3/5 of participants.