



# SAN FRANCISCO CHARITY CARE

2020-2021 ANNUAL REPORT

SAN FRANCISCO  
DEPARTMENT OF PUBLIC HEALTH



## ACKNOWLEDGMENTS

*Special thanks to San Francisco Charity Care Workgroup's Hospitals and representatives:*



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## GLOSSARY

**Affordable Care Act:** Health reform legislation passed by the 111th Congress and signed into law by President Barack Obama in March 2010.

**Charity Care:** Emergency, inpatient or outpatient medical care, including ancillary services, provided to those who cannot afford to pay and *without the hospital's expectation of reimbursement* (i.e., *free care*). It does not include bad debt, defined as the unpaid accounts of any person who has received medical care or is financially responsible for the cost of care provided to another, where such person has the ability but is unwilling to pay.

**Emergency Services:** Services requiring evaluation and initial treatment of medical conditions caused by trauma or sudden illness.

**Healthy San Francisco:** A [program](#) created by local ordinance designed to make health care services available and affordable to uninsured San Francisco residents.

**Inpatient Services:** Services provided to patients who are admitted to a hospital

**Medi-Cal Shortfall:** The unreimbursed cost of providing services to the hospital's Medi-Cal patients

**Outpatient Services:** Medical services provided without a hospital admission, excluding emergency services

**Safety Net Hospital:** Hospitals that typically provide significant portions of their care to low-income, uninsured, and vulnerable populations

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

**Underinsured:** A population with health coverage insurance, but face significant cost sharing or limits on their insurance benefit that may affect its usefulness in accessing or paying for needed health services

## SECTION I: EXECUTIVE SUMMARY

San Francisco's [Charity Care Ordinance](#) (Ordinance 163-01) was designed to promote transparency in the provision of charity care among local non-profit hospitals and highlight the community services that hospitals provide in exchange for the benefits resulting from their tax-exempt status. This annual report, required by the Ordinance, provides a forum to share and examine the charity care data provided by hospitals, and also explore the changes in the charity care landscape, most notably in relation to recent local, state, and national policy changes and the ongoing COVID pandemic.

This report reflects two years of new data, 2020 and 2021. Due to the COVID-19 pandemic and emergency response by the San Francisco Department of Public Health, the reporting processes was delayed. Therefore both 2020 and 2021 data were combined into one report. This report includes a section dedicated to City-wide trends and another section that provides hospital-specific data, as trends may differ between hospitals. This report also includes a section that details health coverage and demographic data of the non-Healthy San Francisco (HSF) traditional charity care patient population from the previous five years.

**Charity Care** is defined as emergency, inpatient or outpatient medical care, including ancillary services, provided to those who cannot afford to pay and without the hospital's expectation of reimbursement (i.e., free care). It does not include bad debt, defined as the unpaid accounts of any person who has received medical care or is financially responsible for the cost of care provided to another, where such person has the ability but is unwilling to pay. The annual report captures charity care data in two categories:

- **Traditional charity care**, which is defined as the care provided to under- or uninsured patients who are not enrolled in HSF, and may be ineligible for Medi-Cal.
- **Healthy San Francisco** (HSF) charity care, which is provided by hospitals as part of their participation in local HSF program. HSF is a program created by local ordinance designed to make health care services available and affordable to uninsured San Francisco residents.

**The following are the main conclusions of the report:**

- A.** Traditional Charity Care continues to serve the uninsured, those with public and commercial health coverage, and those most likely to experience health inequities – people experiencing homelessness, people of color, and people with lower socio-economic status.
- B.** Charity Care patients and expenditures increased in San Francisco overall, however, many hospitals experienced decreased charity care patients during the reporting period, 2019 - 2021.
- C.** Healthy San Francisco and Traditional Charity Care programs continue to serve distinct patient populations.

**A. Traditional Charity Care continues to serve the uninsured, those with public and commercial health coverage, and those most likely to experience health inequities – people experiencing homelessness, people of color, and people with lower socio-economic status.**

Traditional charity care serves the uninsured, those with public and commercial health insurance, San Franciscans in districts with lower incomes, and persons experiencing homelessness. In 2021, traditional charity care patients were more likely to be Black/African American, Hispanic/Latinx, male, and older, compared to the overall city population.

In 2021, 26 percent of traditional charity care patients identified as Hispanic/Latinx, for example, compared to only 17 percent of the San Francisco population. Black/African Americans make up 14 percent of traditional charity care patients, but only 5 percent of the San Francisco population. Overall, the demographic data indicates that those receiving charity care are also those most likely to be experiencing some of the most significant health inequities and have higher medical needs. For example, preventable hospitalizations are higher for Black/African Americans in San Francisco, compared to most other racial/ethnic groups.

Additionally, the zip codes with the highest number of charity care patients – Districts 6 (SOMA and Tenderloin), 9 (Mission, Bernal Heights), 10 (SE Neighborhoods, including Bayview-Hunters Point) – have high preventable emergency room and poverty rates. Charity care therefore continues to be an important healthcare program for communities most likely to experience health inequities.

**B. Charity Care patients and expenditures increased in San Francisco overall, however, many hospitals experienced decreased charity care patients during the reporting period, 2019-2021.**

During the reporting period, there was an increase in the overall number of patients who received charity care in San Francisco. Between 2019 and 2021, there was a 13 percent increase in charity care patients, with traditional patients increasing 17 percent during this period. In absolute numbers, total charity care increased from 61,515 patients in 2019 to 69,508 patients in 2021.

During this time, overall charity care expenditures increased from \$121.8 million to \$144.4 million (19 percent). Additionally, between 2019 and 2021, the number of charity care patients receiving inpatient services increased 22 percent (5,605 to 6,842 patients), while the number of charity care patients receiving outpatient services increased by 8 percent (42,891 to 46,251 patients). The number of charity care patients who received emergency services increased between 2019 to 2020 by 14 percent, and then decreased between 2020 and 2021 by 11 percent. In absolute numbers, there were 21,361 emergency patients in 2019; 24,300 patients in 2020; and 21,584 patients in 2021.

The increases in charity care patients overall and across the three service types were primarily driven by two hospitals – UCSF and ZSFG. UCSF saw a 134 percent increase in charity care patients (4,166 to 9,763) from 2019 to 2021, and ZSFG saw a 17 percent increase in charity care patients (37,947 to 44,853) during the same period. Saint Mary's also saw a 39 percent increase (1,238 to 1,724) between 2019 to 2021. The other five hospitals – CPMC (Van Ness and Mission Bernal), Chinese Hospital, Kaiser, and Saint Francis – saw decreases in charity care patients between 2019 to 2021.

**Charity Care Policy Changes at UCSF and ZSFG** – Hospital-specific policy changes at UCSF and ZSFG, which saw the largest increases in charity care patients, were a driving factor in the observed overall increase in charity care. Collectively, these two hospitals represented 75% of charity care patients served at reporting hospitals in 2020 and 2021, and therefore changes in charity care at these institutions have a disproportionate impact on the citywide trends. Starting in FY 2021, UCSF began proactively applying charity care adjustments to patients understood to be qualified for financial assistance, without requiring an application from the patient. This change allowed UCSF to better target patients who met criteria for charity care, but may not have known, or been able, to apply. In February 2019, ZSFG amended its charity care and discount programs to add new patient financial protections and end patient balance billing (also referred to as “surprise billing”). These changes increased eligibility for Sliding Scale and Charity Care programs.<sup>1</sup>

**The COVID-19 Pandemic: Healthcare Utilization and Healthcare Coverage Rates** – The COVID-19 pandemic, and its health and economic effects, has had a significant impact on our healthcare system, which likely contributed to the observed decreases in charity care at five out of the eight reporting hospitals. Most notably, the pandemic resulted in periods of decreased hospital utilization among all users of health care, including decreases in utilization of emergency, ambulatory, and inpatient services. According to the Department of Health Care Access and Information (HCAI), the average monthly number of Emergency patient encounters among the reporting hospitals was 19,185 between July 2019 – February 2020. This average decreased by 30 percent to a monthly average of 13,470 encounters between March – December 2020. Emergency utilization did not return to pre-pandemic levels in 2021, with an average of 15,497 encounters between January – December 2021. This represents an overall 19 percent decrease in emergency utilization when compared to pre-pandemic utilization (July 2019- February 2020).<sup>2</sup> Overall declines in health care utilization were likely a contributing factor in the observed decreases in charity care patients among reporting hospitals. For ZSFG and UCSF, despite decreased overall hospital utilization during the reporting period, these hospitals still saw increases in charity care because more patients were eligible for and/or identified as in need of charity care due to their recently enacted policy changes.

Healthcare coverage rates improved in California and San Francisco during the pandemic as a result of pandemic-related policy changes, including relaxing eligibility standards for the Medi-Cal program which increased the total number of individuals enrolled during the Public Health Emergency (PHE). According to data from the 2020 California Health Interview Survey (CHIS), 94 percent of all Californians were insured in 2020 – the highest rate of coverage among all Californians since CHIS began surveying respondents about their insurance coverage in 2001.<sup>3</sup> In San Francisco, 96.4 percent of the population was insured in 2021.<sup>4</sup> Further, Medi-Cal enrollment increased during the COVID pandemic. In San Francisco in April 2020, there

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<sup>1</sup>DPH’s Sliding Scale Program may be applied to services received in the San Francisco Health Network at Zuckerberg San Francisco General, in its primary care and affiliated clinics. The Sliding Scale Program is available to San Francisco residents who after thorough eligibility screening, are found to have no sponsorship, no federal, state or county insurance or program eligibility and are indigent or have limited income and would otherwise be unable to pay for the full costs for their medical services.

<sup>2</sup> Cal HHS, Department of Health Care Access and Information (HCAI), Effects of COVID-19 on Hospital Utilization Trends, <https://data.chhs.ca.gov/dataset/effects-of-covid-19-on-hospital-utilization-trends>

<sup>3</sup> Tan, S. (2021), California Reached Health Coverage Milestone with 94% of People Insured in 2020, but Access to Care Remains a Challenge During COVID-19 Pandemic, UCLA Center for Health Policy Research, <https://healthpolicy.ucla.edu/publications/Documents/PDF/2021/access-to-care-policybrief-sep2021.pdf>

<sup>4</sup> U.S. Census, 2021: ACS 5-Year Estimates, <https://data.census.gov/table?q=INSURANCE&g=0500000US06075&tid=ACST5Y2020.S2701>

were 203,885 Medi-Cal eligibles, and by December 2021, there were 233,570 Medi-Cal eligibles, representing a 15 percent increase.<sup>5</sup> This increase was likely driven by the COVID public health emergency (PHE) related policies. Increased health coverage may have also contributed to a reduction in the overall need for charity care during this time period at certain reporting hospitals.

**C. Healthy San Francisco and Traditional Charity Care programs continue to serve distinct patient populations.**

Started in 2007, the Healthy San Francisco (HSF) program is a locally created and funded program that provides comprehensive, affordable healthcare to uninsured adults in San Francisco. HSF provides a medical home-based model, pairing each member with a primary care provider, to improve access to preventive, and coordinated care. Although not insurance, HSF provides participants with a stronger connection to the healthcare system through an organized system of care with benefits beyond hospital services. Today, HSF continues to primarily provide healthcare services to uninsured San Francisco adults who are ineligible for public full scope coverage through public programs. In addition to providing coverage, HSF provides outreach and assistance to help enroll those eligible for ACA-sponsored coverage, thereby increasing the accessibility of health insurance.

Between 2019 and 2021, there was a 17 percent increase in traditional charity care patients (49,519 to 57,913 patients) and a 3 percent decrease in HSF patients (11,996 to 11,595). When examining the types of charity care services provided through the two programs, the proportion of emergency care is higher for traditional charity care patients compared to HSF charity care patients. In 2021, 33 percent of all services for traditional charity care patients were emergency services, while 10 percent of all services for HSF charity care patients were emergency services. Additionally, the proportion of outpatient services is much lower for traditional charity care patients. In 2021, outpatient services were 56 percent of all services for traditional charity care patients, compared to 88 percent of all services for HSF charity care patients.

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<sup>5</sup> DHCS, <https://data.chhs.ca.gov/dataset/medi-cal-certified-eligibles-tables-by-county-from-2010-to-most-recent-reportable-month>; Certified eligibles are those beneficiaries deemed qualified for Medi-Cal by a valid eligibility determination, and who have enrolled into the program.



## SECTION II: THE SAN FRANCISCO CHARITY CARE ORDINANCE

In 2001, the San Francisco Board of Supervisors passed the [Charity Care Ordinance](#) (Ordinance 163-01), which amended the San Francisco Health Code by adding Sections 129-138 to authorize the San Francisco Department of Public Health (DPH) to require hospitals to report on charity care policies, quantify the amount of charity care provided, and provide patient notification of charity care policies.<sup>6</sup> This law was the first of its kind in the nation and has supported a spirit of public disclosure locally that has been replicated in other municipalities and by the federal government as part of healthcare reform, as evidenced by the ACA’s reporting requirements.

While it does not require hospitals to provide a specific level of free or discounted care to the community, San Francisco’s Health Code does require DPH to report on the hospitals’ charity care work in an annual report. To fulfill this requirement, DPH collects, analyzes, and presents these data for the San Francisco Health Commission each year. The annual charity care report allows readers to learn more about the health care provided to those who are under- or uninsured and least able to pay for health care services.

San Francisco’s Ordinance defines charity care as:

*“emergency, inpatient, and outpatient medical care, including ancillary services, provided to those who cannot afford to pay and without expectation of reimbursement, and that qualifies for inclusion in the line item ‘Charity-Other’ in the reports referred to in Section 128740(a) of the California Health and Safety Code, after reduction by the Ratio of Costs- to-Charges.”<sup>7</sup>*

The annual report captures charity care data in two categories: [Healthy San Francisco \(HSF\)](#) charity care, which is provided by hospitals as part of their participation in local HSF program; and traditional charity care, which is defined as the care provided to under- or uninsured patients who are not enrolled in HSF, and may be ineligible for Medi-Cal.

To produce the annual report, DPH collaborates with eight reporting hospitals through the charity care project workgroup. According to the Charity Care Ordinance, there are five hospitals required to submit charity care data to SFDPH within 120 days after the end of their fiscal year.<sup>8</sup> The other three hospitals are not mandated, but report the same charity care data voluntarily to SFDPH.

### Mandatory Reporting

Chinese Hospital Association of San Francisco (CHASF)  
Dignity Health: Saint Francis Memorial Hospital (SFMH)  
Dignity Health: St. Mary’s Medical Center (SMMC)  
Sutter Health: Van Ness and Mission Bernal (CPMC)<sup>9</sup>

### Voluntary Reporting

Kaiser Foundation Hospital, San Francisco (KFH – SF)  
University of California San Francisco, Medical Center (UCSF)  
Zuckerberg San Francisco General Hospital (ZSFG)

<sup>6</sup> More information about the charity care ordinance and reporting hospitals is found in Appendix B and C.

<sup>7</sup> CCSF Health Code, Article 3 (Hospitals), Section 130. Definitions.

<sup>8</sup> Hospitals report either on a Jan-Dec or a July-June fiscal year. See Appendix A for details.

<sup>9</sup> CPMC Davies data is reported under CPMC Van Ness Hospital, as they are under the same license.

## SECTION III: CITY-WIDE CHARITY CARE DATA AND CONCLUSION

**Charity Care** is defined as emergency, inpatient or outpatient medical care, including ancillary services, provided to those who cannot afford to pay and without the hospital's expectation of reimbursement (i.e., free care). It does not include bad debt, defined as the unpaid accounts of any person who has received medical care or is financially responsible for the cost of care provided to another, where such person has the ability but is unwilling to pay. The annual report captures charity care data in two categories:

- **Traditional charity care**, which is defined as the care provided to under- or uninsured patients who are not enrolled in HSF, and may be ineligible for Medi-Cal; and
- **Healthy San Francisco (HSF) charity care**, which is provided by hospitals as part of their participation in local HSF program. HSF is a program created by local ordinance designed to make health care services available and affordable to uninsured San Francisco residents.<sup>10</sup>

### A. Traditional charity care continues to serve the uninsured, those with public and commercial health coverage, and those most likely to experience health inequities – PEH, POC, and Lower SES.

#### ***Payor Status***

California's health insurance landscape has remained relatively stable, even considering the COVID pandemic's health and economic impacts. California's uninsurance rate declined to a historic low in the first year of the pandemic.<sup>11</sup> In San Francisco, 96.4 percent of the population was insured in 2021, which is similar to years prior.<sup>12</sup> However, there continues to be a number of San Franciscans that remain uninsured despite City-wide, state, and national efforts, and these individuals will continue to rely on charity care. Newly collected data from hospitals indicate that in 2021, 21 percent of total traditional charity care patients were uninsured. There are several factors that can lead to uninsurance, including personal circumstances that make it difficult to maintain coverage (e.g. homelessness), lack of awareness of program eligibility, immigration status, and affordability concerns in the face of rising healthcare costs.

Another population that relies on traditional charity care are those with health coverage, including public and commercial insurance, but are unable to afford health care expenses. These individuals, who are referred to as underinsured, are more likely to delay care and have difficulty paying medical bills. Data from

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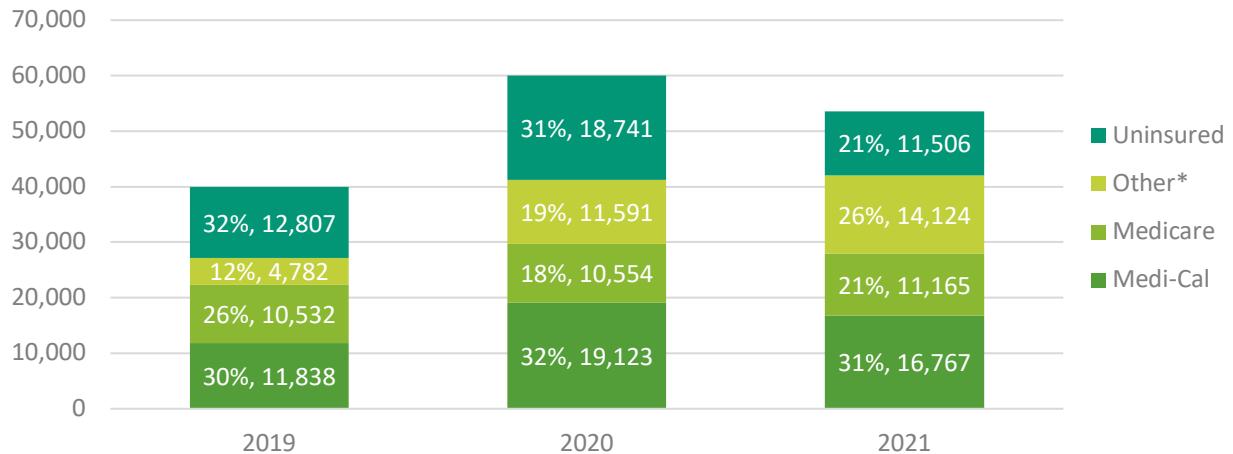
<sup>10</sup> To be eligible for Healthy San Francisco, you must be all of the following: a San Francisco resident, age 18 or older, uninsured, not eligible for public insurance programs such as Medi-Cal or Medicare, and living on a combined family income at or below 500% of the FPL. <https://healthysanfrancisco.org/visitors/are-you-eligible/>

<sup>11</sup> CHCF, California Health Insurance Stable in 2021, but Many Will Need To Switch Coverage Once COVID-19 Pandemic Protections End, <https://www.chcf.org/publication/california-health-insurance-stable-in-2021-but-many-will-need-to-switch-coverage-once-covid-19-pandemic-protections-end/>

<sup>12</sup> U.S. Census, 2021: ACS 5-Year Estimates, <https://data.census.gov/table?q=INSURANCE&g=05000000US06075&tid=ACST5Y2020.S2701>

hospitals shows that in 2021, 78 percent of traditional charity care patients had some form of health coverage.<sup>13</sup>

**Figure 1: Traditional Charity Care Patients by Payor Source, 2019 to 2021\*\***



\* “Other” payor type includes those with commercial insurance and workers compensation. “Uninsured” indicates the number of patients who self-pay their medical expenses.

\*\* Kaiser only reported 2021 data. Inclusion of Kaiser’s 2021 data does not significantly change the overall distribution of payor source, and has therefore not been included in the above chart. Refer to Appendix G for Kaiser demographic data.

Between 2019 and 2021, the proportion of uninsured charity care patients decreased from 32 percent to 21 percent, while the proportion of those with “Other” types of healthcare coverage, or those with commercial insurance and workers compensation, grew from 12 percent to 26 percent. At UCSF, the aforementioned change to “presumptive” charity begun in FY 2021, which resulted in more patients with “Other” payor type meeting the criteria for charity care.

While Medi-Cal is considered comprehensive coverage, there are several reasons why recipients may receive charity care assistance. Some Medi-Cal recipients must pay a monthly dollar amount towards their medical expenses before their full scope Medi-Cal benefits become active. This expense is referred to as share of cost (SOC), and is determined based on a recipient’s income. Some recipients may not be able to afford the SOC and might therefore be eligible for charity care assistance.<sup>14</sup> Additionally, individuals who only qualify for restricted scope Medi-Cal – which covers certain services like Pregnancy or Emergency services – may receive additional non-covered care as a result of their initial emergency visits. Individuals on restricted scope Medi-Cal may not be able to afford these additional out-of-pocket expenses and therefore be eligible for charity care assistance.

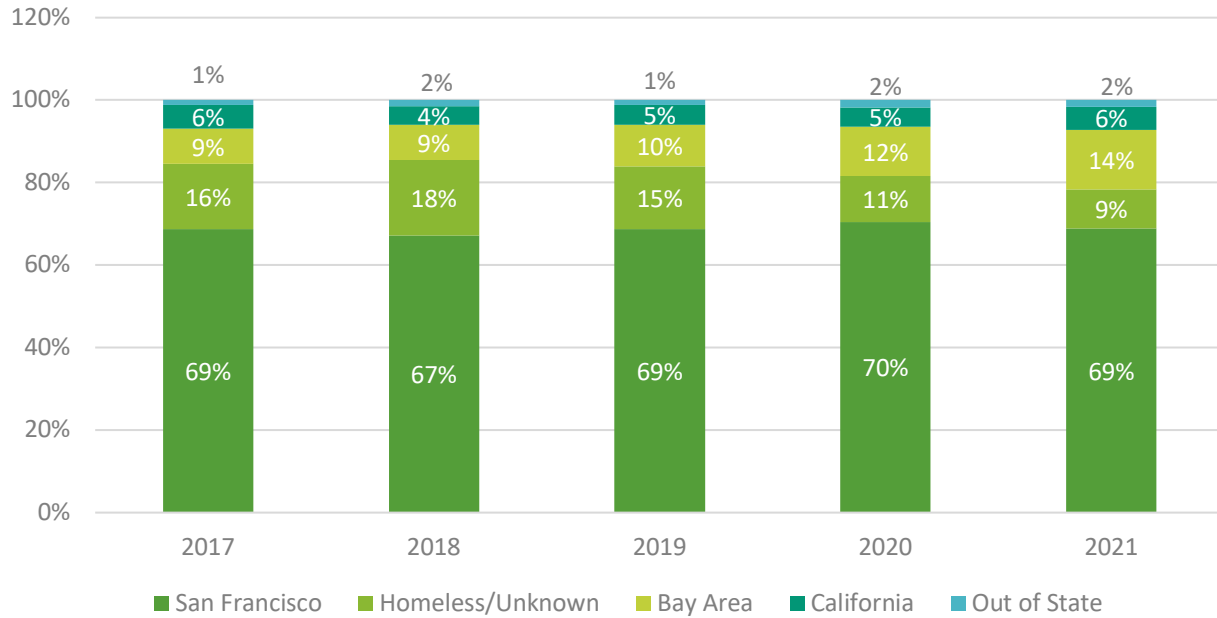
<sup>13</sup> It is important to note that patients’ uncovered healthcare costs, which might lead them to charity care, is different from a hospital’s Medi-Cal Shortfall, defined as the difference between total Medi-Cal expenditures for services to Medi-Cal beneficiaries and the total hospital reimbursement received from the Medi-Cal program. Medi-Cal shortfall is discussed in Section B.

<sup>14</sup> At ZSFG, San Francisco residents with Medi-Cal SOC have the Sliding Scale program applied to their accounts. ZSFG does not ask patients to pay their Medi-Cal SOC. Instead, ZSFG tries to have the SOC met by posting the charges of services rendered to the patient during that calendar month to Medi-Cal.

## Demographics

As in previous years, traditional charity care patients are primarily San Francisco residents (69 percent in 2021). Bay Area residents (14 percent) and persons experiencing homelessness (9 percent)<sup>15</sup> represent the next largest proportion of charity care patients.

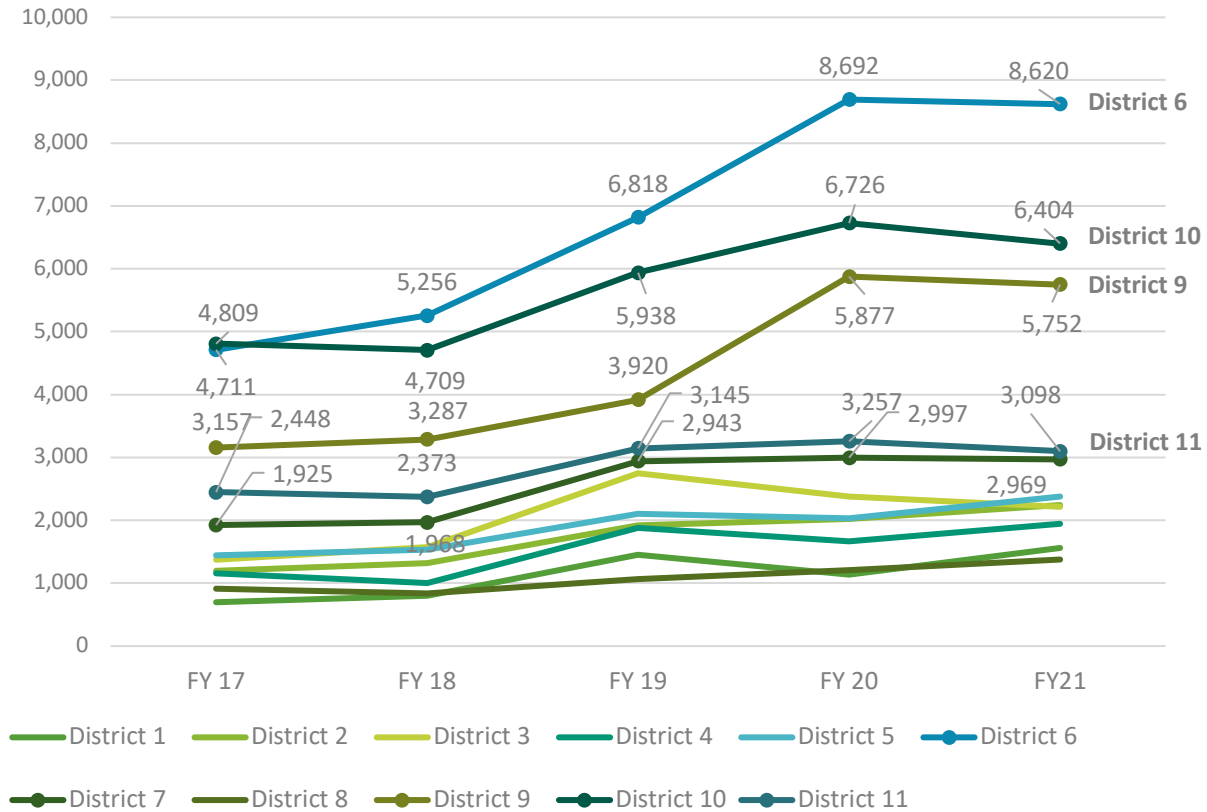
**Figure 2: Traditional Charity Care Patients Reported Residence, 2017 to 2021**



Since 2013, the majority of the charity care patients in San Francisco have resided in Districts 6 (SOMA and Tenderloin), District 10 (SE Neighborhoods, including Bayview-Hunters Point), District 9 (Mission, Bernal Heights), and District 11 (Excelsior). District 1 (Northwest SF/Richmond) and District 8 (Castro, Mission) represent the smallest shares (about 2-4 percent each).

<sup>15</sup> The decrease in persons experiencing homelessness from 2020 to 2021 (11% to 9%) is due to changes in data entry protocols at ZSFG during the reporting period. Address fields for people experiencing homelessness were imputed as the facility's address.

**Figure 3: Traditional Charity Care Patients by Supervisorial District, 2017 to 2021**

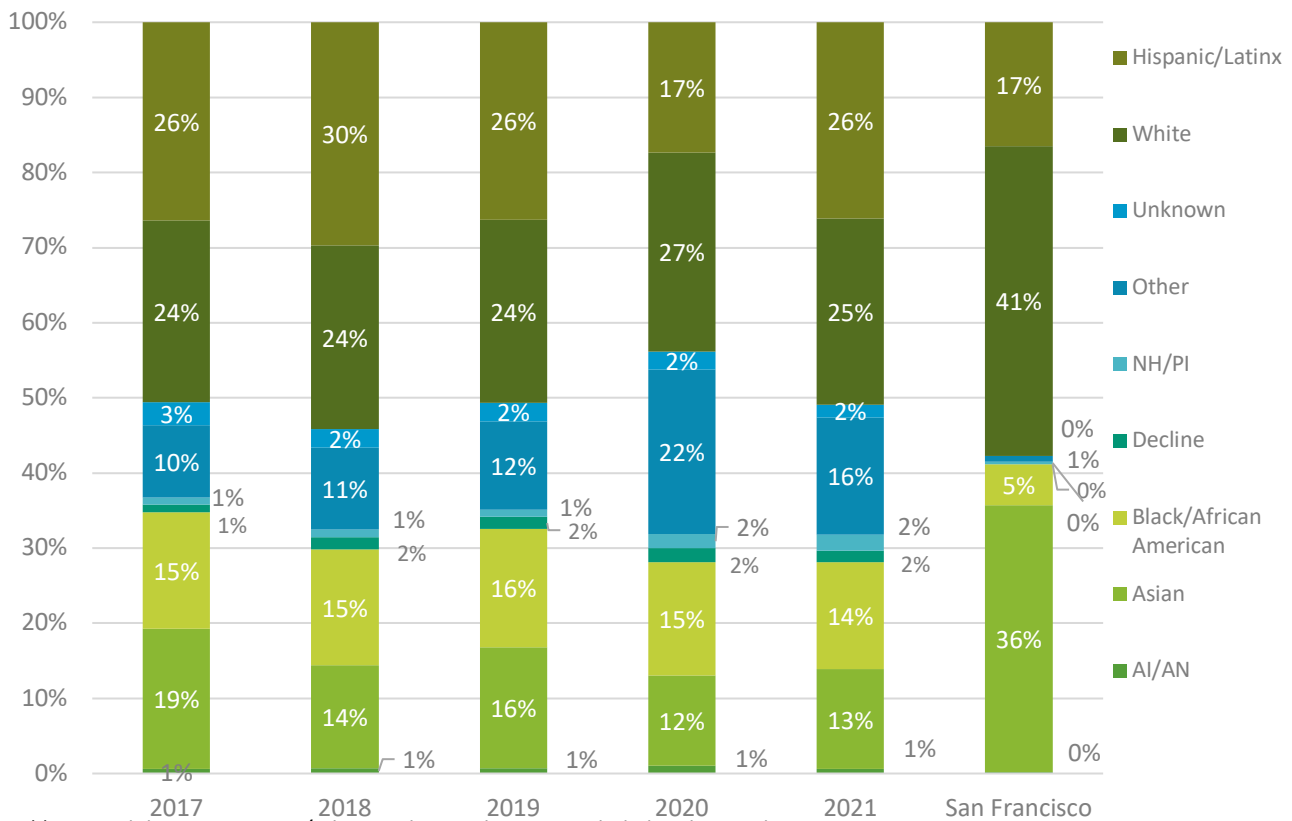


The increases in charity care patients from 2019 to 2020 in District 6 and District 9 are driven by an increase in ZSFG’s charity care patient population with a 94110 zip code, where ZSFG is located. This may be attributed to changes in data entry protocols at ZSFG during the reporting period, where the address for people experiencing homelessness is now imputed as the facility’s address.<sup>16</sup>

Demographic data was also collected on race/ethnicity, age, and gender. As in previous years, traditional patients were more likely to be Hispanic/Latinx, Black/African American, male, and older, compared to the overall city population. In 2021, 26 percent of traditional charity care patients identified as Hispanic/Latinx, compared to only 17 percent of the San Francisco population. Black/African Americans make up 14 percent of traditional charity care patients, but only 5 percent of the San Francisco population. Overall, the demographic data indicates that those receiving charity care are also those most likely to be experiencing some of the most significant health inequities and have higher medical needs. For a more detailed analysis of these demographic data points, refer to **Appendix G**.

<sup>16</sup> This protocol was initiated in late 2019 and fully implemented in 2020.

**Figure 4: Traditional Charity Care Patients by Race/Ethnicity\*\***



\*\* Kaiser did not report race/ethnicity data and are not included in the graph.

**B. Charity Care patients and expenditures increased overall, however, many hospitals experienced decreased charity care patients during the reporting period, 2019 - 2021.**

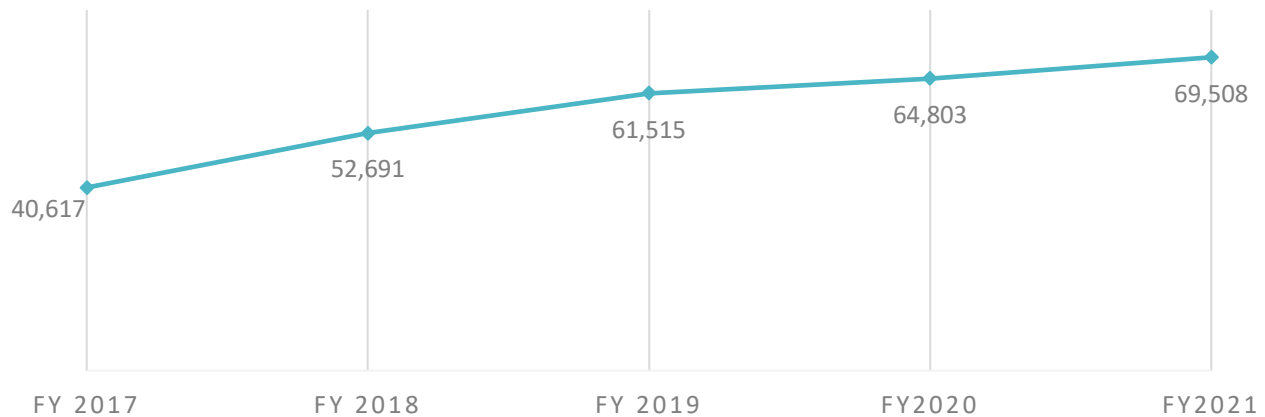
**Charity Care Patients**

During the reporting period, there was an increase in the overall number of patients who received charity care in San Francisco. Between 2019 and 2021, there was a 13 percent increase in charity care patients, with traditional charity care patients increasing 17 percent during this period. In absolute numbers, total charity care increased from 61,515 patients in 2019 to 69,508 patients in 2021.

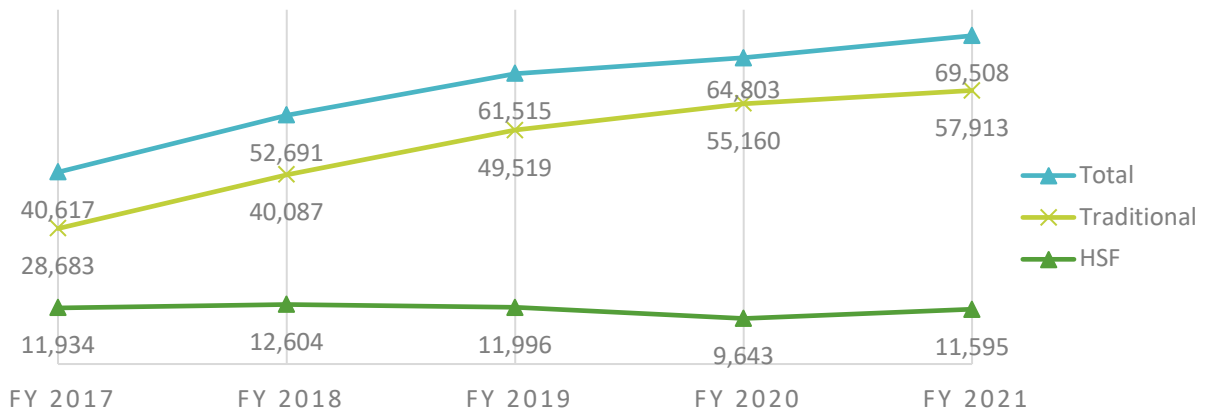
This increase was driven by UCSF, which saw a 134 percent increase in charity care patients (4,166 to 9,763) from 2019 to 2021, and ZSFG, which saw a 17 percent increase in charity care patients (37,947 to 44,853) during the same period. Saint Mary’s also saw a 39 percent increase (1,238 to 1,724) between 2019 to 2021. The other hospitals – CPMC (Van Ness<sup>17</sup> and Mission Bernal), Chinese Hospital, Kaiser, and Saint Francis – saw decreases in charity care patients between 2019 to 2021. Between 2019 and 2021, there was a 3 percent decrease in HSF patients (11,996 to 11,595).

<sup>17</sup> CPMC Davies data is combined with CPMC Van Ness data as they are under the same hospital license.

**Figure 5: Unduplicated Charity Care Patients, 2017 to 2021**



**Figure 6: HSF and Traditional Charity Care Patients, 2017 to 2021**



**Charity Care Policy Changes at UCSF and ZSFG**

A key factor reported as contributing to the observed overall charity care increase were hospital-specific policy changes at the two hospitals that saw the largest increases in charity care patients. Starting in FY 2021, UCSF began proactively applying charity care adjustments to patients understood to be qualified for financial assistance, without requiring an application from the patient. This change allowed UCSF to better target patients who met criteria for charity care, but may not have known, or been able, to apply, and therefore may not have received charity care in previous years. This policy change was reported as a primary factor in the observed increase in charity care patients for UCSF.

Additionally, in February 2019, ZSFG amended its charity care and discount programs to add new patient financial protections and end patient balance billing (also referred to as “surprise billing”). Changes included establishing out-of-pocket maximums for qualified patients of all income levels and making income-based discounts available to more qualified patients by expanding the income eligibility for the Sliding Scale, Charity Care, and Discount Payment programs. Sliding Scale Program eligibility expanded by eliminating the assets test criteria. Charity Care Program eligibility expanded from 350 percent of Federal Poverty Level (FPL) to 500 percent of FPL. Discount Payment Program eligibility expanded from 500 percent

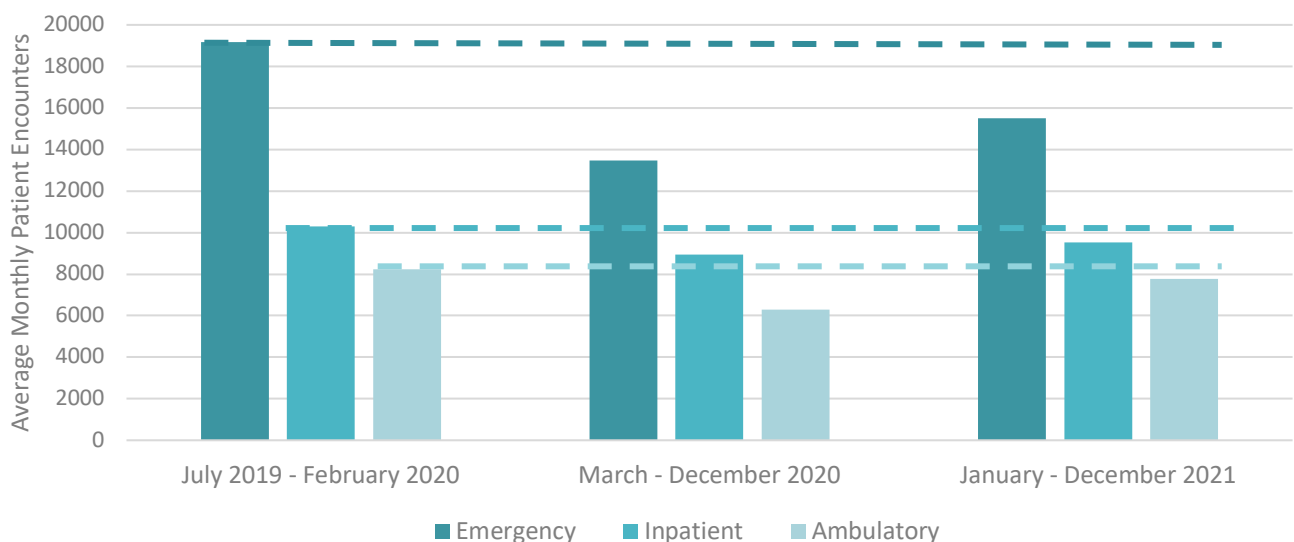
of FPL to eliminating an FPL limit. These policy changes were reported as a primary driver in the observed increase in charity care patients for ZSFG.

**The COVID-19 Pandemic: Healthcare Coverage Rates and Healthcare Utilization**

The COVID-19 pandemic, and its health and economic effects, has had a significant impact on the healthcare system nationally and locally. In San Francisco, through June 2022, there have been 928 COVID deaths, with a peak of 165 deaths in January 2021.<sup>18</sup> Most notably, the pandemic resulted in periods of decreased hospital utilization, including decreased utilization of emergency, ambulatory, and inpatient services. According to the Department of Health Care Access and Information (HCAI), the average monthly number of emergency patient encounters among reporting hospitals was 19,185 between July 2019 – February 2020. This average decreased by 30 percent to an average of 13,470 encounters between March – December 2020. Emergency utilization did not return to pre-pandemic levels in 2021, with a monthly average of 15,497 encounters between January – December 2021. This represents an overall 19 percent decrease in emergency utilization when compared to pre-pandemic utilization (July 2019- February 2020).<sup>19</sup> These overall decreases in utilization were reported as contributing to the decreases in charity care patients at the five reporting hospitals. For ZSFG and UCSF, despite decreased overall hospital utilization during the reporting period, these hospitals still saw increases in charity care because more patients were eligible for and/or identified as in need of charity care due to their recently enacted policy changes.

The chart below shows overall hospital utilization across all reporting hospitals between July 2019 and December 2021 based on HCAI data. Dotted lines show baseline utilization before the start of the COVID pandemic, defined as July 2019 to February 2020.

**Figure 7: Overall Hospital Utilization across All Reporting Hospitals, July 2019 – December 2021<sup>20</sup>**



<sup>18</sup> Community Health Needs Assessment, 2022, <http://www.sfhip.org/wp-content/uploads/2022/09/View-the-final-San-Francisco-CHNA-2022-report-3.pdf>

<sup>19</sup> Cal HHS, Department of Health Care Access and Information (HCAI), Effects of COVID-19 on Hospital Utilization Trends, <https://data.chhs.ca.gov/dataset/effects-of-covid-19-on-hospital-utilization-trends>

<sup>20</sup> *Supra* Note 13.



Despite economic uncertainty and job loss, the large majority of Californians remained covered during the pandemic. According to data from the 2020 California Health Interview Survey (CHIS), 94 percent of all Californians were insured in 2020 – the highest rate of coverage among all Californians since CHIS began surveying respondents about their insurance coverage in 2001.<sup>21</sup> In San Francisco, 96.4 percent of the population was insured in 2021.<sup>22</sup> Further, Medi-Cal enrollment increased during the COVID pandemic. In San Francisco in April 2020, there were 203,885 Medi-Cal eligibles, and by December 2021, there were 233,570 Medi-Cal eligibles, representing a 15 percent increase.<sup>23</sup> This increase was likely driven by the COVID public health emergency (PHE) related policies, where states received increased Medicaid funding from the federal government if they postponed Medicaid dis-enrollments during the PHE. This “continuous coverage” requirement allowed millions of Californians to stay on Medi-Cal.<sup>24</sup> Increased health coverage may have also contributed to a reduction in the overall need for charity care during this time period at certain reporting hospitals.

### ***Charity Care Services***

Along with the increase in the number of total charity care patients between 2019 and 2021 in San Francisco, charity care patients receiving all three service types (emergency, outpatient, and inpatient) also increased among reporting hospitals during this period. The number of charity care patients receiving inpatient services increased by 22 percent (5,605 to 6,842 patients) during this time period, and the number of charity care patients receiving outpatient charity care services saw an eight percent increase (42,891 to 46,251 patients). Charity care patients receiving emergency charity care services increased between 2019 and 2020 by 14 percent, and then decreased between 2020 and 2021 by 11 percent (21,361 patients in 2019; 24,300 patients in 2020; and 21,584 patients in 2021). As with overall charity care patient numbers, increases in charity care patients who received emergency, outpatient, and inpatient care were driven by expanded charity care eligibility at ZSFG and UCSF.

As in previous years, outpatient charity care services still represent the majority of overall charity care services provided. Note that outpatient services include only those services provided on a hospital’s campus. The data suggests the importance and continued reliance on all types of charity care services. For a more detailed analysis of charity care by service type, please see **APPENDIX H**.

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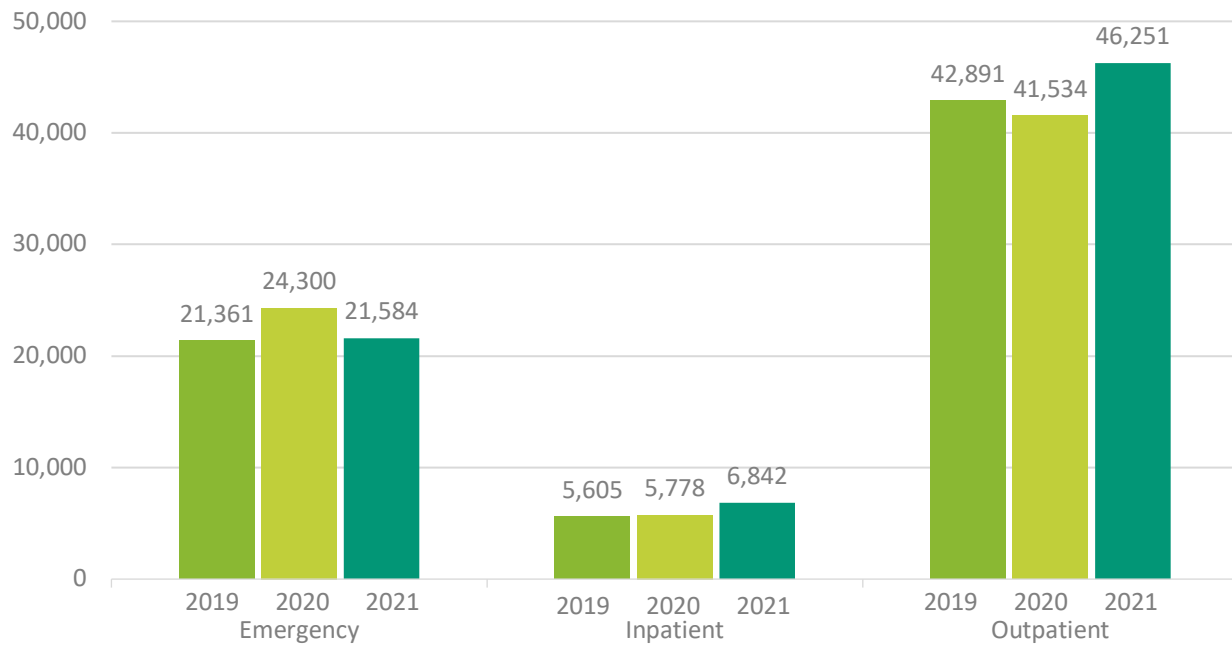
<sup>21</sup> Tan, S. (2021), California Reached Health Coverage Milestone with 94% of People Insured in 2020, but Access to Care Remains a Challenge During COVID-19 Pandemic, UCLA Center for Health Policy Research, <https://healthpolicy.ucla.edu/publications/Documents/PDF/2021/access-to-care-policybrief-sep2021.pdf>

<sup>22</sup> U.S. Census, 2021: ACS 5-Year Estimates, <https://data.census.gov/table?q=INSURANCE&g=05000000US06075&tid=ACSS5Y2020.S2701>

<sup>23</sup> DHCS, <https://data.chhs.ca.gov/dataset/medi-cal-certified-eligibles-tables-by-county-from-2010-to-most-recent-reportable-month>; Certified eligibles are those beneficiaries deemed qualified for Medi-Cal by a valid eligibility determination, and who have enrolled into the program.

<sup>24</sup> CHCF, Medi-Cal and the end of Continuous Coverage, <https://www.chcf.org/collection/medi-cal-end-public-health-emergency/>

**Figure 8: HSF and Traditional Charity Care Patients by Service Type, 2019-2021**



### **Expenditures**

Between 2019 and 2020, charity care expenditures across the reporting hospitals increased from \$121.8 million to \$156.5 million (28 percent). The following year, charity care expenditures decreased between 2020 and 2021 from \$156.5 million to \$144.4 million (8 percent). Therefore, between 2019 and 2021, overall charity care expenditures increased by 19 percent from \$121.8 million to \$144.4 million.

The increase in overall charity care expenditures from 2019 to 2020 was driven primarily by ZSFG. In February 2019, ZSFG amended its charity care and discount programs to add new patient financial protections and end patient balance billing (also referred to as “surprise billing”). This new policy was the primary driver of the observed increase in ZSFG’s charity care expenditures between 2019 and 2021. From 2019 to 2020, ZSFG saw a 48 percent increase in charity care expenditures (\$71.6 million to \$105.7 million). Charity care expenditures at ZSFG then decreased between 2020 and 2021 by 6 percent (\$105.7 million to \$99.6 million); this resulted in an overall increase in charity care expenditures of 39 percent between 2019 and 2021 (\$71.6 million to \$99.6 million).<sup>25</sup>

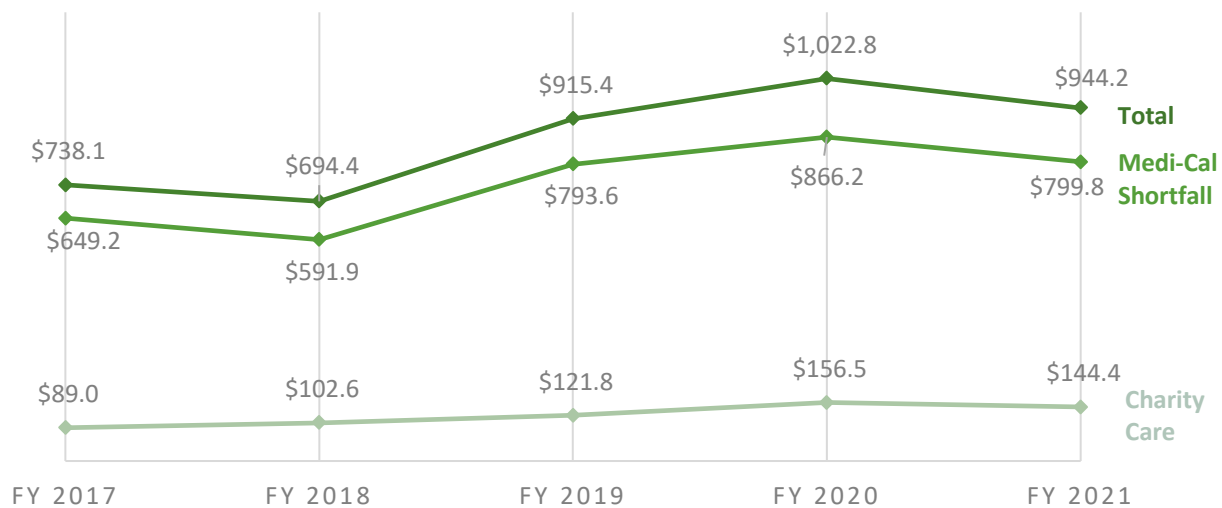
Further, reporting hospitals track Medi-Cal shortfall, defined as the difference between total Medi-Cal expenditures for services to Medi-Cal beneficiaries and the total hospital reimbursement received from the Medi-Cal program. Generally, hospitals must absorb the difference. Medi-Cal shortfall amounts may vary between hospitals, as the costs for health care services can vary from hospital to hospital. As charity care patients previously ineligible for health insurance may have enrolled in Medi-Cal, Medi-Cal shortfall is a

<sup>25</sup> The expenditure increases at ZSFG surpassed the increases in costs of healthcare between January 1, 2019 to December 2021, which was 7 percent. See U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: Medical Care in West [CUUR0400SAM], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CUUR0400SAM>

measure for evaluating the care provided to low-income San Franciscans. Across reporting hospitals, between 2019 and 2021, Medi-Cal shortfall increased less than one percent (\$793.6 million to \$799.8 million). Medi-Cal shortfall had been steadily increasing between 2018 and 2020.

Medi-Cal enrollment increased during the reporting period, likely due to the COVID pandemic policy changes. For example, in San Francisco in April 2020, there were 203,885 Medi-Cal eligibles, while by December 2021, there were 233,570 Medi-Cal eligibles, representing a 15 percent increase in the eligible population.<sup>26</sup> Despite an increase in Medi-Cal enrollment, hospitals still experienced decreased utilization due to COVID, leading to stable level of shortfalls year to year.

**Figure 9: Charity Care and Medi-Cal Shortfall (In Millions), 2017-2021**



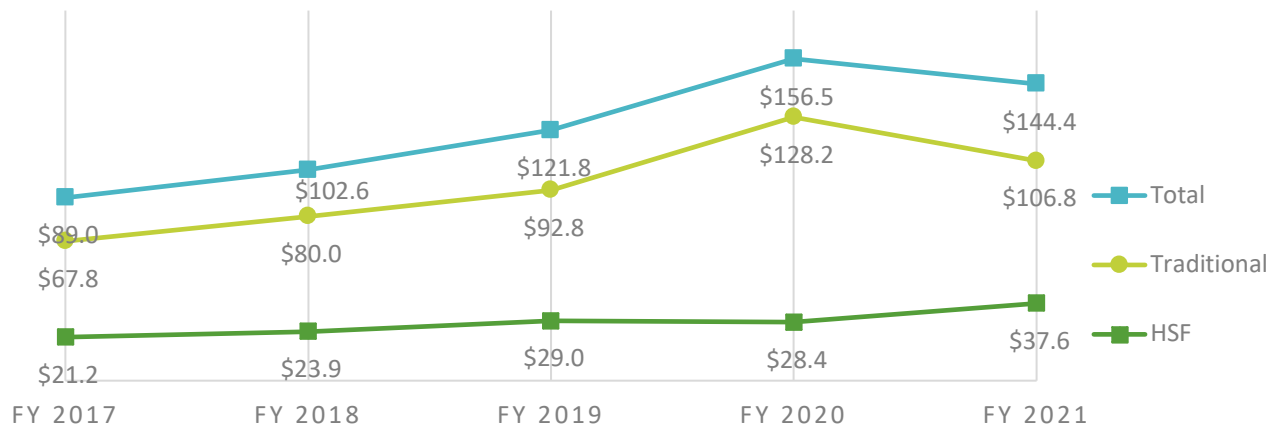
### C. Healthy San Francisco and Traditional Charity Care programs continue to serve distinct patient populations.

Started in 2007, the Healthy San Francisco (HSF) program is a locally created and funded program that provides comprehensive, affordable healthcare to uninsured adults in San Francisco. HSF provides a medical home-based model, pairing each member with a primary care provider, improving access to preventive and coordinated care. Although not insurance, HSF provides participants with a stronger connection to the health care system through an organized system of care with benefits beyond hospital services. HSF continues to primarily provide healthcare services to uninsured San Francisco adults who are ineligible for public full scope coverage. HSF also provides outreach and assistance to enroll those eligible for ACA-sponsored coverage, thereby increasing accessibility of health insurance.

<sup>26</sup> DHCS, <https://data.chhs.ca.gov/dataset/medi-cal-certified-eligibles-tables-by-county-from-2010-to-most-recent-reportable-month>; Certified eligibles are those beneficiaries deemed qualified for Medi-Cal by a valid eligibility determination, and who have enrolled into the program.

Between 2019 and 2020, there was 20 percent decrease in HSF patients (11,996 to 9,643) at reporting hospitals, which was followed by a 20 percent increase between 2020 and 2021 (9,643 to 11,595). Collectively there a 3 percent decrease in HSF patients at reporting hospitals between 2019 and 2021. These trends mirror the overall health care utilization trends during this time period. This policy will be discontinued in July 2023.<sup>27</sup> Between 2019 and 2021, HSF charity care expenditures increased overall by 30 percent (\$29 million to \$37.6 million). Between 2019 and 2020, HSF expenditures increased by 6 percent (\$68.4 million to \$72.8 million).

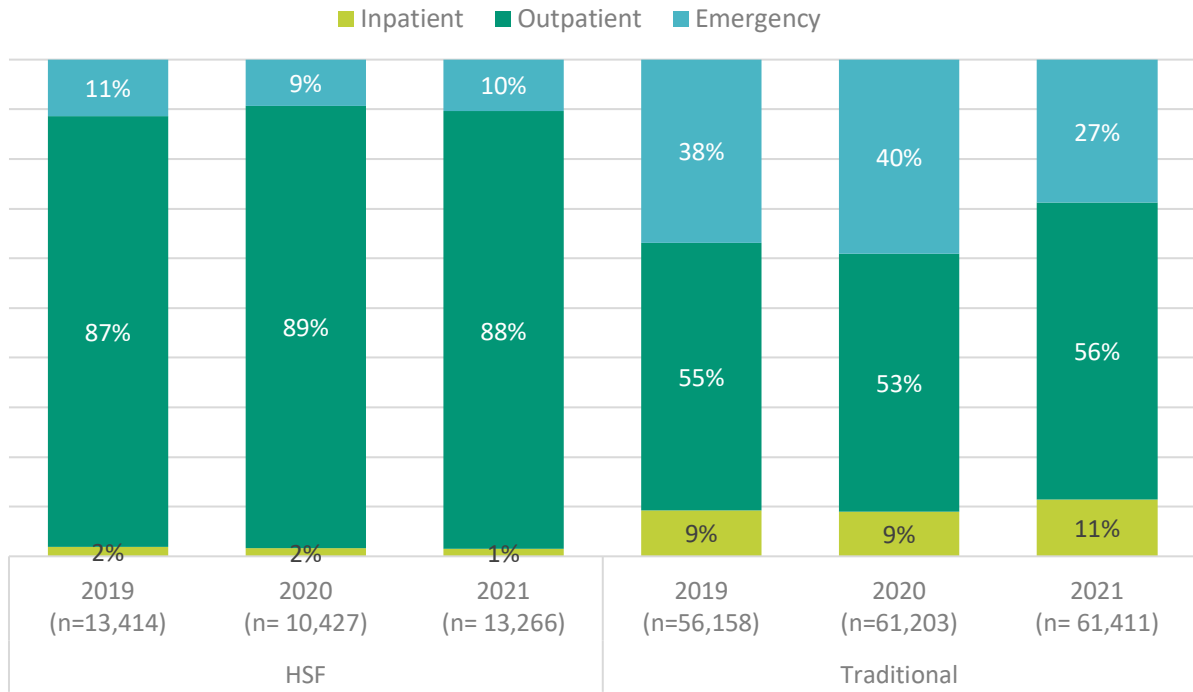
**Figure 10: HSF and Traditional Charity Care Expenditures, 2017 to 2021**



When examining the types of charity care services provided through the two programs, the proportion of emergency care is higher for traditional charity care patients compared to HSF charity care patients. In 2021, 33 percent of all services for traditional charity care patients were emergency services, while 10 percent of all services for HSF charity care patients were emergency services. Additionally, the proportion of outpatient services is much lower for traditional charity care patients. In 2021, outpatient services were 56 percent of all services for traditional charity care patients, compared to 88 percent of all services for HSF charity care patients. The greater use of emergency care among traditional charity care patients supports the contention that these patients are more likely to have higher acuity health conditions and less connections to primary and specialty care.

<sup>27</sup> SFDPH Data. Note that total HSF expenditure data for 2021 was not available at the time the Charity Care Report was developed.

**Figure 11: Proportion of all services for HSF and Traditional, 2019 to 2021**



Since 2013, the majority of the charity care patients in San Francisco have resided in Districts 6 (SOMA and Tenderloin), District 10 (SE Neighborhoods, including Bayview-Hunters Point), District 9 (Mission, Bernal Heights), and District 11 (Excelsior). District 1 (Northwest SF/Richmond) and District 8 (Castro, Mission) represent the smallest shares (about 2-4 percent each).

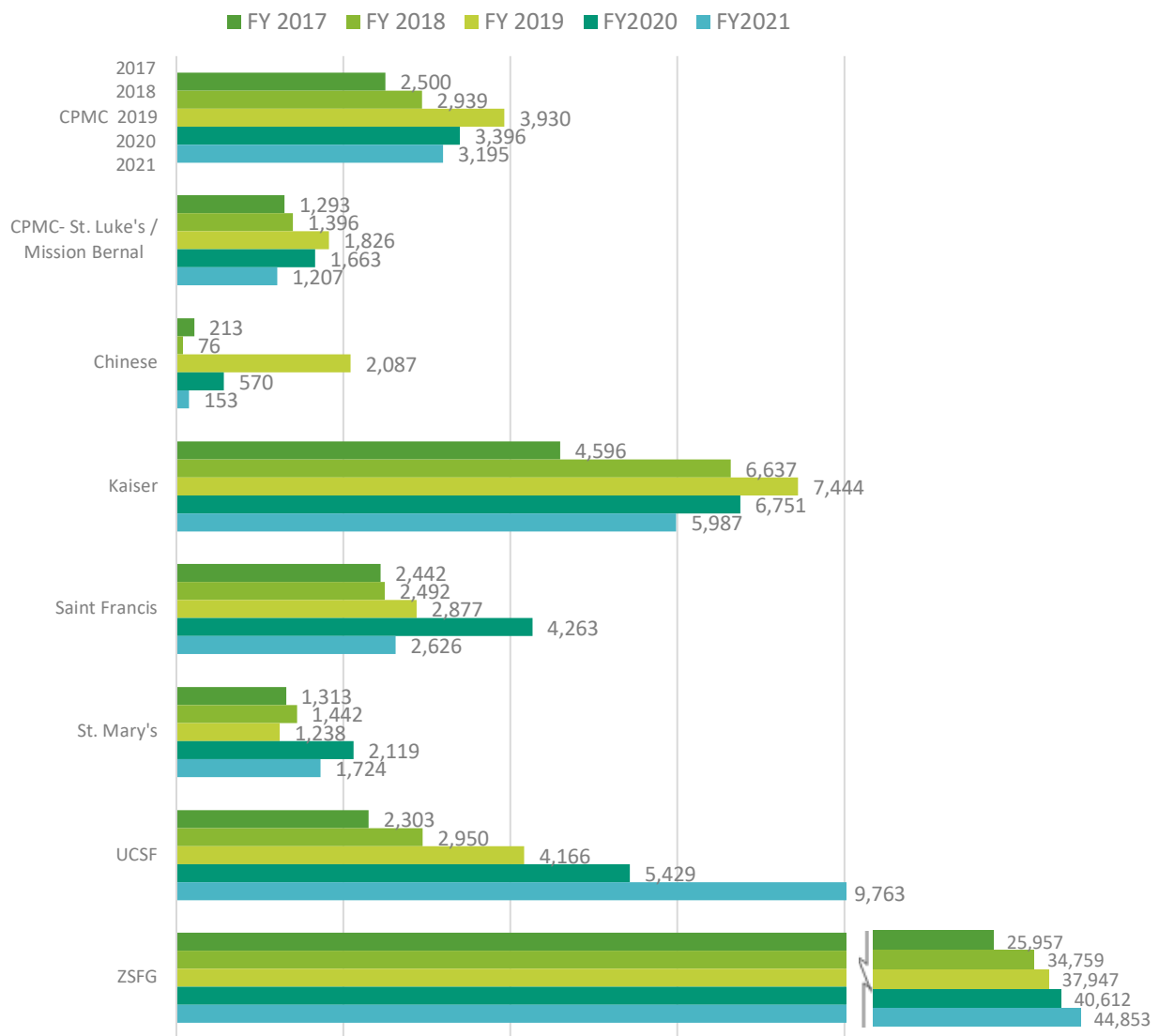
## SECTION IV: HOSPITAL-SPECIFIC CHARITY CARE DATA

A number of factors may influence charity care delivery across hospitals, including patients’ personal preferences, ambulance diversion, transportation, hospitals’ service delivery mix, and geographic location, among others. This section provides city-wide trends in charity care patients, service utilization, expenditures, and Medi-Cal shortfall, and how these trends varied across the reporting hospitals.

### Unduplicated Patients

Between 2019 and 2021, the number of charity care patients decreased for five of the eight reporting hospitals (CPMC – Van Ness and Mission Bernal, Chinese Hospital, Kaiser, and St. Francis). Three of the reporting hospitals (UCSF, ZSFG, and St. Mary’s) saw an overall increase in the number of charity care patients. In 2020, there was a one-year spike in charity care patients for St. Francis and St. Mary’s.

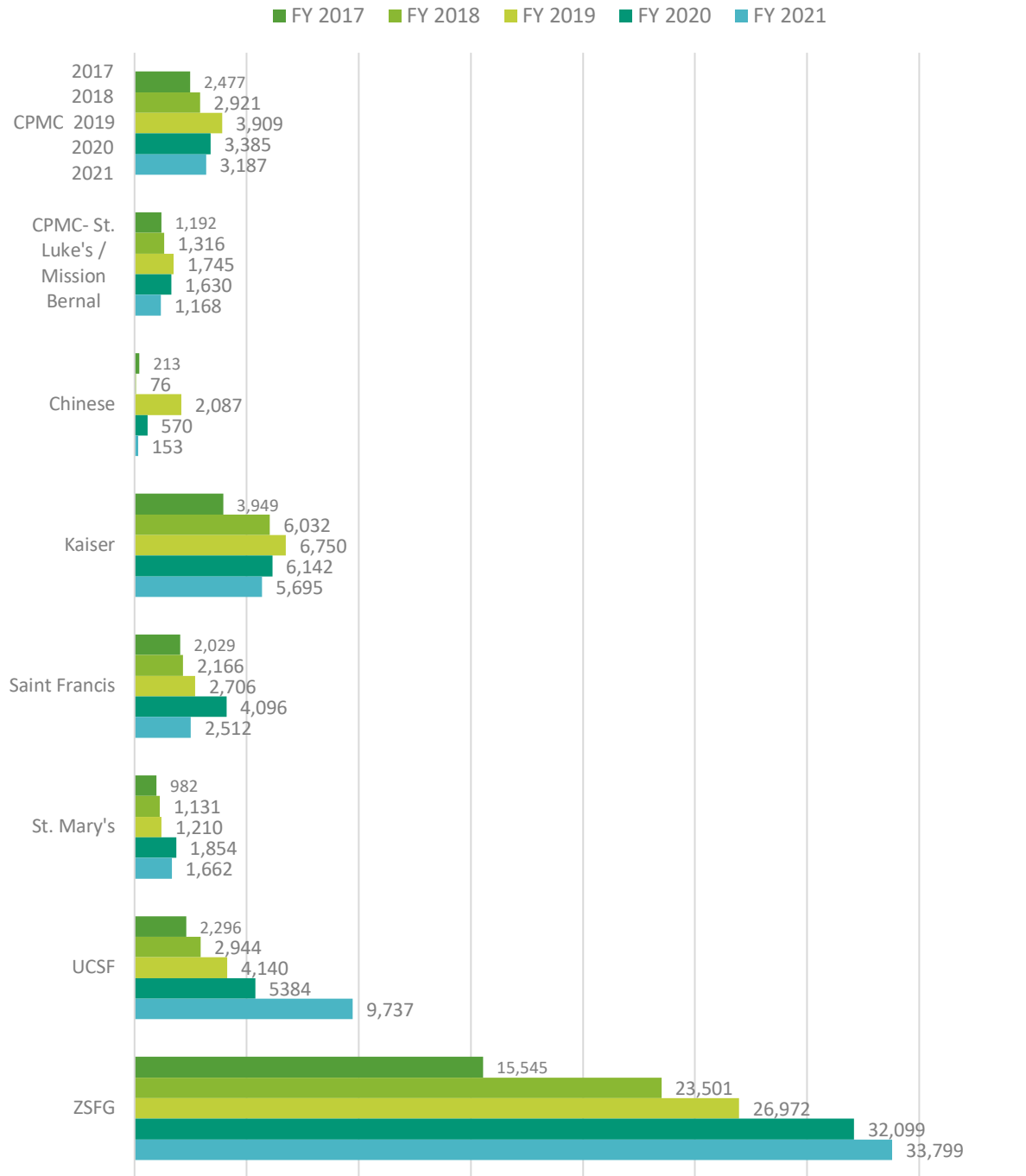
**Figure 12: Charity Care Patients Across Hospitals, 2017 to 2021** <sup>28</sup>



<sup>28</sup> The increases of unduplicated charity care patients at UCSF and ZSFG are due to aforementioned charity care policy changes during the reporting period. Please refer to Section III, B for more information.

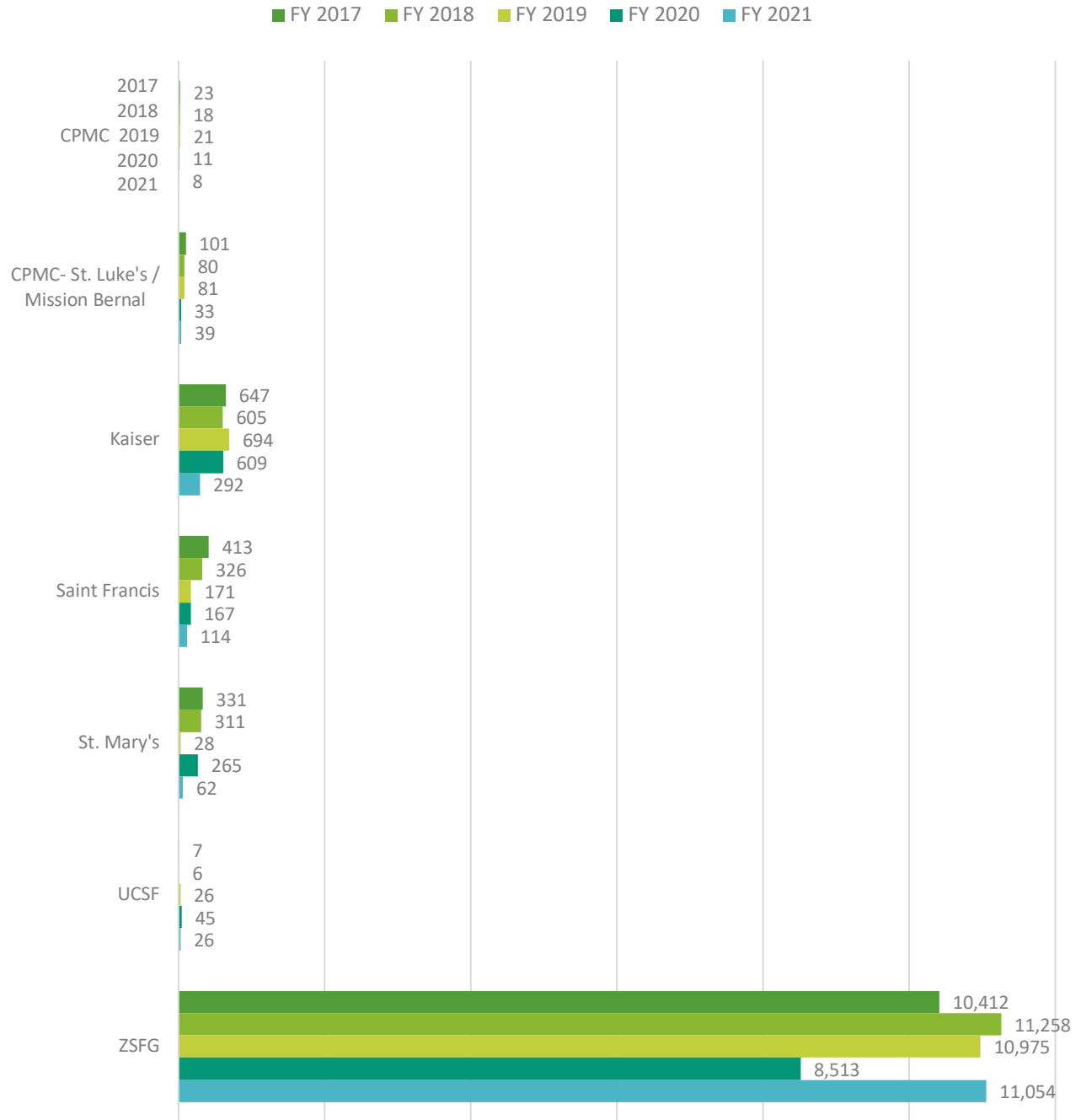
The observed increase in charity care patients at UCSF, ZSFG, and St. Mary's, and decrease in charity care patients at CPMC – Van Ness and Mission Bernal, Chinese Hospital, Kaiser, and St. Francis, were primarily driven by each hospital's traditional charity care patients, as reflected below.

**Figure 13: Traditional Charity Care Patients Across SF Hospitals, 2017 to 2021**



With regards to the number of HSF charity care patients, between 2019 and 2021, four of the eight reporting hospitals saw decreases, while three hospitals saw overall increases. ZSFG is the primary provider for HSF charity care patients of reporting hospitals. Between 2019 and 2021, ZSFG's HSF charity care patient population fluctuated. From 2019 to 2020 the HSF charity care patient population at ZSFG decreased by 22 percent (10,975 to 8,513 patients), and from 2020 to 2021 increased by 30 percent (8,513 to 11,054 patients). Chinese Hospital is not included because they did not see HSF charity care patients.

**Figure 14: HSF Charity Care Patients Across SF Hospitals, 2017-2021**





## Hospital Locations and Charity Care Patient Residence

The tables display eight San Francisco zip codes and the hospitals located in each zip code. The highlighted cells show numbers of charity care patients who are residents in that hospitals' zip code. Each hospital sees a large number of patients from within their corresponding zip code, indicating that these hospitals serve the communities where they are located. Since ZSFG is the county's safety net hospital, it serves the majority of traditional charity care patients for all zip codes. Additionally, many charity care patients travel within San Francisco for their choice of hospital.

**Figure 15: Traditional Charity Care Patients in Local Hospital's Zip Codes, 2020**

Zip Code	Hospital in Zip Code	FY2020 – Traditional Charity Care Patients						
		Chinese Hospital	Saint Francis	St. Mary's	UCSF	ZSFG	CPMC-Van Ness	CPMC - MB
94109	Saint Francis CPMC (Van Ness)	14	643	128	76	1,536	133	15
94110	ZSFG CMPC (Mission Bernal)	2	94	68	164	5,318	109	217
94114	CPMC (Davies)	4	21	16	35	390	65	8
94115	CPMC (Pacific) UCSF (Mt. Zion)	3	92	108	43	798	84	17
94117	St. Mary's	1	40	96	47	548	49	11
94122	UCSF (Parnassus)	24	41	146	91	560	29	14
94133	Chinese Hospital	120	126	51	22	403	32	7
94158	UCSF (Mission Bay)	1	4	3	30	176	5	3

**Figure 16: Traditional Charity Care Patients in Local Hospital's Zip Codes, 2021**

Zip Code	Hospital in Zip Code	FY2021 – Traditional Charity Care Patients						
		Chinese Hospital	Saint Francis	St. Mary's	UCSF	ZSFG	CPMC-Van Ness	CPMC - MB
94109	Saint Francis CPMC (Van Ness)	14	427	277	183	1,512	150	17
94110	ZSFG CMPC (Mission Bernal)	3	36	192	252	5,121	87	160
94114	CPMC (Davies)		6	16	130	412	54	8
94115	CPMC (Pacific) UCSF (Mt. Zion)		44	143	161	739	69	13
94117	St. Mary's	1	27	358	175	523	50	9
94122	UCSF (Parnassus)	5	22	233	279	494	44	7
94133	Chinese Hospital	70	57	30	85	371	34	4

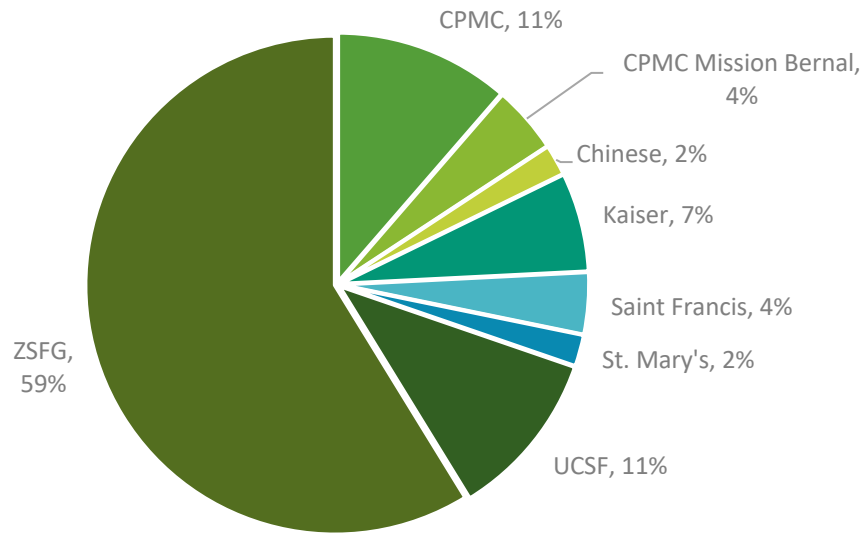
## Expenditures

Between 2019 and 2020, charity care expenditures across reporting hospitals increased from \$121.8 million to \$156.5 million (28 percent increase). The year following, between 2020 and 2021, charity care expenditures decreased by eight percent (\$156.5 million to \$144.4 million). Therefore, between 2019 and 2021, charity care expenditures increased overall from \$121.8 million to \$144.4 million (19 percent increase).

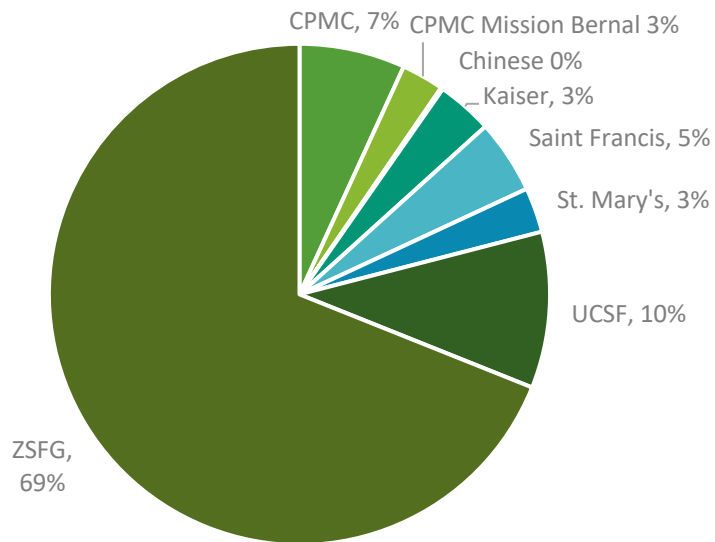
ZSFG, as the county's safety net hospital, has historically, and continues to, provide the majority of charity care in the City. UCSF and CPMC are the second and third largest providers of charity care in the City, respectively.

**Figure 17: Percent of Total Charity Care Expenditures by San Francisco Hospitals, 2019 and 2021**

**2019**

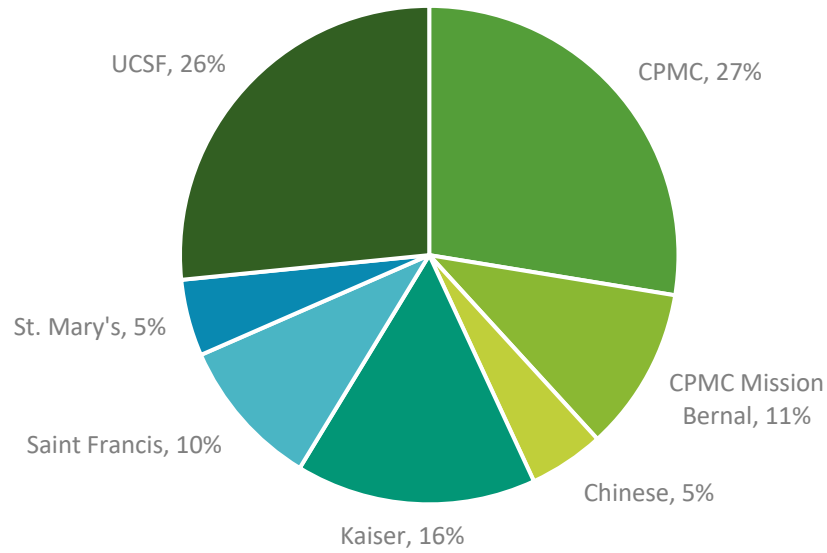


**2021**

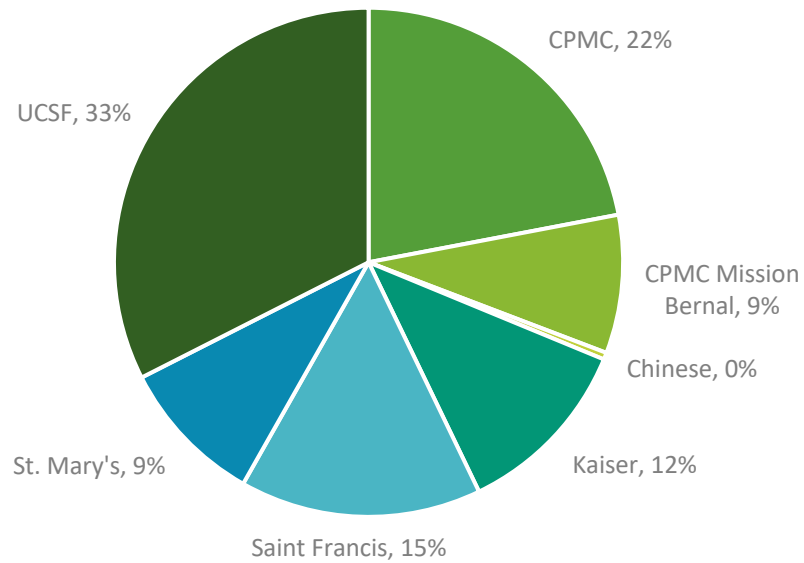


**Figure 18: Percent of Total Charity Care Expenditures by San Francisco Hospitals (excluding ZSFG), 2019 and 2021**

**2019**

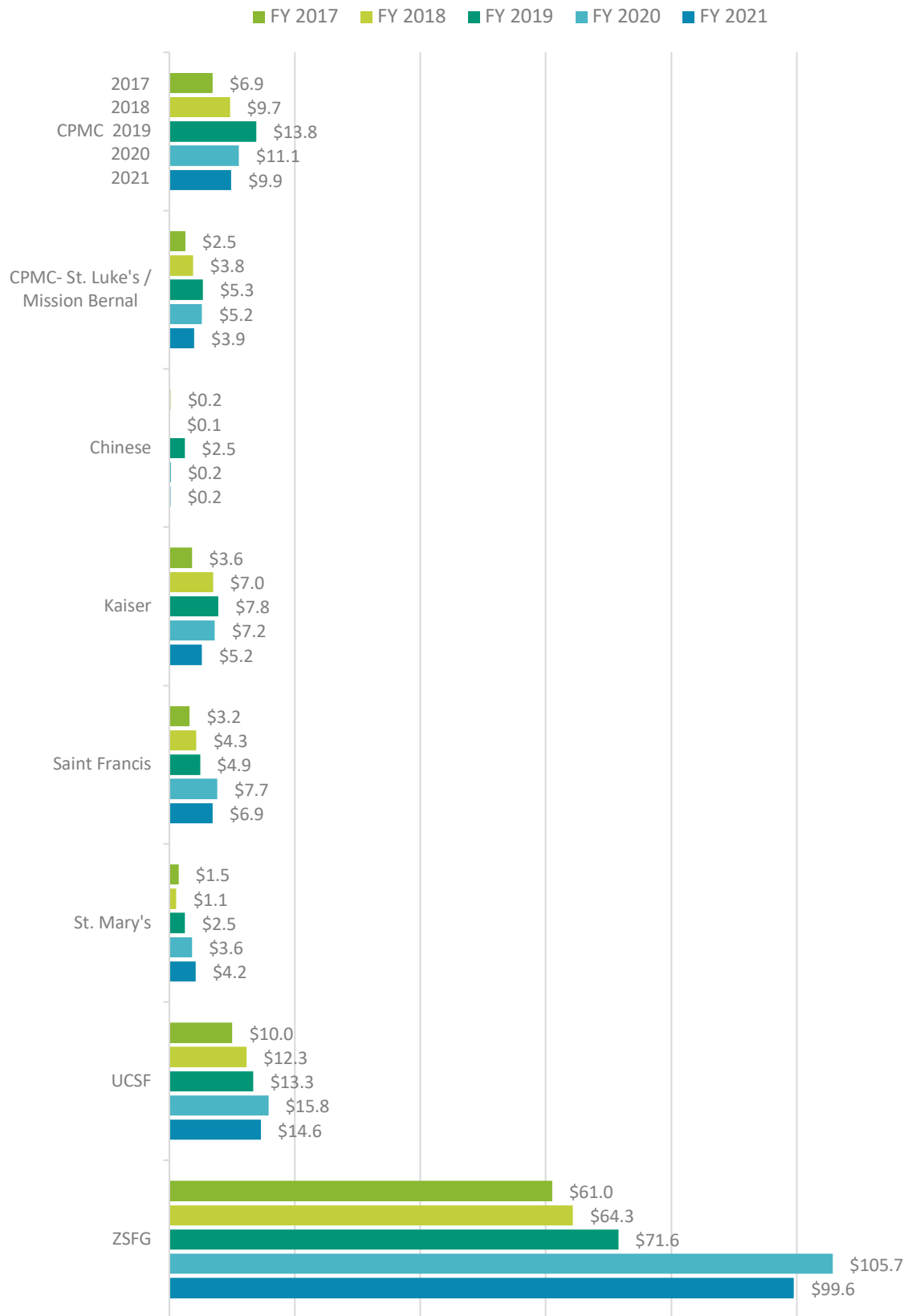


**2021**



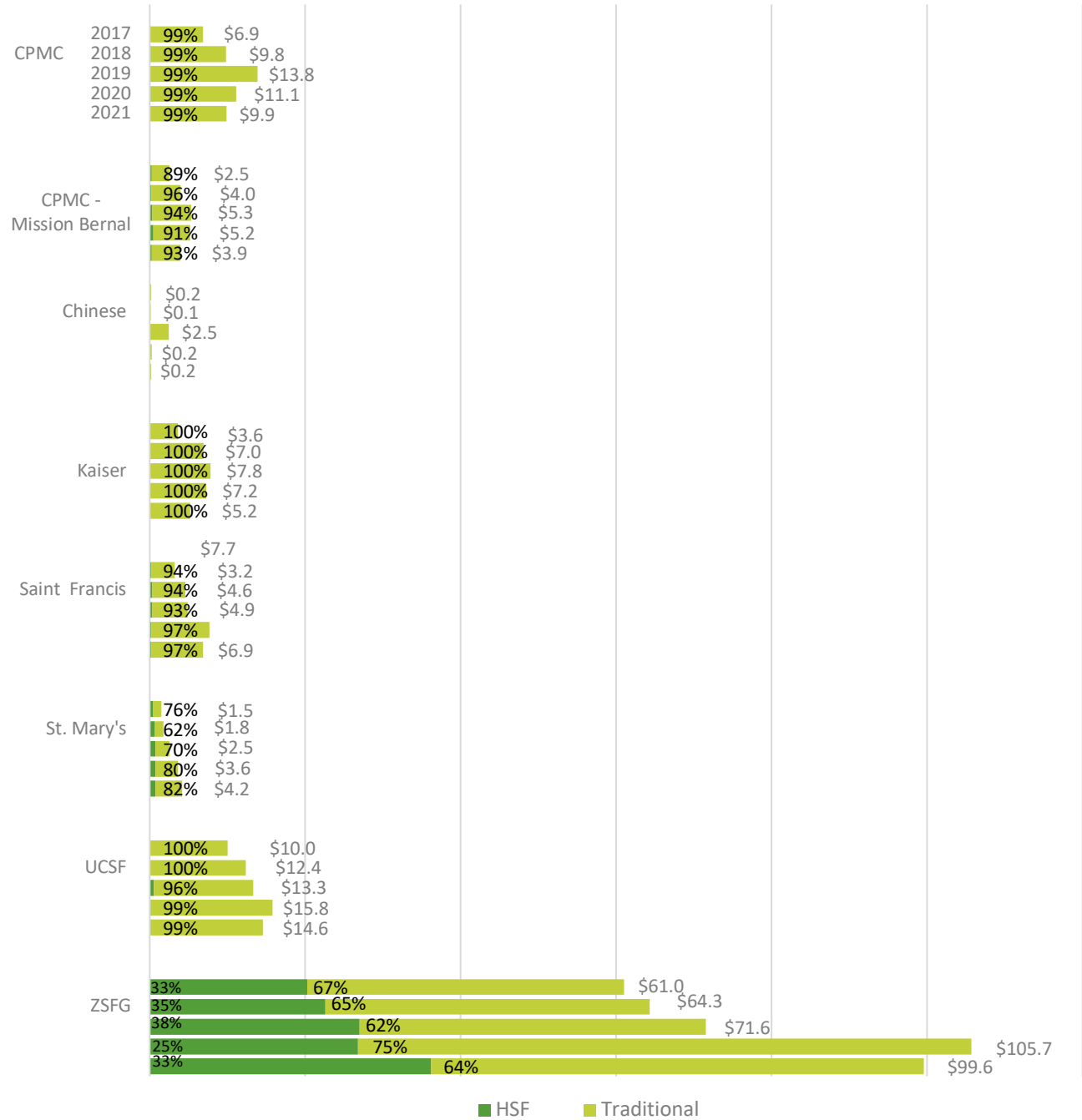
Between 2019 and 2021, CPMC-Van Ness, CPMC-Mission Bernal, Chinese Hospital and Kaiser observed overall decreases in charity care expenditures. St. Mary's, Saint Francis, UCSF and ZSFG observed an overall increase in charity care expenditures between 2019 and 2021.

**Figure 19: Charity Care Expenditures Across SF Hospitals (in Millions), 2017 to 2021**



There are significant differences between HSF and traditional/non-HSF charity care expenditures because for most hospitals, other than ZSFG, HSF charity care represents a minor fraction of overall charity care expenditures. In 2021, total HSF expenditures was \$37.6 million while total traditional charity care expenditures was \$106.8 million.

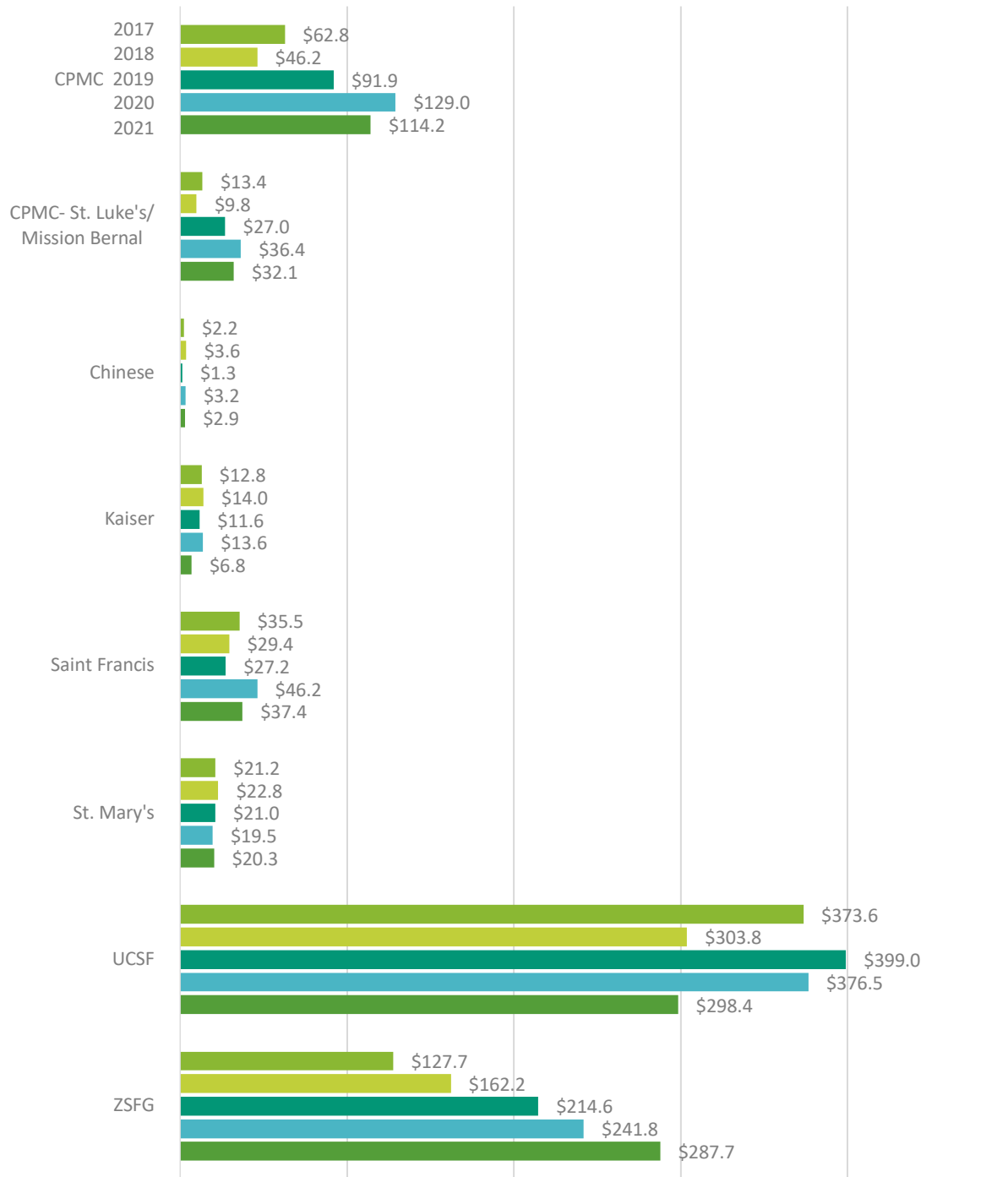
**Figure 20: HSF and Traditional Charity Care Expenditures Across SF Hospitals (in Millions), 2017 to 2021<sup>29</sup>**



<sup>29</sup> Percents represent percentage of expenditures spent on traditional charity care.

Across reporting hospitals, between 2019 and 2021, Medi-Cal shortfall increased less than one percent (\$793.6 million to \$799.8 million). However, a closer look at individual time periods shows that between 2019 and 2020, the total Medi-Cal shortfall increased by \$274.3 million (46 percent) and then decreased by \$66.4 million (or 8 percent) between 2020 and 2021.

**Figure 21: Medi-Cal Shortfall Across SF Hospitals (in Millions), 2017 to 2021**



Another way to compare charity care trends in San Francisco is to review each reporting hospital's ratio of charity care cost compared to net patient revenue, which allows for a useful comparison of each hospital's charity care contribution relative to its size. For the purposes of this report, net patient revenue information is taken from the Department of Health Care Access and Information (HCAI) Annual Financial Reports submitted by each hospital.<sup>30</sup> Note that Kaiser is excluded from this portion of the report, as the hospital is not required to report this information to HCAI. The figures below show each hospital's ratio of charity care expenditures (as reported to SFDPH), compared to the net patient revenue (as reported to HCAI). In 2021, all reporting hospitals except Chinese Hospital and UCSF were at or above the state average ratio of charity care costs to net patient revenue.

**Figure 22: Charity Care Costs to Net Patient Revenue, 2020**

FY 2020 Charity Care as Compared to Net Patient Revenue					
Hospital	Net Patient Revenue	Cost-to-Charge Ratio	Charity Care Costs	Ratio of CC Costs to Net Pt. Revenue	State Avg. CC Costs to Net Pt. Revenue
CPMC Van Ness	\$1,071,412,305	40.73%	\$11,104,873	1.04%	0.82%
CPMC Mission Bernal	\$135,512,608	57.22%	\$5,208,421	3.84%	
Chinese	\$73,075,726	45.70%	\$226,313	0.31%	
Saint Francis	\$194,116,656	25.15%	\$7,664,054	3.95%	
St. Mary's	\$191,759,519	29.40%	\$3,590,706	1.87%	
UCSF	\$4,138,821,950	27.64%	\$15,786,613	0.38%	
ZSFG	\$735,258,099	30.70%	\$105,712,161	14.38%	

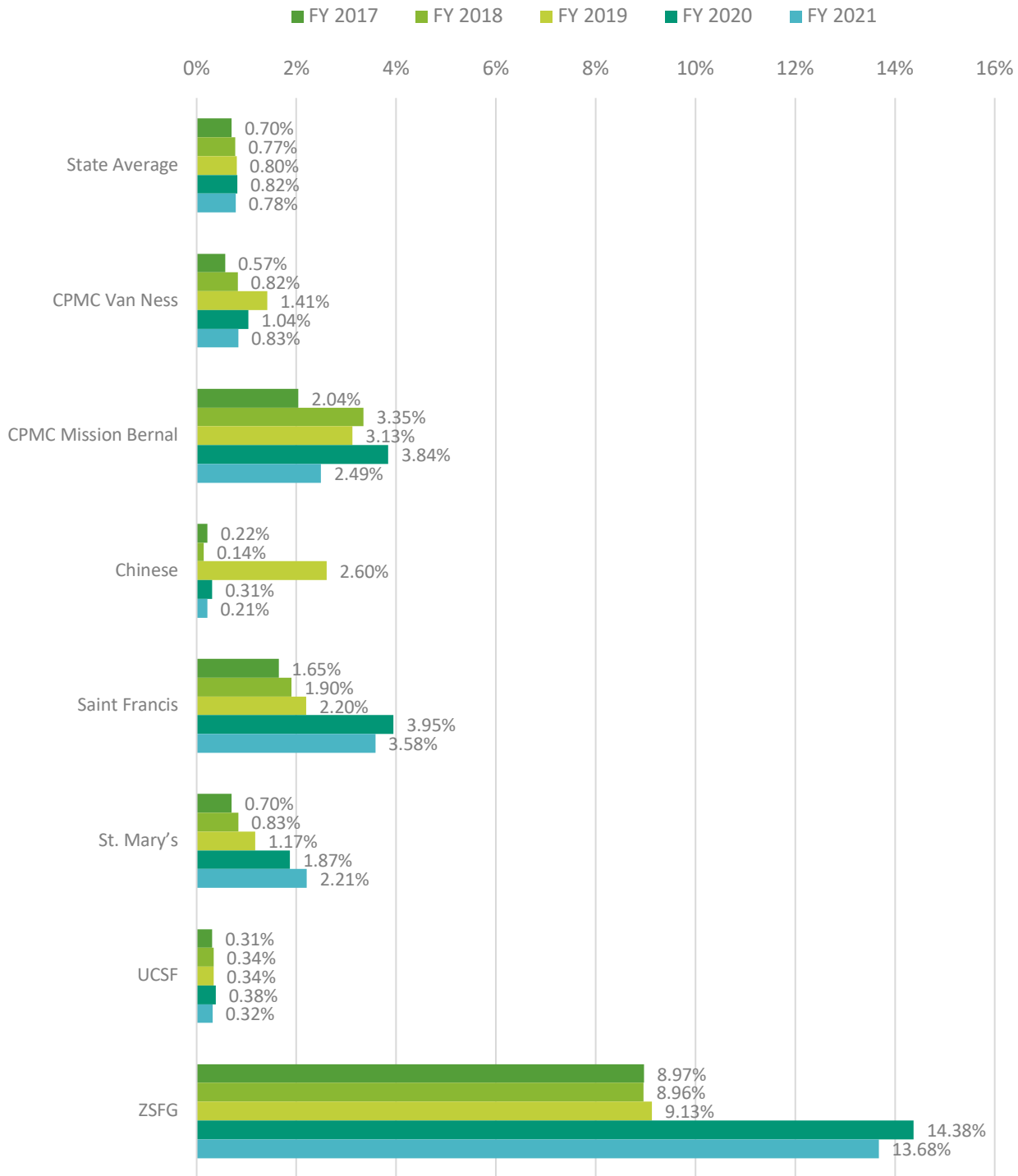
**Figure 23: Charity Care Costs to Net Patient Revenue, 2021**

FY 2021 Charity Care as Compared to Net Patient Revenue					
Hospital	Net Patient Revenue	Cost-to-Charge Ratio	Charity Care Costs	Ratio of CC Costs to Net Pt. Revenue	State Avg. CC Costs to Net Pt. Revenue
CPMC Van Ness	\$1,186,580,139	36.94%	\$9,867,511	0.83%	0.78%
CPMC Mission Bernal	\$158,093,939	49.34%	\$3,942,203	2.49%	
Chinese	\$93,042,104	44.20%	\$197,168	0.21%	
Saint Francis	\$192,182,994	22.58%	\$6,882,350	3.58%	
St. Mary's	\$189,188,393	23.31%	\$4,180,537	2.21%	
UCSF	\$4,618,674,662	24.09%	\$14,565,612	0.32%	
ZSFG	\$727,861,536	33.10%	\$99,553,728	13.68%	

<sup>30</sup> HCAI defines net patient revenue as (gross patient revenue) + (capitation premium revenue) – (related deductions from revenue). Net patient revenue includes the payments received for inpatient and outpatient care, including emergency services.

During the 2019- 2021 reporting period, all reporting hospitals except Chinese Hospital and UCSF were at or above the state average. Over the past five years between 2017 and 2021, most reporting hospitals have seen increases in their charity care cost to net patient revenue ratios, which follows the statewide trend.

**Figure 24: Charity Care Costs to Net Patient Revenue Ratios, by Hospital, 2017-2021**





## SECTION V: CHARITY CARE MOVING FORWARD

Moving forward, there are a number of state and federal policy changes that may influence charity care programs and their use. San Francisco’s charity care ordinance has enabled the collection of a long history of charity care data since 2001. The continued collection of this data, along with new demographic data on who is being served by these programs, will help to provide insight on the impacts of these ongoing and significant changes. The following subsections provide additional details on some recent and upcoming policy changes that could impact charity care programs.

**Medi-Cal Changes** – The state of California’s ongoing effort to expand Medi-Cal coverage is underway and will impact charity care programs in the years to come. In May 2022, the state began allowing undocumented residents over the age of 50 with low-incomes to enroll in Medi-Cal. This expansion resulted in 286,000 undocumented older adult Californians receiving full-scope Medi-Cal.<sup>31</sup> Additionally, the expansion of Medi-Cal to all Californians with low incomes between 36 and 49, regardless of immigration status, will take effect by January 2024. This could impact close to 700,000 Californians.<sup>32</sup> Medi-Cal expansions are expected to decrease overall HSF enrollment and reduce demand for charity care services.

Further, another relevant initiative is **California Advancing and Improving Medi-Cal (CalAIM)**, the state’s multiyear plan to transform Medi-Cal to make the program more equitable, coordinated, and person-centered. Many of CalAIM’s reforms also focus on improving care to specific populations with the most complex needs, including, but not limited to, people with significant behavioral health needs, people experiencing homelessness, and people transitioning from jail or prison back to the community.<sup>33</sup> By identifying and managing comprehensive needs through a whole-system and whole-person care approach and addressing upstream social determinants of health, CalAIM may lead to decreased costs associated with vulnerable populations by reducing use of acute and high cost services such as emergency and hospital services. These reductions may reduce the need for charity care in the future as these same populations are more likely to receive charity care.

**COVID Policy Changes and the Public Health Emergency (PHE)** – Federal and state policies during the pandemic helped to mitigate the potential negative impacts of the pandemic on healthcare coverage. In 2021, the American Rescue Plan Act, for example, enhanced ACA premium tax credits by decreasing the maximum percentage of income that enrollees were expected to pay for monthly premiums. The legislation also offered premium tax credits to households with incomes greater than 400% of the federal poverty level (FPL) in cases where premium cost exceeded 8.5% of household income, as well as provided premium and cost-sharing subsidies to households receiving unemployment insurance, making them eligible for free coverage.<sup>34</sup> These subsidies contributed to substantially increased enrollment in Covered California.<sup>35</sup>

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<sup>31</sup> Office of Gavin Newsom (October 2022), Medi-Cal Expansion Provided 286,000 Undocumented Californians with Comprehensive Healthcare, <https://www.gov.ca.gov/2022/10/19/medi-cal-expansion-provided-286000-undocumented-californians-with-comprehensive-health-care/>

<sup>32</sup> CHCF, The Big Health Care Wins in California’s State Budget, <https://www.chcf.org/blog/big-health-care-wins-state-budget/>

<sup>33</sup> CHCF, Cal AIM Explained, <https://www.chcf.org/publication/calaim-explained-five-year-plan-transform-medi-cal/#calaims-goals>

<sup>34</sup> CHCF, Health Insurance and Health Care Affordability Perceptions Among Individuals Insurance Market Enrollees in California in 2021, <https://www.chcf.org/publication/health-insurance-affordability-perceptions-individual-insurance-market-enrollees-ca-2021/>

<sup>35</sup> Kadiyala et al., The Threat to Coverage and Affordability Gains in Covered California if Congress Fails to Renew Subsidy Enhancements, [https://laborcenter.berkeley.edu/the-threat-to-coverage-and-affordability-gains-in-covered-california/#\\_edn5](https://laborcenter.berkeley.edu/the-threat-to-coverage-and-affordability-gains-in-covered-california/#_edn5)

Congress extended these expanded subsidies through 2025 through the Inflation Reduction Act. The federal government also provided 100% premium subsidies for COBRA coverage from April through September 2021, allowing people who lost their jobs during the public health emergency to keep their work-based health insurance.<sup>36</sup> During the COVID public health emergency (PHE), states received increased Medicaid funding from the federal government if they postponed Medicaid dis-enrollments during the PHE. This “continuous coverage” requirement allowed millions of Californians to stay on Medi-Cal.<sup>37</sup>

However, the federal government recently announced that normal processes to redetermine eligibility for Medi-Cal enrollees will restart in April 2023. DHCS anticipates that the sheer volume of redeterminations, compounded by the beneficiary loss of contact, and other normal churn of individuals moving to the State marketplace (Covered California), would potentially lead to an estimated total of 2-3 million Medi-Cal dis-enrollments.<sup>38</sup> The increase in disenrollment has the potential to lead to an increase in charity care patients due to increase in the number of uninsured or underinsured. Under DHCS’ Continuous Coverage Unwinding Operational Plan, efforts to mitigate these changes include ensuring eligible individuals are smoothly transitioned to Covered California, and re-enrolling eligible individuals into Medi-Cal.<sup>39</sup>

### **Assembly Bill (AB) 532 and AB 1020 – Health Care Debt and Fair Billing Practices**

Two new state laws, AB 532 and AB 1020, went into effect in 2022 and will likely impact charity care at reporting hospitals in future years. Under [AB 532](#), hospitals are now:

- Required to include in the written notice provided to patients on a hospital’s discount payment and charity care policies the internet address of the Health Consumer Alliance (consumer assistance entity) and information regarding Covered California and Medi-Cal presumptive eligibility
- Required to automatically provide a person without health coverage with an application for financial assistance or charity care

[AB 1020](#) makes several significant updates to eligibility criteria and patient notices requirements.

Specifically, the bill:

- Changes the eligibility threshold for charity care/discounted care from 350% of FPL to 400% of FPL. Currently all reporting hospitals charity care policies meet these criteria.
- Redefines high medical costs: Adds annual out-of-pocket costs at the hospital that exceed the lesser of 10% of the patient’s current family income or family income in the prior 12 months to the definition of high medical costs.
- Adds new notice requirements: Requires hospitals to prominently display a notice of their policy for financially qualified and self-pay patients on their website with a link to the policy itself. The hospital must also send a patient a notice with specified information, including an application for the hospital's charity care and financial assistance, before assigning a bill to collections.

Some reporting hospitals shared that the notification requirements provided by these bills would improve access to charity care for patients and potentially increase charity care patients in 2023.

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<sup>36</sup> CHCF, Coverage During a Crisis, <https://www.chcf.org/wp-content/uploads/2022/01/CoverageDuringCrisisInsuredRateHistoric-HighPandemic.pdf>

<sup>37</sup> CHCF, Medi-Cal and the Ending of the Federal Continuous Coverage Requirement, <https://www.chcf.org/collection/medi-cal-end-public-health-emergency/>

<sup>38</sup> DHCS, Medi-Cal COVID-19 Public Health Emergency and Continuous Coverage Operational Unwinding Plan, <https://www.dhcs.ca.gov/Documents/PHE-UOP/Medi-Cal-COVID-19-PHE-Unwinding-Plan.pdf>

<sup>39</sup> *Supra Note 30*

## SECTION VI: APPENDICIES

### Appendix A: Charity Care Background

#### History of charity care and community benefit requirements

In 1956, the Internal Revenue Service (IRS) codified the first federal tax exemption requirements for non-profit hospitals. At that time, it was determined that a hospital may qualify as a tax-exempt charitable organization if, among other things, it “operated to the extent of its financial ability for those unable to pay for the services rendered and not exclusively for those who are able and expected to pay.”<sup>40</sup> This qualification measurement is known as the “financial ability” standard. After this ruling, the IRS began to assess hospitals seeking tax-exempt status on the basis of hospitals’ charity care and reduced-cost medical services provisions and is the federal agency responsible for setting and enforcing these tax exemption requirements.

With the introduction of the Medicaid and Medicare programs, it was thought that these health insurance programs would decrease the demand for charity care, thus presenting a challenge to non-profit hospitals trying to meet the financial ability standard. To meet this challenge, the IRS added “community benefit” to the list of requirements for non-profit hospitals seeking tax-exempt status in 1969, thereby expanding its requirements to include the promotion of health.<sup>41</sup>

At the state level, California passed SB 697 in 1994 requiring not-for-profit private hospitals to annually adopt and update a community benefit plan and submit to the Office of Statewide Health Planning and Development (OSHPD) beginning April 1, 1996. “Community benefit” refers to a *hospital’s activities that are intended to address community needs and priorities primarily through disease prevention and improvement of health status, and includes charity care.*<sup>42</sup>

Since then, the most recent and significant changes to these federal requirements have come through the Patient Protection and Affordable Care Act (ACA). When the ACA was passed in 2010, the legislation included a number of additional requirements for non-profit hospitals related to charity care and community benefits to be regulated and enforced by the IRS. The reporting on these requirements is done through Schedule H (Form 990), designed to supplement financial data collected from all tax-exempt organizations.

Given the considerable growth in both the number of uninsured and the costs of medical care overtime, state and local governments took a keen interest in the charitable medical services and community benefit work done by non-profit hospitals before the federal government explored these issues in relation to national health reform. This was especially true in the City and County of San Francisco (CCSF), when it passed the Charity Care Ordinance in 2001. At that time, San Francisco was on the cutting edge of these efforts by creating a local mechanism for increasing hospitals’ transparency and accountability with respect to the provision of charity care. Close to two decades later, and combined with ACA regulations to achieve the same goals, there is increasing overlap in the community benefit and charity care requirements across

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<sup>40</sup> Martha H. Somerville, Community Benefit in Context: Origins and Evolution, *The Hilltop Institute*, June 2012, p. 2.

<http://www.hilltopinstitute.org/publications/CommunityBenefitInContextOriginsAndEvolution-ACA9007-June2012.pdf>

<sup>41</sup> *Ibid*, p. 3.

<sup>42</sup> Health and Safety Code Sections 127340-127365 <https://oshpd.ca.gov/HID/CommunityBenefit/SB697CommBenefits.pdf>

the levels of government. The following section explores the intersection of these local, state and federal requirements.

**Community benefit and charity care requirements for non-profit hospitals: local, state, federal**

Key requirements at the local, state, and federal levels for California hospitals can be broken down into two main groups: *Community Benefit* requirements and *Charity Care Services* requirements. The following tables outline the requirements and intersections of each.

**Figure 25: Community Benefit and Charity Care Requirements for non-profit hospitals**

Key Requirements for Non-Profit Hospitals	Required? (Effective Dates)		
	SF	CA	US
<b>1. Community Benefits</b>			
Community Benefit Reporting Requirement	No	Yes (4/1/96)	Yes (3/23/12)
Community Health Needs Assessment	No	Yes (1/1/96)	Yes (3/23/12)
Implementation Strategy (Community Benefit Plan)	No	Yes (4/1/96)	Yes (3/23/12)
<b>2. Charity Care Services</b>			
Maintain Financial Assistance Policy (FAP) (charity care and discount payment policies)	No	Yes (1/1/07)	Yes (3/23/10)
Limitations on Charges, Billing, and Collection	No	Yes (1/1/07)	Yes (3/23/10)
Report Financial Assistance Policy (charity care and discount payment policies)	Yes (7/20/01)	Yes (1/1/08)	No
Report levels and types of charity care provided annually	Yes (7/20/01)	No	Yes (12/20/07)
Report of hospital charity care to be compiled and prepared by governing agency	Yes (7/20/01)	No	Yes (3/23/10)
Mandatory review of tax-exempt status by Sec. of the Treasury at least once every 3 years	No	No	Yes (3/23/10)

There are several similarities between the San Francisco Charity Care Ordinance and state and federal requirements. At the federal level more specifically and after passage of the Affordable Care Act, there were notable adjustments to federal charity care reporting requirements for hospitals seeking non-profit status related to the maintenance of financial assistance policies, billing, charges and patient collection limitations, etc. The main goals of the changes to non-profit reporting was to increase accountability by non-profit institutions, relieve the effects of poverty, and improve access to care for needy patients.

## Charity care and the Affordable Care Act (ACA)

### 1. The Impact of the ACA on the uninsured

In California, the uninsured rate is estimated to have dropped by approximately 50 percent post-ACA implementation, and in San Francisco, an estimated 280,000 San Franciscans gained ACA-initiated health insurance. However, an estimated two million individuals remain uninsured throughout the State, approximately 30,000 or more of whom reside in San Francisco. These individuals, who will likely continue to rely on charity care, remain uninsured for a variety of reasons:

- Affordability concerns, even in consideration of ACA-initiated subsidies
- Inability to engage in the health insurance marketplace because of access or eligibility;
- Personal circumstances that make it difficult to maintain coverage, such as homelessness and documentation status
- Lack of awareness about eligibility for new insurance options, etc.

### 2. Charity care for the uninsured through Healthy San Francisco

HSF is a locally-created and funded program that provides comprehensive, affordable health care to uninsured adults in San Francisco and has been included within the charity care report since 2009. HSF caters to the uninsured via a medical home-based model, pairing each member with a primary care provider at the time of enrollment and thereby improving access to preventive and coordinated care. It is an important contributor to San Francisco's hospital-based charity care landscape because, like traditional charity care, HSF is not insurance. HSF offers services to uninsured individuals who have less ability to pay. But, unlike traditional hospital-based charity care, HSF provides an organized system of care with a defined set of benefits that go beyond hospital services and, in some cases, requires insurance-like cost sharing (e.g. through sliding-scale quarterly participation and point-of-service fees).

Almost all San Francisco hospitals included in this report provide services through HSF, with the majority of HSF enrollees receiving their medical home care at a DPH clinic (55 percent) or San Francisco Community Clinic Consortium (36 percent) with ZSFG as the affiliated hospital. The remaining 9 percent of HSF patients are connected with other medical homes. The table below notes these medical home and hospital affiliations. Some hospitals are directly affiliated with HSF medical homes, while ZSFG, Kaiser and St. Mary's also serve as an HSF primary care site themselves. This means that HSF data for the latter hospitals would include primary care along with the other outpatient services reported, while the other hospitals would include outpatient specialty care only. So, wherever comparisons are made between HSF and traditional charity care patient groups in this report, it is important to note the different types of service lines provided within each group and by the various hospitals.

**Figure 26 Healthy San Francisco medical homes and hospitals**

HSF Medical Home	Affiliated Hospital
DPH Clinics	ZSFG
Tenderloin Health Services	ZSFG and Saint Francis
San Francisco Community Clinic Consortium	ZSFG
Kaiser	Kaiser Foundation Hospital, San Francisco
Northeast Medical Services (NEMS)	ZSFG
Sister Mary Philippa	St. Mary's

HSF is available to uninsured individuals who live in households with incomes up to 500 percent of the federal poverty level (FPL), irrespective of the person’s employment, immigration status, or pre-existing medical condition(s). HSF began enrolling uninsured, eligible individuals in 2007. At the start of ACA open enrollment in October 2013, there were approximately 52,000 HSF enrollees, and this number had declined by approximately 69 percent to 15,862 in 2021.<sup>43</sup> This decrease is due, in large part, to the transition of eligible HSF enrollees to ACA-initiated Medi-Cal expansion and Covered California health insurance coverage. Due to continued barriers faced by some populations to access health insurance even in the ACA health reform landscape, most notably the undocumented, there is a clear and continued need for the HSF program in San Francisco.

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<sup>43</sup> SFDPH data

## Appendix B: The San Francisco Charity Care Ordinance and Annual Report

In 2001, the San Francisco Board of Supervisors passed the [Charity Care Ordinance](#) (Ordinance 163-01), authorizing the Department of Public Health (DPH) to require hospitals to report on charity care policies, the amount of charity care provided, and provide patient notification of charity care policies. The first of its kind in the Nation, the City and County of San Francisco (CCSF) took a unique approach by passing a local reporting law that would help to improve communication, cooperation, and understanding related to local hospitals' provision of free and reduced-cost care to low-income San Franciscans. The Ordinance states that:

*“Charity care is vital to community health, and private hospitals, non-profits in particular, have an obligation to provide community benefits in the public interest in exchange for favorable tax treatment by the government.”<sup>44</sup>*

### Reporting Timeframes for Hospitals

For the charity care annual report, it is important to note that some hospitals report on a fiscal year (July to June) and others use a calendar year. More specifically, CPMC, St. Luke's/Mission Bernal, Chinese Hospital and Kaiser follow a calendar year (i.e., January 1 through December 31), while the remaining hospitals use a FY starting on July 1 of each year and ending on June 30 of the next. Therefore, the analysis in this annual report covers both, depending on the hospital—spanning July 2019 to December 2021. In response to a Health Commission request during 2014 reporting, hospitals were asked if they would be able to adjust their reporting to align to a single reporting period. However, hospitals reported that they were unable to adjust their reporting timeframes.

### AB 774 and SB 1276

Effective January 1, 2015, SB 1276 was enacted in response to the notion that though many individuals may become newly eligible for coverage on the State's Covered California health insurance marketplace, some of the plans offered may also introduce high out-of-pocket costs for consumers. To address this concern, SB 1276 revises AB 774 to alter the definition of an individual with “high medical costs” to include even those who do receive a discounted rate from a hospital as a result of 3<sup>rd</sup> party coverage.<sup>45</sup> Insured patients with high medical costs, exceeding 10 percent of the family income and under 350 percent of FPL are eligible for charity care and partial charity care. The law also further defined a negotiated payment plan as one that considers a patient's family income and essential living expenses in the payment negotiation process – payment plan must be less than 10 percent of a patient's family income (per month after deductions). Finally, the law also requires that a hospital obtain information as to whether a particular patient may be eligible for insurance on the California Health Benefit Exchange and provide information to the patient regarding possible eligibility for the Exchange or another state or county health coverage program.

All San Francisco hospitals have revised and submitted their policies to OSHPD to incorporate SB 1276 requirements. As a result of SB 1276, it is possible that a greater number of San Franciscans may be eligible for charity care or partial charity care, since it is now available to insured individuals and families with high

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<sup>44</sup> CCSF Health Code, Article 3 (Hospitals), Section 129. Charity Care Policy Reporting & Notice Requirement.

<sup>45</sup> Ibid.

medical costs. Some hospitals in San Francisco reported that they already had programs and efforts in place to help insured patients with high medical costs prior to SB 1276.

### Hospital Charity Care Policies

State policy requires non-profit hospitals to provide free or discounted care to uninsured patients with family incomes below 350% FPL or insured patients with high medical costs and family income below 350% FPL. For 2021, 350% of FPL was equal to \$3,757 per month for a single person, and \$7,29 for a household of four.<sup>46</sup> All non-profit San Francisco hospitals comply with California state requirements, with all reporting hospitals providing charity care to patients at or below 400% of FPL, except ZSFG, which provides charity care to patients at or below 500% of FPL. The figure below illustrates San Francisco’s non-profit hospitals policies related to charity care.<sup>47</sup>

**Figure 27: Charity Care Policies across SF Hospitals, 2021**



\* ZSFG patients at any FPL level may qualify for the Discount payment program, whereas Charity Care requires patients be within 500% FPL and with assets not exceeding \$10, 500.

Hospitals report to DPH all charity care provided within the parameters shown in Figure 27, whether services are discounted or free. The discounts offered through charity care are treated as “sliding scale” payments by the hospitals, as they are dependent on the patients’ income and are usually only a very small fraction of the usual charges for the care provided.

All of San Francisco’s reporting hospitals follow similar eligibility procedures for their charity care programs. All patients must go through an application process and provide proof of income. One of the few significant differences among the hospitals’ charity care policies is the life-span of an application. The following hospitals allow for one year of eligibility for a patient whose application is approved: CPMC, Kaiser, Dignity (St. Francis and St. Mary’s), and ZSFG. The remaining hospitals have a shorter time span: UCSF (6 months) and Chinese Hospital (90 days). When the eligibility period expires, the patient may re-apply.

### Charity Care Posting and Notification Requirements

Both San Francisco’s Charity Care Ordinance and the ACA require that hospitals communicate clearly to patients regarding their financial assistance programs, especially with regard to free and discounted charity care. According to the Ordinance, this must be done in the following ways:

<sup>46</sup> APSE, 2021 Percentage Poverty Tool, Poverty Guidelines

<sup>47</sup> Note that hospitals have different names for Charity Care, such as “discount policy,” “financial assistance policy,” “medical financial assistance program(s),” “sliding scale policy,” or “bridge assistance policy.” Hospital policies are anticipated to change under the implementation of AB 1020.



1. Verbal notification during the admissions process whenever practicable; and
2. Written notices in the prominent languages of the patient populations served by the hospital (at least English, Spanish, and Chinese). These notices must be posted in a variety of specified locations, including admissions waiting rooms, emergency department, and outpatient areas.

Every other year, DPH staff visits each hospital to conduct a review of the facilities' compliance with the above posting and notification requirements. DPH staff visited all reporting hospitals between March – April 2023 and all hospitals met both verbal notification and physical signage requirements

## Appendix C: Reporting Hospitals



### Sutter Health: California Pacific Medical Center (CPMC) – Van Ness, Davies, Mission Bernal, Pacific, and California Campuses

California Pacific Medical Center (CPMC) is an affiliate of Sutter Health, a not-for-profit healthcare system. CPMC was created in 1991 by the merger of Children’s Hospital and Pacific Presbyterian Medical Center. In 1996, CPMC became a Sutter Health affiliate. In 1998, the Ralph K. Davies Medical Center merged with CPMC. Nine years later, in 2007, St. Luke’s Hospital became a campus of CPMC. Today, CPMC consists of three acute care campuses and one ancillary campus:

- The Van Ness Campus (Van Ness & Geary) is a high-level regional hospital offering advanced medical technology, which opened in March 2019. It is the center for acute care, including oncology, orthopedics, ophthalmology, cardiology, and liver, kidney, and heart transplant services. Emergency care includes a dedicated pediatric emergency department.
- The Davies Campus (Castro District) provides advanced surgery and robotic-assisted surgery for orthopedic problems and joint replacements, as well as a 24-hour emergency room. It houses key centers for neurosciences, memory care, microsurgery, and acute rehabilitation, and has been recognized by the Joint Commission as a Primary Stroke Center.
- The Mission Bernal Campus (Mission District), formerly known as the St. Luke’s Campus, is a vital community hospital serving underinsured residents in the South of Market districts. A new state-of-the-art hospital opened at this location in 2018, offering comprehensive medical services that include cardiovascular care, breast health, labor and delivery, orthopedics, general surgery, and emergency care. The specialized Acute Care for the Elderly (ACE) Unit is dedicated to the care of older patients.
- The Pacific Campus (Pacific Heights) is a center for key outpatient services, including imaging, dialysis, cancer radiation and infusion therapy, ophthalmology, same-day surgeries, cosmetic surgery, and podiatry. It also houses CPMC’s Center for Women’s Health Care integrating the Breast Health Center, Women’s Health Resource Center, and Pelvic Health Program.

CPMC’s three acute care campus locations have a total of 585 licensed beds (465 at Van Ness and Davies, 120 at Mission Bernal). CPMC also maintains partnerships with nonprofit healthcare providers such as Lions Eye Foundation, Operation Access, and North East Medical Services to give uninsured patients access to necessary services through charity care. CPMC also provides access to health services for Medi-Cal recipients through its Medi-Cal Managed Care partnerships, serving as the hospital provider for Medi-Cal beneficiaries who select North East Medical Services, Hill Physicians, or Brown & Toland as their medical group through San Francisco Health Plan. Since 2014, CPMC has expanded these partnerships to accommodate patients newly insured through the Affordable Care Act, assuming responsibility for thousands of new Medi-Cal Managed Care beneficiaries. CPMC is now the in-network hospital provider for one in three San Francisco Health Plan members.

#### **FY 2021 CPMC Patient Population and Services**

- **Total unduplicated patients served** (combined CPMC): 188,360 (171,171 unduplicated for Van Ness/Davies Campuses only; 30,284 unduplicated for Mission Bernal Campus only)
- **Hospital Services** (Van Ness/Davies Campuses):
  - Adjusted patient days: 179,058
  - Outpatient visits: 393,724
  - Emergency services visits: 40,763
- **Hospital Services** (Mission Bernal Campus):
  - Adjusted patient days: 32,307
  - Outpatient visits: 35,911
  - Emergency services visits: 19,196



## **CHINESE HOSPITAL Chinese Hospital Association of San Francisco (CHASF)**

Chinese Hospital, a community-owned, not-for-profit organization located in Chinatown was established in 1923, and exists primarily to deliver quality health care to San Francisco's Chinese community. This stand-alone acute care facility is responsive to the community's ethnic and cultural uniqueness, providing access to health care and acceptability to all socioeconomic levels. The Hospital's governing body which is broadly represented by the community, strives to assume a leadership role in all health matters.

Chinese Hospital consist of 88 general acute care beds offering a range of medical, surgical and specialty programs including a primary stroke center certified by The Joint Commission. Additionally, Chinese Hospital operates three community clinics located in the Sunset and Excelsior neighborhoods of San Francisco and in Daly City.

### **MISSION STATEMENT**

Chinese Hospital, a community-owned, not-for-profit organization, delivers quality and cost-effective health care that is responsive to the community's ethnic and cultural uniqueness, by providing access to health care and acceptability to all socioeconomic levels. Chinese Hospital is governed by a voluntary Board of Trustees, broadly representative of the community, and strive to assume a leadership role in all health matters. Chinese Hospital's mission emphasizes the following important points:

- Community ownership and responsiveness
- Community leadership
- Cultural uniqueness
- Concern for a broad spectrum of health needs, including but not limited to hospital care.

### **VISION**

Chinese Hospital is committed to improving community access to a quality, culturally sensitive and affordable healthcare delivery system which is dedicated to improving community health status, promoting preventive practices and wellness, and providing coordinated and appropriate health care services. We will work collaboratively with other community health care plans and providers in realizing these visions of:

- Improved community access
- Provision of integrated spectrum of services
- Improved focus on prevention and wellness

### **VALUES**

- Integrity
- Respect
- Empowerment
- Teamwork
- Accountability
- Quality Improvement
- Community collaboration and benefit
- Prudent use of resources

## COMMUNITY PROFILE

The Chinese Hospital Health System is consisting of Chinese Hospital and Clinics, Chinese Community Health Plan (CCHP). Each entity performs an important role in achieving the common goal of providing the community with quality, affordable care that is culturally competent and linguistically appropriate. The community Chinese Hospital serves has a majority of low-income, monolingual or linguistically isolated senior population. Of the inpatient population at Chinese Hospital, 88% are of Chinese ancestry, 87% are over the age of 60, and 91% are Medicare/Medi-Cal beneficiaries.

### Leading the Community through Serving on Community Boards

The leadership for charity care at Chinese Hospital starts with our Chief Executive Officer, Dr. Jian Zhang, who serves on several non-profit boards as a member of the board of directors such the Chinese Community Cardiac Council, American Hospital Association, San Francisco Health Authority Board, NICOS Chinese Health Coalition, and the Chinese Community Health Resource Center. Many hospital staff members are also active on health coalition boards such as, Asian Alliance for Health, San Francisco Hepatitis B Free campaign, San Francisco Bay Area American Diabetic Association Board, and the Community Advisory Board of the UCSF Helen Diller Family Comprehensive Cancer Center and Center on Aging in Diverse Communities of UCSF and San Francisco Cancer Initiative (SF CAN).

### FY 2019 –FY 2021 CHASF Patient Population & Services

	2019	2020	2021
Patient days	6,082	11,337	9,471
Outpatient visits	57,227	55,701	61,079
Emergency services visits	5,485	4,540	5,094

Saint Francis Memorial Hospital (SFMH) has been meeting the health needs of San Francisco for over 100 years. Founded in 1905 by a group of 5 physicians, SFMH continues to carry out its mission: “dedicate our resources to: delivering compassionate, high-quality, affordable health services for our sisters and brothers who are poor and disenfranchised; and partnering with others in the community to improve the quality of life.” Today, SFMH remains a thriving center of healing and innovation in medicine as well as a spiritual anchor to its community. SFMH is located on Nob Hill, and maintains 288 beds, with a staff of over 900 employees and an average of 175 active physicians. It is a non-profit hospital, required by City Ordinance to report Charity Care data, and an affiliate member of the Dignity Health system. SFMH serves all San Franciscans primarily from the surrounding neighborhoods of Nob Hill, Polk Gulch, Tenderloin, Chinatown and North Beach. Many of San Francisco’s visitors and tourists are also treated at SFMH due to the proximity to the major tourist attractions and hotels.

SFMH is home to the Burn Center is the only verified burn center in San Francisco and one of only three centers in Northern California. SFMH has a state of the art emergency department and has nine operating suites in the surgery department. SFMH also offers inpatient psychiatric services, acute rehabilitation, and hyperbaric services. The Saint Francis Orthopedic and Sports Institute offers a full spectrum of orthopedic services.

SFMH has served many Healthy San Francisco patients since the program’s inception through its Emergency Department and its relationship with community-based clinics in the Tenderloin. The hospital sees the highest number of behavioral health transports in the San Francisco, the highest percentage of homeless patients and the most overdose cases in San Francisco. Through that work Saint Francis has piloted many innovated pilots and programs including partnerships with the San Francisco Community Health Center, San Francisco Department of Homelessness and Supportive Housing, and Self-Help for the Elderly.

#### **FY 2021 SFMH Patient Population and Services**

- **Total number unduplicated patients served:** 24,773
- **Hospital Services:**
  - Total Outpatient visits: 61,887
  - Total Emergency services visits: 19,890
  - Total Adult Psychiatric Admissions: 1,403
- **Race & Ethnicity of Patient Population:**
  - American Indian or Alaska Native – 1.2%
  - Asian – 19.8%
  - Black or African American – 14.2%
  - Hispanic – 8.5%
  - Multiracial – 3.3%
  - Native Hawaiian or Other Pacific Islander – 0.8%
  - Other – 9.0%
  - White – 43.3%

St. Mary's Medical Center (SMMC) has cared for the people of the San Francisco Bay Area since its founding in 1857 by the Sisters of Mercy. A member of Dignity Health, SMMC is a 501(c)(3) not-for-profit hospital. As such, it is mandated by San Francisco local ordinance to provide annual Charity Care data. The hospital and Sr. Mary Philippa Health Center are located in the North of Panhandle (NoPa) neighborhood. Its main site is located on the corner of Hayes and Stanyan Streets.

St. Mary's Medical Center's mission is to deliver compassionate, high-quality, affordable health services to our sisters and brothers who are poor and disenfranchised and to advocate on their behalf. St. Mary's Medical Center (SMMC) is committed to partnering with others in the community to improve the quality of life in San Francisco. SMMC also sponsors and operates the Sr. Mary Philippa Health Center serving over 900 patients annually for internal medicine, specialty, and subspecialty care. SMMC began its formal affiliation with HSF in July of 2008 and began enrolling patients in September of that year and. With most of these patients becoming eligible to receive care through the Affordable Care Act, by the end of Fiscal Year 2017, SMMC serves as a medical home to 280 HSF patients providing primary and specialty care as well as diagnostic and inpatient services.

A fully accredited teaching hospital in the heart of San Francisco, it has 275 licensed beds (reduced by 128 beds due to declining inpatient census and conversion of licensed beds to other entities), 950 employees, 430 physicians and credentialed staff, and 50 volunteers. For 161 years, St. Mary's has built a reputation for quality, personalized care, patient satisfaction, and exceptional clinical outcomes. Our key service lines include orthopedics, cardiovascular, oncology, adolescent psychiatry, and acute rehabilitation. We offer a full range of diagnostic services and a 24-hour Emergency Department.

#### **FY 2021 SFMMC Patient Population and Services**

- **Total number unduplicated patients served:** 25,188
- **Hospital Services:**
  - Adjusted patient days: 39,708
  - Total Outpatient visits: 65,378
  - Total Emergency services visits: 11,789
- **Race & Ethnicity of Patient Population:**
  - American Indian or Alaska Native – 0.3%
  - Asian – 26.8%
  - Black or African American – 7.5%
  - Hispanic – 5.9%
  - Multiracial - 3.7%
  - Native Hawaiian or Other Pacific Islander -0.4%
  - Other – 5.5%
  - White – 49.7%



**Kaiser Permanente: Kaiser Foundation Hospital, San Francisco (KFH-SF)**

Kaiser Permanente is committed to helping shape the future of health care, and is recognized as one of America’s leading nonprofit health care providers with hospitals, physicians, and health plan working together in one integrated health care system. Founded in 1945, Kaiser Permanente’s mission is to provide high-quality, affordable health care services, and to improve the health of our members and the communities we serve. We currently serve 12.6 million members in eight states and the District of Columbia.

Care for our members is focused on their total health and guided by their personal physicians, specialists and team of caregivers. Our medical teams are empowered and supported by industry-leading technology advances and tools for health promotion, disease prevention, care delivery, telehealth, and chronic disease management. Kaiser Permanente is dedicated to care innovations, clinical research, health education, and the support of community health.

In 1948, Kaiser Permanente opened a 35-bed hospital in Potrero Hill before constructing a much larger hospital six years later at 2425 Geary Blvd. In 2001, this facility became the first hospital in San Francisco to meet the state’s 2030 earthquake safety standards. The hospital has 239 licensed beds and is a Joint Commission Certified Primary Stroke Center as part of our integrated health care system. Kaiser Permanente also operates medical office buildings and clinics in San Francisco at the Geary and French campuses, Mission Bay, and opened a new behavioral health clinic and a reproductive health clinic in 2020. In 2022, Kaiser Permanente opened Care Essentials in downtown San Francisco. The clinic offers care for minor illnesses and injuries, as well as lab services, vaccinations, prescriptions, and more.

The Medical Center has over 580 physicians and more than 3,900 nurses and staff who provide culturally competent care to over 230,000 members in San Francisco. The Department of Medicine includes both Chinese and Spanish bilingual modules, and Linguistic and Cultural Services offers interpretation services in 56 languages.

As an integrated system of hospitals, physicians and health plan, Kaiser Permanente is a voluntary reporter for San Francisco’s charity care ordinance, however Kaiser Foundation Hospital – San Francisco reported to the state that we provided over \$30 million in Community Benefit support in 2021, including over \$12 million in free or subsidized medical care for vulnerable populations, including Medi-Cal shortfall and charitable health programs, charity care medical financial assistance, and medical service grants. Through a partnership with Operation Access, Kaiser Permanente San Francisco physician volunteers provided 113 surgical procedures and diagnostic services for low-income uninsured patients in 2021.

**Kaiser Patient Population and Services**

	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Adjusted patient days</b>	66,437	80,942	83,731
<b>Hospital outpatient service visits</b>	74,556	57,327	66,555
<b>Emergency service visits</b>	41,556	32,749	36,338



Zuckerberg San Francisco General Hospital (ZSFG) was founded in 1872 and is located in the Potrero Hill neighborhood of San Francisco, on the edge of the Mission District. It is a general acute care hospital with 451 budgeted beds and 645 licensed beds. ZSFG is owned by the City and County of San Francisco and is a component of the DPH. ZSFG reports charity care data on a voluntary basis for the purposes of this report.

ZSFG attracts patients from well beyond its physical location for two main reasons. First, because of its unique position as the county’s public hospital, specializing in care for the uninsured and others who have difficulty accessing adequate health care services. In addition, ZSFG operates the only Level I Trauma Center for San Francisco and northern San Mateo County. Individuals who are seriously injured in San Francisco and in parts of San Mateo County are brought to ZSFG’s emergency room for care.

ZSFG has maintained a teaching and research partnership with the UCSF Medical School for more than 130 years, and provides inpatient, outpatient, emergency, skilled nursing, diagnostic, mental health, and rehabilitation services for adults and children. It is the largest acute inpatient and rehabilitation hospital for psychiatric patients in the city, and the only acute hospital in San Francisco that provides 24-hour psychiatric emergency services.

San Francisco Health Network operates five primary care clinic centers on the ZSFG campus: the Adult Medical Center (which includes the Positive Health Center and General Medicine Clinic), Women’s Health Center, Children’s Health Center, Family Health Center, and Urgent Care Center. In addition, there is a network of affiliated community clinics spread throughout San Francisco, in neighborhoods with the greatest need for access. ZSFG has been a key provider for HSF since enrollment began in July 2007, providing specialty care, emergency care, pharmacy, diagnostic, and inpatient services for HSF members. ZSFG is recognized as a DSH by the California state and a federal government, meaning that it provides care to a disproportionate share of Medi-Cal and the uninsured.

**ZSFG Patient Population and Services**

	2018	2019	2020	2021
<b>Adjusted patient days</b>	175,666	185,507	168,498	164,049
<b>Outpatient visits</b>	698,559	704,977	642,369	609,655
<b>Emergency room visits</b>	85,515	84,681	55,122	41,710





## University of California, San Francisco Medical Center (UCSF)

The University of California, San Francisco (UCSF) was founded in 1864 as Toland Medical College in San Francisco and became affiliated with the University of California system in 1873. UCSF Health is part of UCSF and is a non-profit organization affiliated with the UC system. Consequently, it is not subject to San Francisco's Charity Care Ordinance, but reports voluntarily.

UCSF Health is an internationally recognized health system that includes UCSF Benioff Children's Hospitals (San Francisco and Oakland), Langley Porter Psychiatric Hospital and Clinics, UCSF Benioff Children's Physicians and the UCSF Faculty Practice. UCSF Health also has an expanding network of affiliated health care organizations throughout Northern California. UCSF Health includes approximately 18,000 staff and physicians, maintains 1,290 beds, admits 41,000 patients and has over 2.5 million outpatient visits yearly, and has annual revenue of more than \$5 billion.

UCSF Health is a world leader in health care, with the medical center and its children's hospitals consistently ranking among the nation's best by *US News & World Report*. UCSF Medical Center is a Disproportionate Share Hospital. UCSF Health operates as a tertiary and quaternary care referral center with four major campuses (Parnassus Heights, Mount Zion, Mission Bay and Oakland).

- UCSF Helen Diller Medical Center at Parnassus Heights includes a 600-bed hospital and inpatient and outpatient services, an Ambulatory Care Center, and the Langley Porter Psychiatric Hospital and Clinics.
- UCSF Medical Center at Mount Zion is home to outpatient clinics, a hospital and surgical facilities, and support services for patients and families as well as the UCSF Osher Center for Integrative Medicine, Helen Diller Family Comprehensive Cancer Center and Women's Health Center.
- UCSF Medical Center at Mission Bay comprises three state-of-the-art hospitals and numerous outpatient services for adults and children.
  - UCSF Benioff Children's Hospital San Francisco has 183 beds and serves all pediatric specialties.
  - UCSF Bakar Cancer Hospital has 70 adult beds and serves patients with orthopedic urologic, gynecologic, head and neck and gastrointestinal and colorectal cancers.
  - UCSF Betty Irene Moore Women's Hospital serves women's health needs from adolescence to menopause and beyond, and features a 36-bed birth center.

UCSF Health's expertise covers all major specialties, including cancer, heart disease, neurological disorders, and organ transplantation, as well as special services for women and children. UCSF Health has a nationally designated Comprehensive Cancer Center. As a regional academic health system, UCSF Health attracts patients from throughout California, Nevada, and the Pacific Northwest, as well as from all San Francisco neighborhoods, the nation and abroad.

UCSF has an Affiliation Agreement with the City and County of San Francisco to provide physicians at ZSFG, to meet the needs of the City's most vulnerable populations. The health system also is committed to equitable access to care and proactively works with the community, for example during COVID-19, and provides linguistically and culturally appropriate care through affiliations with health organizations like Chinese Hospital.

The health system has established clinics around San Francisco and provides staff for other existing clinics, and works with UCSF health sciences schools including:

- St. Anthony Free Medical Center: The UCSF School of Pharmacy partners with the St. Anthony Foundation to provide needed pharmaceutical care to patients with no health insurance and limited access to health care, with approximately 90 percent of patients at this clinic having incomes below the Federal Poverty Level.
- UCSF School of Dentistry Buchanan Dental Center: UCSF Dental Center provides general dentistry and a full range specialty oral health care at UCSF's Parnassus Heights and Mission Bay campuses. Its network of adult and pediatric clinics see more than 130,000 patient visits annually.

**UCSF Patient Population and Services**

	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Adjusted patient days</b>	371,377	396,919	425,054
<b>Outpatient visits</b>	1,979,051	1,910,778	1,856,421
<b>Emergency room visits</b>	54,130	43,123	53,104

## Appendix D: Charity Care Hospital Data, 2020<sup>48</sup>

Data Categories	CPMC - Van Ness	CPMC - Mission/Bernal	Chinese	KFH-SF	Saint Francis	St. Mary's	UCSF	ZSFG	Total
	2020	2020	2020	2020	2019-2020	2019-2020	2019-2020	2019-2020	
<b>Cost of Charity Care Provided</b>									
Non-HSF Charity Care Costs	\$11,005,933	\$4,719,974	226,313	7,249,236	\$7,445,577	2,887,039	15,682,027.40	78,950,177.33	\$128,166,277
HSF Charity Care Costs	\$98,940	\$488,447	\$0	\$0	\$218,477	703,667	\$104,585.13	26,761,983.32	\$28,376,099
Total	\$11,104,873	\$5,208,421	\$226,313	\$7,249,236	\$7,664,054	\$3,590,706	\$15,786,612.53	105,712,160.65	\$156,542,376
<b>Applications for Charity Care</b>									
Total # of Apps Accepted	3,385	1,630	592	4,742	54	75	1,032	30,268	41,778
Total # of Applications Denied	371	198	0	1,548	40	215	229	1,831	4,432
Total	3,756	1,828	592	7,311	90	384	7,668	32,099	53,728
<b>Unduplicated/Individual CC Recipients</b>									
Total Unduplicated CC Patients (HSF)	11	33	0	609	167	265	45	8,513	9,643
Total Unduplicated Patients (Non-HSF)	3,385	1,630	570	6,142	4,096	1,854	5,384	32,099	55,160
Total	3,396	1,663	570	6,751	4,263	2,119	5,429	40,612	64,803
<b>Services Provided for CC patients</b>									
Emergency (HSF)	7	27	0	185	60	72	23	594	968
Emergency (Non-HSF)	1,581	1,325	37	2,172	3,439	1,179	1,566	12,033	23,332
Inpatient (HSF)	3	9	0	35	4	13	8	99	171
Inpatient (Non-HSF)	375	137	3	1,261	352	183	1,220	2,076	5,607
Outpatient (HSF)	4	2	0	606	60	227	17	8,359	9,275
Outpatient (Non-HSF)	1,841	339	530	5,496	470	563	3,195	19,825	32,259
<b>Costs &amp; Charges</b>									
Gross Patient Revenue	\$3,019,520,235	\$483,848,159	212,176,533		\$880,620,659	\$800,922,283	\$16,136,049,128	\$3,339,880,594	21,369,649,197
Total Other Operating Revenue	\$15,145,321	\$892,892	19,183,588		\$15,777,028	\$17,941,423	\$214,963,941	\$106,182,558	374,048,538
Total Operating Expenses	\$1,244,991,083	\$299,846,701	\$116,212,276		\$237,284,825	\$253,440,145	\$4,675,062,577	\$1,130,667,794	6,412,667,617
Cost-to-Charge Ratio <sup>49</sup>	40.73%	61.79%	45.70%		25.15%	29.40%	27.64%	30.70%	28.26%
Medi-Cal Shortfall	\$129,030,263	\$36,368,305	\$3,214,712	\$13,576,769	\$46,242,350	\$19,459,494	376,468,476.30	\$241,849,796.00	866,210,165

<sup>48</sup> CPMC did not report Gross Patient Revenue, Total Other Operating Revenue, Total Operating Expenses, and Cost-to-Charge Ratio. These data points were pulled from HCAI on May 8, 2023. As in previous years, Kaiser is excluded because the hospital is not required to report this information to HCAI.

<sup>49</sup> The Cost-to-Charge Ratio is ((Total Operating Expenses - Other Operating Revenue) / Gross Patient Revenue) x 100

## Appendix E: Charity Care Hospital Data, 2021<sup>50</sup>

Data Categories	CPMC - Van Ness	CPMC - Mission/Bernal	Chinese	KFH-SF	Saint Francis	St. Mary's	UCSF	ZSFG	Total
	2021	2021	2021	2021	2020-21	2020-21	2020-21	2020-21	
<b>Cost of Charity Care Provided</b>									
Non-HSF Charity Care Costs	\$9,785,528	\$3,663,998	\$197,168	\$5,213,963	\$6,702,942	\$3,445,069	\$14,479,226	\$63,333,008	\$106,820,901
HSF Charity Care Costs	\$81,983	\$278,205		\$0	\$179,408	\$735,468	\$86,387	\$36,220,720	\$37,582,171
Total	\$9,867,511	\$3,942,203	\$197,168	\$5,213,963	\$6,882,350	\$4,180,537	\$14,565,612	\$99,553,728	\$144,403,072
<b>Applications for Charity Care</b>									
Total # of Apps Accepted	3,187	1,168	153	4,715	55	75	1,225	29,263	39,841
Total # of Applications Denied	282	147		1,499	42	37	516	1,773	4,296
Total	3,469	1,315	153	7,054	97	112	6,543	31,036	49,779
<b>Unduplicated/Individual CC Recipients</b>									
Total Unduplicated CC Patients (HSF)	8	39		292	114	62	26	11,054	11,595
Total Unduplicated Patients (Non-HSF)	3,187	1,168	153	5,695	2,512	1,662	9,737	33,799	54,708
Total	3,195	1,207	153	5,987	2,626	1,724	9,763	44,853	66,303
<b>Services Provided for CC patients</b>									
Emergency (HSF)	9	31		271	0	2	6	1,057	1,376
Emergency (Non-HSF)	1,229	901	64	1,853	2,067	982	1,385	11,727	20,208
Inpatient (HSF)	1	6		44	0	1	6	138	196
Inpatient (Non-HSF)	362	98	2	1,130	223	196	1,511	3,124	6,646
Outpatient (HSF)	2	2		724	0	18	16	10,932	11,694
Outpatient (Non-HSF)	1,733	232	87	4,638	297	590	7,720	19,260	34,557
<b>Costs &amp; Charges</b>									
Gross Patient Revenue	\$3,316,143,427	\$550,418,656	\$255,265,346		\$851,026,384	\$811,525,789	\$18,002,628,281	\$3,429,059,683	23,349,505,483
Total Other Operating Revenue	\$23,567,457	\$1,573,706	\$12,281,463		\$14,253,739	\$15,712,368	\$290,488,943	\$92,641,392	425,377,905
Total Operating Expenses	\$1,248,504,167	\$273,154,349	\$125,221,967		\$206,436,733	\$265,354,986	\$4,627,591,300	\$1,229,016,451	6,453,621,437
Cost-to-Charge Ratio <sup>51</sup>	36.94%	49.34%	44.2%		22.6%	23.3%	24.1%	33.1%	25.82%
Medi-Cal Shortfall	\$114,195,601	\$32,078,243	\$2,906,178	\$6,836,883	\$37,391,033	\$20,263,119	\$298,441,339	\$287,682,716.00	799,795,112

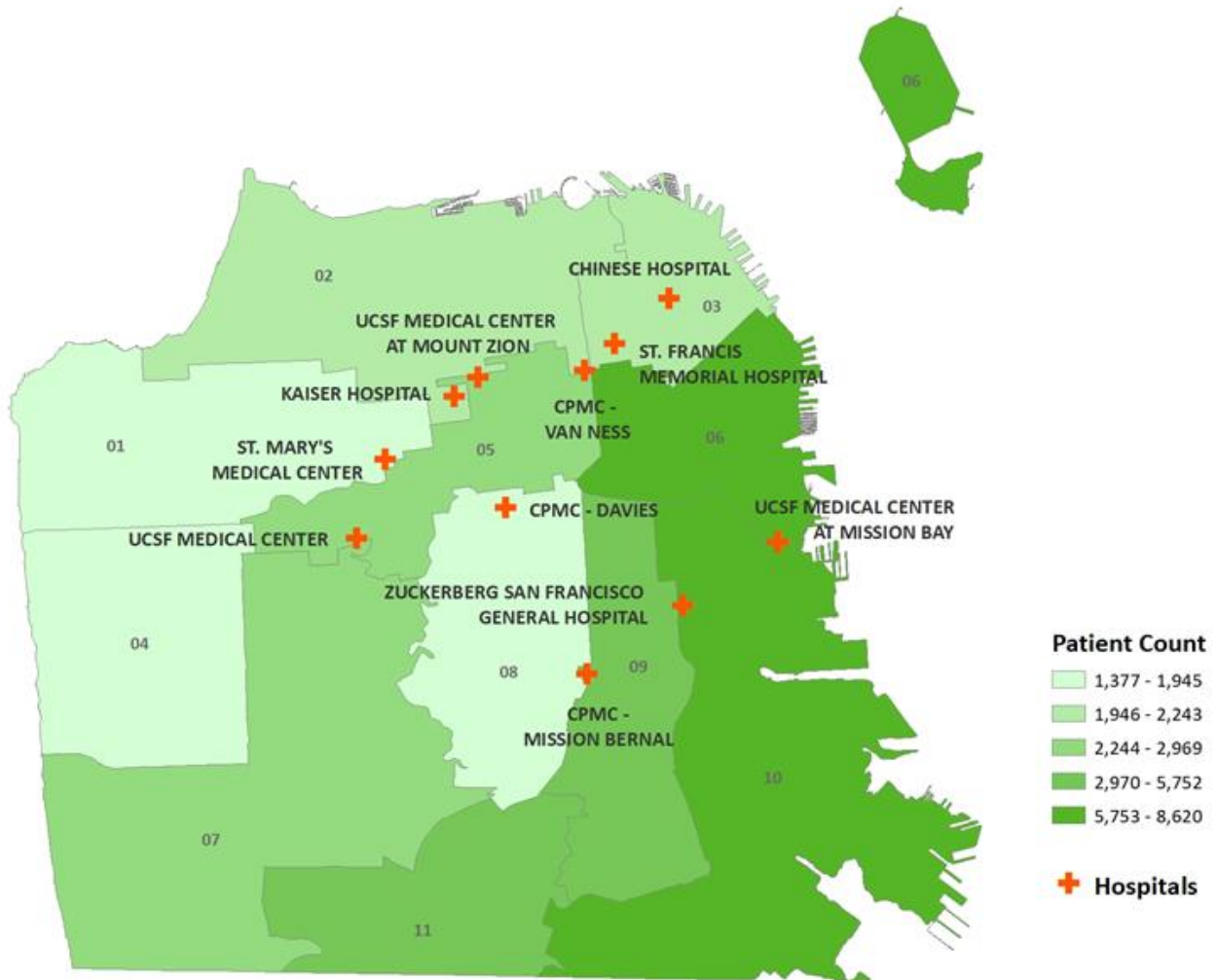
<sup>50</sup> CPMC did not report Gross Patient Revenue, Total Other Operating Revenue, Total Operating Expenses, and Cost-to-Charge Ratio. These data points were pulled from HCAI on May 8, 2023. As in previous years, Kaiser is excluded because the hospital is not required to report this information to HCAI.

<sup>51</sup> The Cost-to-Charge Ratio is ((Total Operating Expenses - Other Operating Revenue) / Gross Patient Revenue) x 100

## Appendix F: Full Zip-Code Analysis of San Francisco Charity Care

San Francisco’s Charity Care Ordinance requires that hospitals provide the zip codes of their traditional charity care recipients. This section presents an analysis of this data.<sup>52</sup> All reporting hospitals, except Kaiser San Francisco, are able to provide the zip codes of patients who have received charity care services. This section presents the data by supervisorial district, along with an expanded view of out-of-county charity care patients, as traditional charity care programs are not limited to CCSF residents.

**Figure 28: Map of San Francisco Charity Care Patients by Supervisorial District, 2021**



<sup>52</sup> Zip code data for HSF patients is not required as part of charity care reporting, thus, this section focuses on traditional charity care patients only.

**Figure 20: Traditional Charity Care Patients by Supervisorial District, 2020 and 2021**

Supervisorial District	2020		2021	
	Recipients	Percent of Total SF Recipients	Recipients	Percent of Total SF Recipients
District 1	1,134	3.0%	1,561	4.0%
District 2	2,021	5.3%	2,243	5.8%
District 3	2,375	6.3%	2,216	5.7%
District 4	1,670	4.4%	1,945	5.0%
District 5	2,036	5.4%	2,378	6.2%
District 6	8,692	22.9%	8,620	22.4%
District 7	2,997	7.9%	2,969	7.7%
District 8	1,204	3.2%	1,377	3.6%
District 9	5,877	15.5%	5,752	14.9%
District 10	6,726	17.7%	6,404	16.6%
District 11	3,257	8.6%	3,098	8.0%

The above table shows the distribution of all reporting hospitals’ traditional charity care recipients by Supervisorial district. As is evident, and has repeatedly been the case since 2013, the majority of the charity care patients in San Francisco reside in Districts 6 (SOMA), 9 (Mission, Bernal Heights), 10 (SE Neighborhoods, including Bayview-Hunters Point), and District 11 (Excelsior). District 1 (Northwest/Richmond) and District 8 (Castro, Mission) represent the smallest shares (about 3-4 percent each). Between 2019-2021 there was very little change in the charity care patient distribution by district despite increases in the number of patients.

The concentration of charity care patients in these districts reflect systemic inequities in our city. District profiles as of November 2020 reveal that District 6 also have the highest proportion of residents living below poverty, and more than double San Francisco’s average; District 10 has 47% more residents living below poverty than SF overall and two times more residents who identify as Black/African American; Districts 9 and 11 have the highest and second highest proportion of uninsured residents.<sup>53</sup>

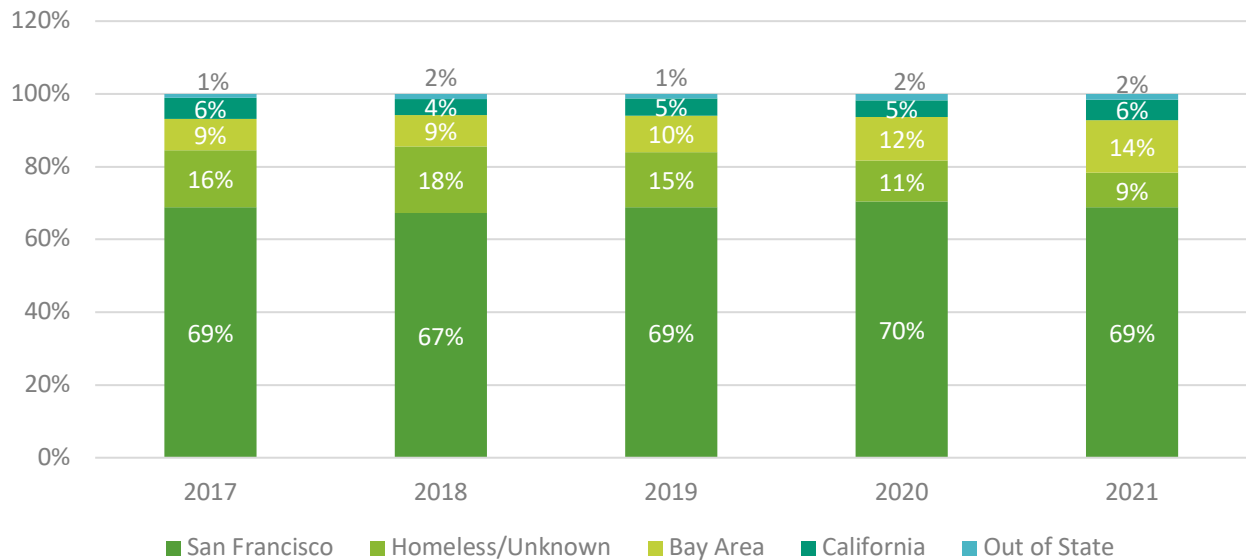
***Residence of Charity Care Patients***

Traditional charity care programs do not limit eligibility to San Francisco residents and the zip code information provided allows for an analysis of the geographic locations that hospitals serve outside of San Francisco. Taken together, this data indicates that San Francisco’s collective pool of traditional charity care patients are:

- Predominantly from San Francisco;
- Largely from three nearby Bay Area counties -- Alameda, Contra Costa, and San Mateo;
- A significant portion are people experiencing homelessness;
- A consistently small portion are out-of-state residents.

<sup>53</sup> SFDPH Supervisorial District Health Profiles, November 2020, <https://www.sfdph.org/dph/comupg/knowlcol/chip/districthealthprofiles.asp>

**Figure 30: Traditional Charity Care Patients Reported Residence, 2017-2021**



**Persons Experiencing Homelessness**

The proportion of traditional charity care patients that are Homeless/Unknown stayed relatively stable between 2017 and 2019, and then decreased slightly down to 9 percent in 2021. The decrease in persons experiencing homelessness from 2019 to 2021 (15 percent to 9 percent) is due to a change of reporting at ZSFG. Address fields for people experiencing homelessness were imputed as the facility’s address.

The “Other” and “Unknown” category consists of patients who did not have a valid address in the hospital’s financial system, which would include persons experiencing homelessness, those with errors in their record, and some who provided inaccurate information. Unfortunately, the data for charity care utilization among persons experiencing homelessness more specifically cannot be captured in this report because some hospitals do not identify patients using a standard homeless code in their registration systems.<sup>54</sup> Finally, only a very small proportion of charity care patients resided outside of California (two percent) in 2021 and this has been the case throughout the history of this report.

**Out-of-County/California Residents**

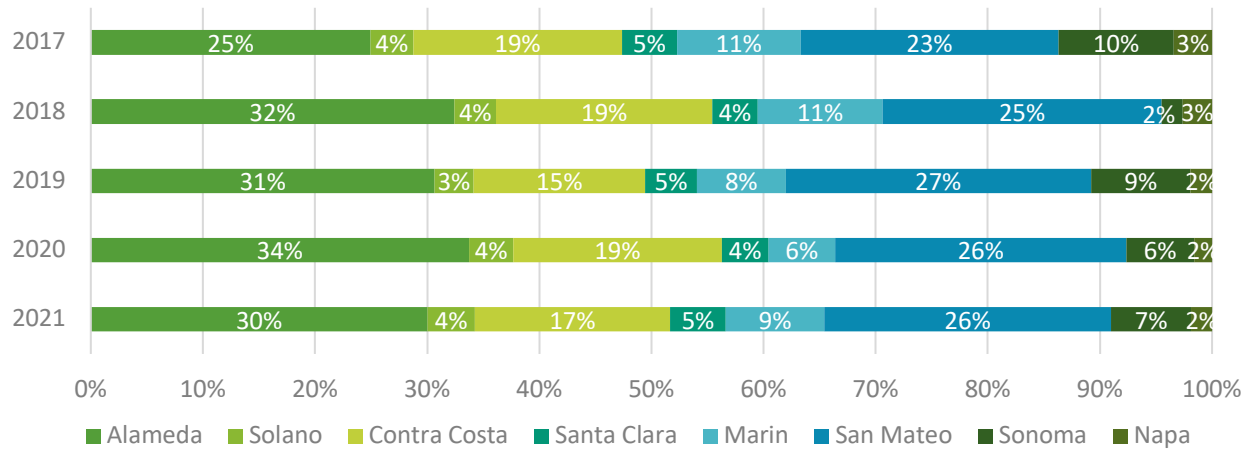
**Greater Bay Area Place of Residence for Charity Care Patients, 2019-2021**

Out-of-country patients may access charity care in San Francisco hospitals for many reasons, from patients taken to ZSFG’s Emergency Department or patients who seek medical care at one of San Francisco’s renowned medical institutions. This proportion of out-of-county traditional charity care patients (i.e., Bay Area and California residents) has increased over time, from about 15 percent in 2017 to about 20 percent in 2021.

<sup>54</sup> For example, some hospitals enter null values to indicate whether a patient is homeless, others enter special codes (e.g. “9999”), some enter the zip code for their hospital location, and many do a combination of the three.

The figure below shows the percentage of traditional charity care patients with residential addresses in the seven greater Bay Area counties in 2017 through 2021. Alameda County consistently represents the greatest proportion of charity care patients in San Francisco hospitals. In 2021, Alameda, Contra Costa, and San Mateo counties represent the greatest proportion of charity care patients in San Francisco hospitals, with about 73 percent of total patients.

**Figure 31: Greater Bay Area Place of Residence for Charity Care Patients, 2017-2021**



In terms of absolute numbers, between 2019 and 2021, the number of Alameda County residents who received charity care services in San Francisco increased from 1,527 to 2,438 individuals; San Mateo County residents increased from 1,356 to 2,077 individuals; and Contra Costa County residents increased from 762 to 1,412 individuals.

Similar to previous years, the analysis of 2021 data shows that residents in the eight greater Bay Area counties received charity care, by and large, from UCSF, ZSFG, and CPMC. In 2021, of the 8,119 reporting zip codes in the eight greater Bay Area counties, 1,160 (14 percent) received care at CPMC; 2,642 (33 percent) received care at ZSFG; and 3,618 (45 percent) at UCSF. These hospitals are also responsible for the largest number of charity care patients served overall in 2021. Of the 69,508 charity care patients, traditional and HSF, in 2021, 4,402 (6 percent) received care at CPMC (Van Ness & Mission Bernal); 9,763 (15 percent) received care at UCSF; and 44,853 received care at ZSFG (68 percent).

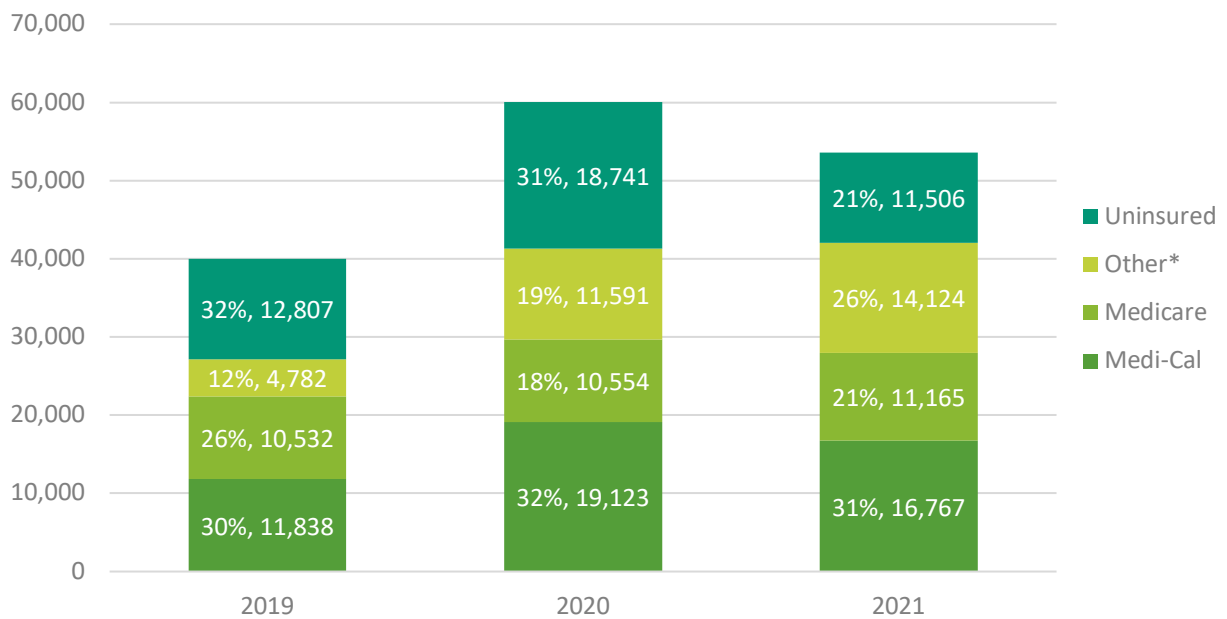


## Appendix G: Analysis of Traditional Charity Care Patient Demographic Data

### Payor Status

Between 2019 and 2021, the proportion of patients of uninsured decreased from 32 percent to 21 percent, while the proportion of those with “Other” types of healthcare coverage, or those with commercial insurance and workers compensation, grew from 12 percent to 26 percent. Beginning in 2021, UCSF changed to “presumptive” charity care, which led to more patients with “Other” payor services meeting the criteria for charity care.

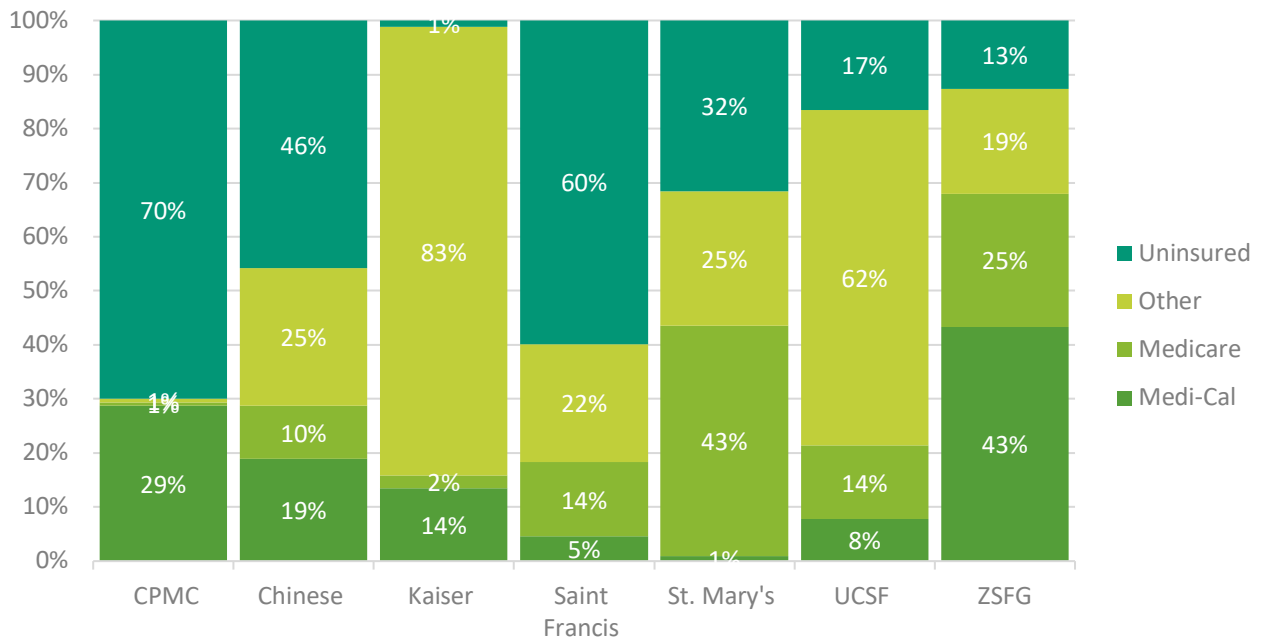
**Figure 32: Traditional Charity Care Patients by Payor Source, 2019-2021**



\* “Other” payor type includes those with commercial insurance and workers compensation. “Uninsured” indicates the number of patients who self-pay their medical expenses.

\*\*This graph does not include Kaiser because they only reported 2021 data. Inclusion of their 2021 data does not significantly change the overall distribution of payor source. Refer to Appendix G for Kaiser demographic data.

**Figure 33 Traditional Charity Care Patients by Payor Source by Hospital, 2019-2021**



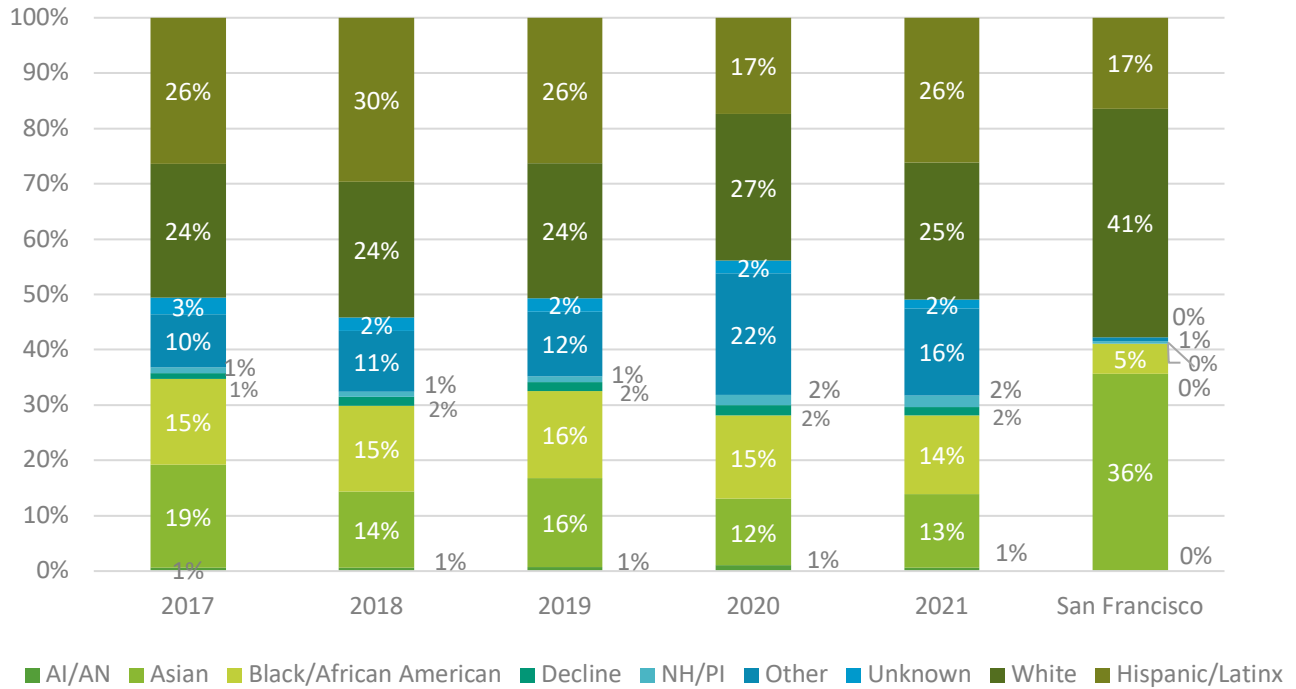
There are significant differences in the distribution of payor types between hospitals. In 2021, uninsured patients represented the largest payor source for charity care patients at two out of the seven reporting hospitals. Conversely, at ZSFG, Medi-Cal and Medicare make up the largest payor sources (69 percent) for patients while the proportion of patients who were uninsured is much less significant comparatively, making up 13 percent of patients. For Kaiser, the “Other” portion accounts for those with other payor sources such as commercial accounts that need Medical Financial Assistance to cover costs. Because Kaiser Permanente is an integrated health system, this number may seem higher than other hospitals.

**Race/Ethnicity**

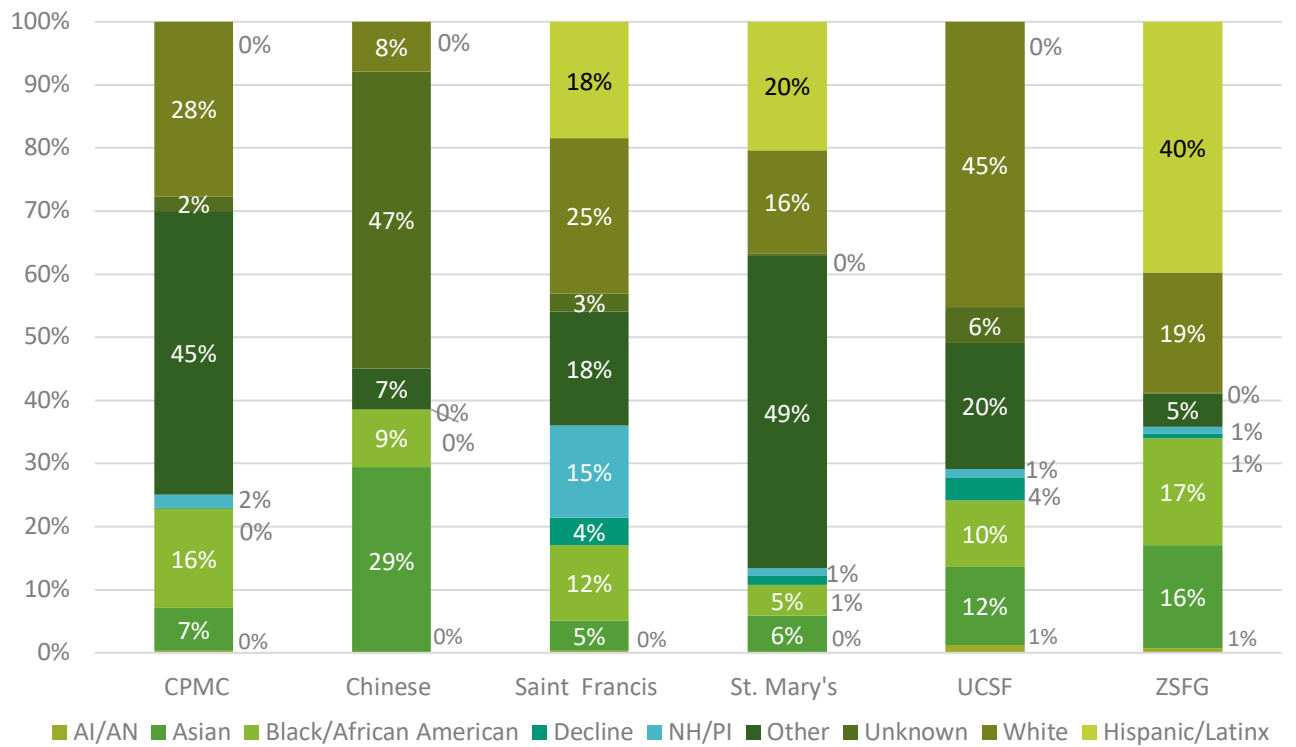
Between 2018-2021, the racial/ethnic makeup of traditional charity care patients remained relatively stable. In 2021, Hispanic/Latinx and White comprised the largest portion of patients with known racial/ethnic identities, representing 26 and 25 percent of the patient population, respectively. Most hospitals did not report Hispanic/Latinx patient data, and therefore are likely underrepresented in the dataset. Comparing the traditional charity care population to the overall race/ethnicity makeup of San Francisco, in 2021, traditional charity care patients were more likely to be Black/African American, Hispanic/Latinx, and less likely to be White.<sup>55</sup>

<sup>55</sup> U.S. Census, Overall SF Population, P2: <https://data.census.gov/table?q=san+francisco+race+ethnicity&tid=DECENNIALPL2020.P2>

**Figure 34: Traditional Charity Care Patients by Race/Ethnicity, 2017-2021**



**Figure 35: Traditional Charity Care Patients by Race/Ethnicity by Hospital, 2021\*\***



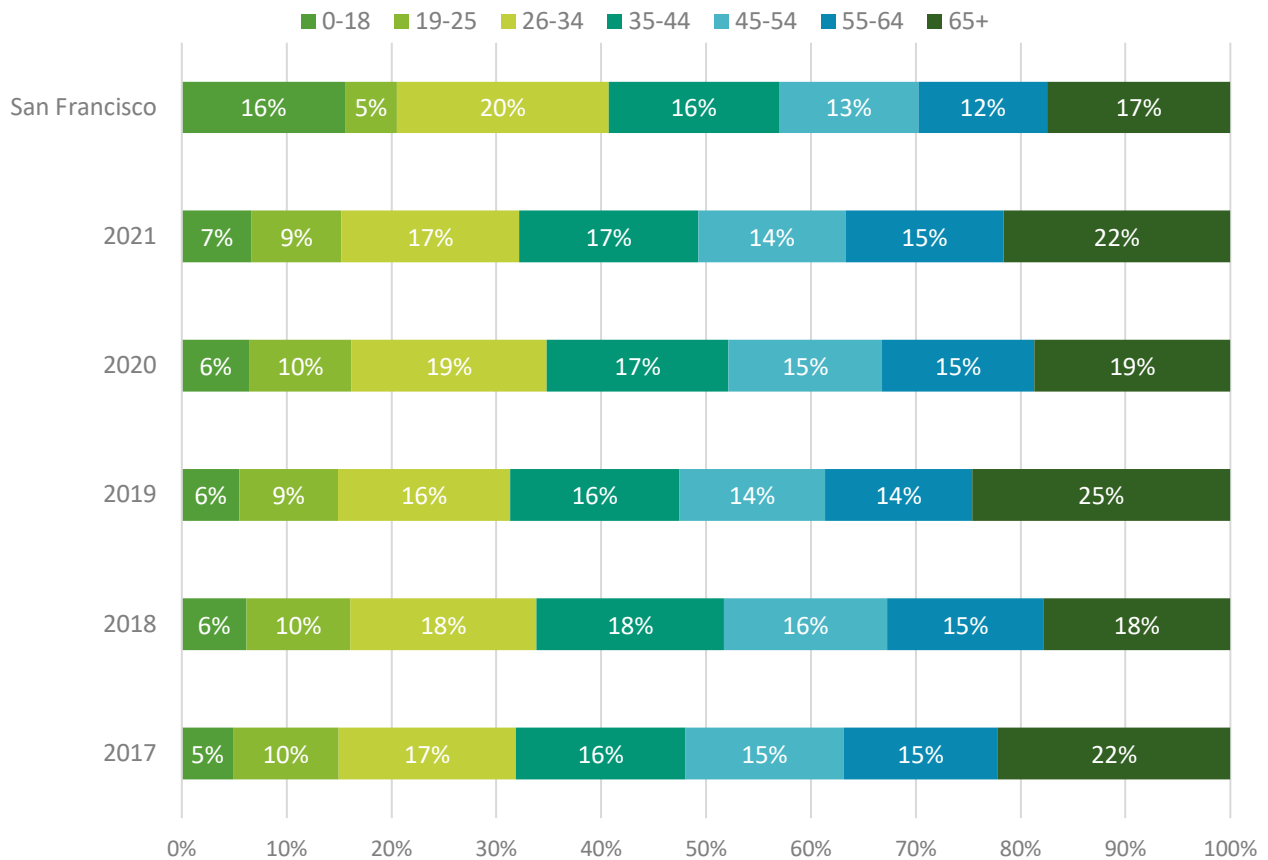
\*\*This graph excludes Kaiser because Kaiser did not report race/ethnicity data.

When examining the racial/ethnic composition by patients by hospital, the distributions are varied. St. Francis, St. Mary’s, and ZSFG were the only hospitals that reported race/ethnic data for Hispanic/Latinx patients. For ZSFG, Hispanic/Latinx represented 40 percent of patients.

**Age**

Between 2018-2021, the age distribution of traditional charity care patients remained relatively stable. Compared to the overall age distribution of the City population,<sup>56</sup> a larger proportion of charity care patients are older, and a smaller proportion are younger. In 2021, individuals aged 55 years and older composed 37 percent of total traditional charity care patients, compared to 29 percent of residents in this age group. On the other end of the spectrum, only 7 percent of patients were under the age of 19, while citywide, 16 percent of residents fall into that age group.

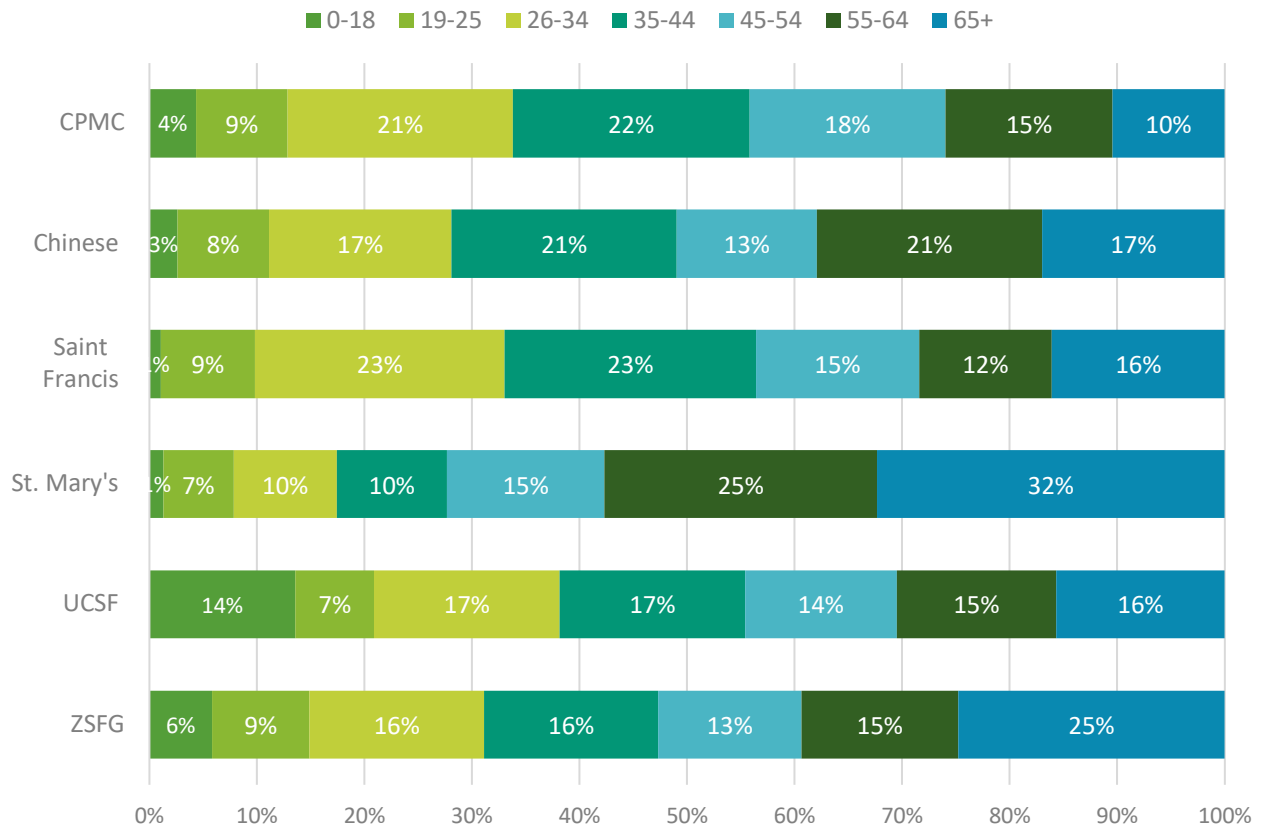
**Figure 36 Traditional Charity Care Patients by Age\*\***



*\*\*This graph does not include Kaiser because they only reported 2021 data. Inclusion of this data does not significantly change the overall distribution of traditional charity care patients by age.*

<sup>56</sup> U.S. Census, SF Population, S101 Age & Sex, 2021 ACS 1-Year Estimate <https://data.census.gov/table?q=san+francisco+age>

**Figure 37: Traditional Charity Care Patients by Age Distribution by Hospital, 2021**



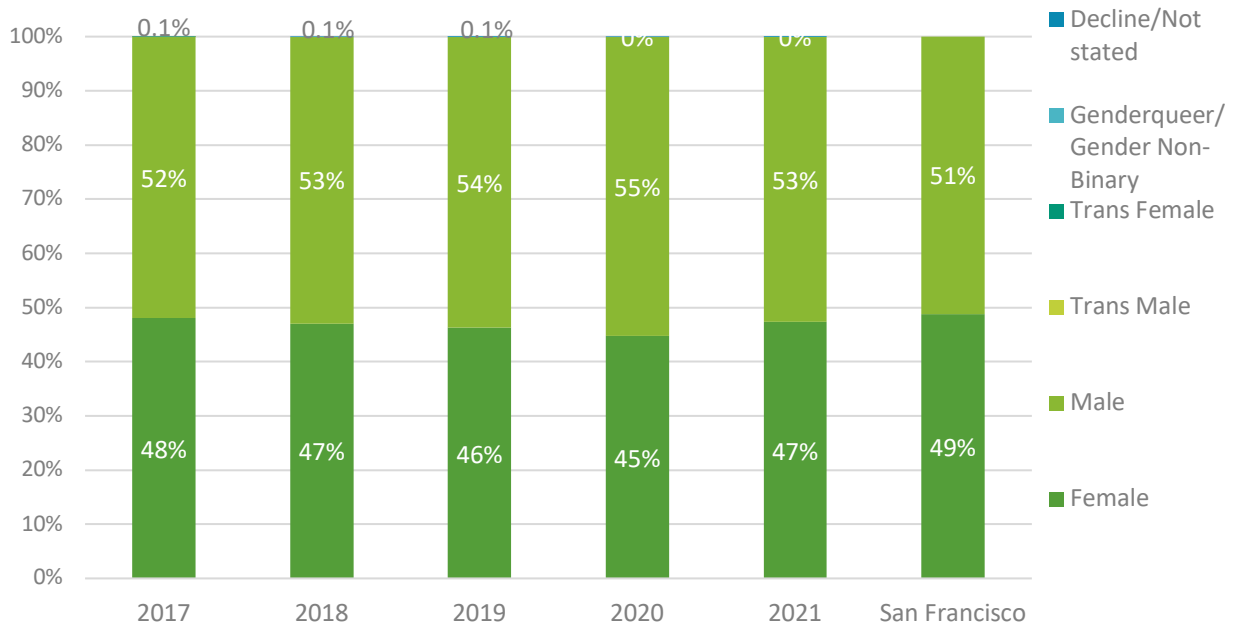
The age distribution of patients by hospital varies. Based on the data, in 2021, a larger proportion of St. Mary’s charity care patients are older, with 57 percent of patients aged 55 and older. In addition, 40 percent of ZSFG patients and 38 percent of Chinese Hospital patients are aged 55 and older. While hospitals have a small proportion of patients under age 19, UCSF has the greatest proportion of patients under age 19 years, at 14 percent.

**Gender/Sex**

Data on gender was limited, as most hospitals were not able to provide data capturing self-reported gender status beyond the binary of male and female.<sup>57</sup>

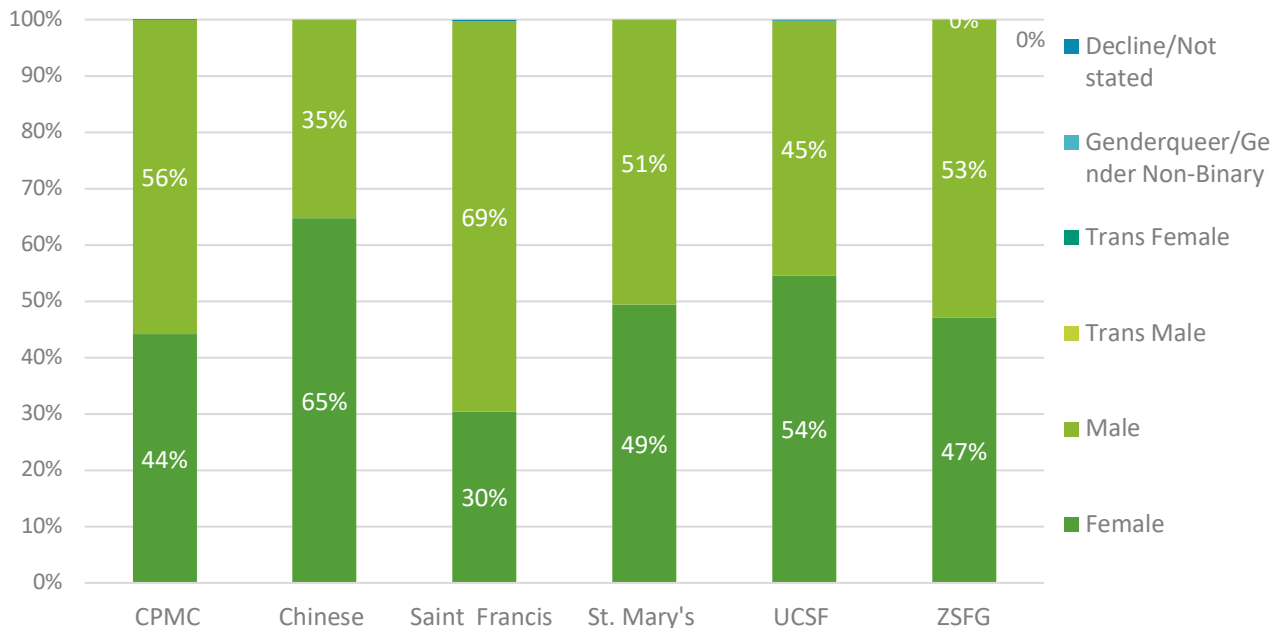
<sup>57</sup> U.S Census, SF Population, S101 Age & Sex, 2021 ACS 1-Year Estimate <https://data.census.gov/table?q=san+francisco+age>

**Figure 38: Traditional Charity Care Patients by Gender/Sex, 2017-2021\*\***



\*\*This graph does not include Kaiser because they only reported 2021 data. Inclusion of this data does not significantly change the overall distribution of traditional charity care patients by gender/sex.

**Figure 39: Traditional Charity Care Patients by Gender/Sex, 2019-2021**



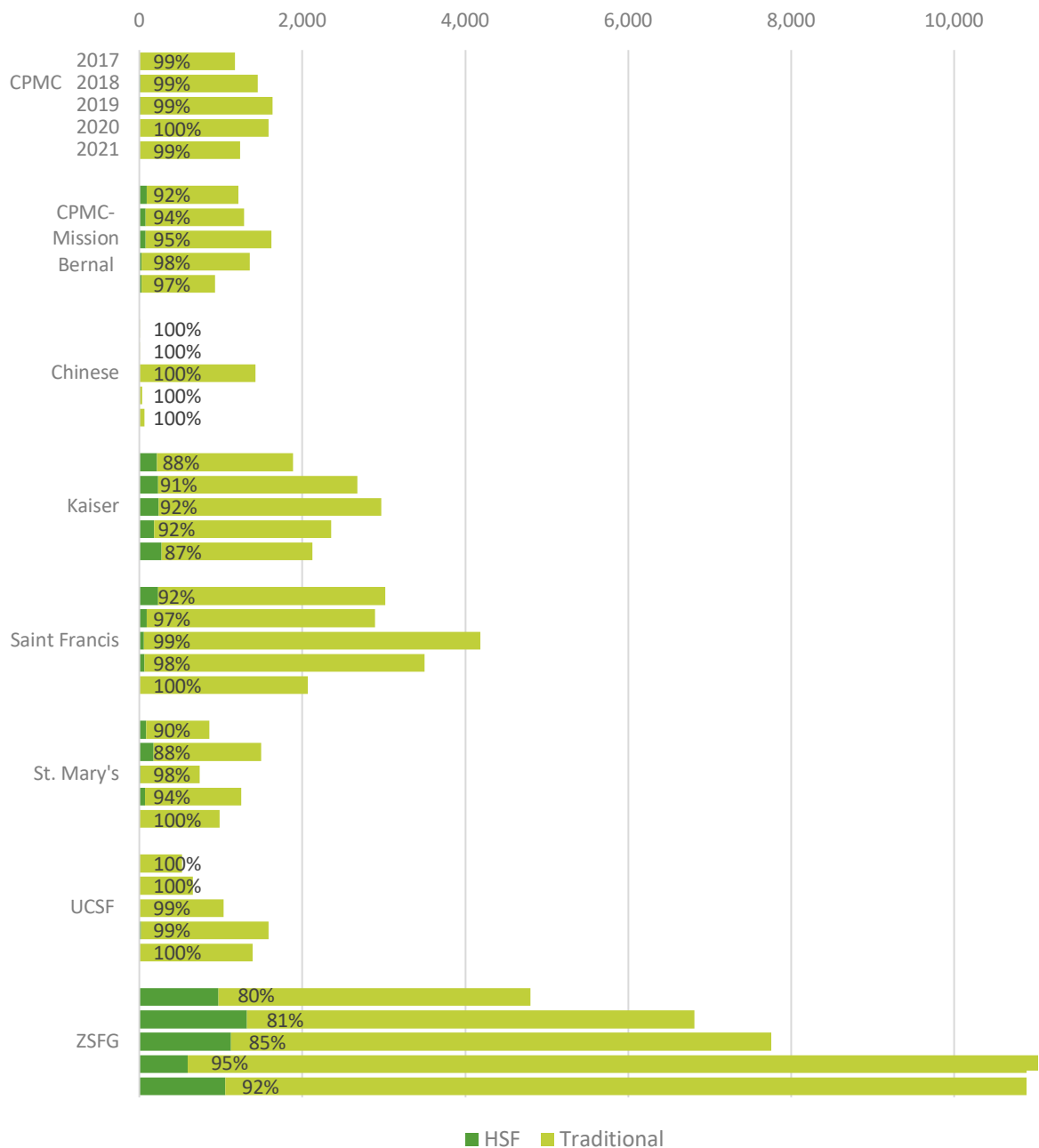
The distribution of patients by gender/sex varies from hospital to hospital. St. Francis and CPMC have a significantly higher percentage of patients who are male compared to other hospitals, with 69 and 56 percent of patients identifying as male, respectively.

## Appendix H: Health Care Services

The figures below show HSF and traditional charity care patients across all reporting hospitals by service type (emergency, inpatient, or outpatient services). The majority of patients across all service types are traditional charity care patients.

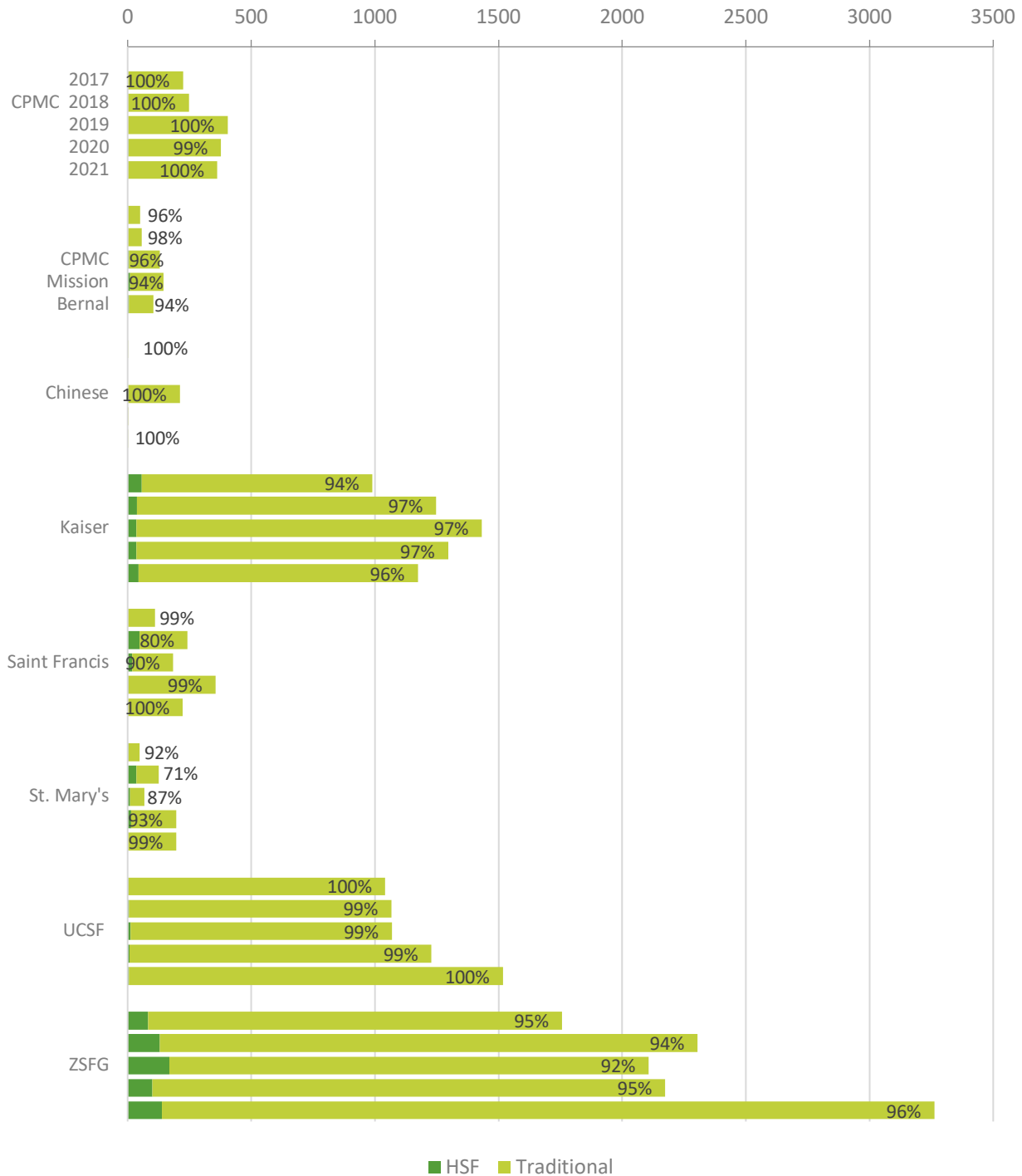
The number of charity care patients receiving emergency services increased between 2019 and 2020 by 14 percent. Between 2020 and 2021, the number of charity care patients receiving emergency services decreased by 11 percent (21,361 patients in 2019 and 21,584 patients in 2021).

**Figure 40 HSF and Traditional Charity Care Patients, Emergency Services, 2017-2021**



Between 2019 and 2021, the total number of charity care patients increased, and similarly, the number of charity care patients receiving inpatient services have increased 22 (5,605 to 6,842 total patients). Inpatient services continue to represent the smallest proportion of all services utilized by charity care patients.

**Figure 41: HSF and Traditional Charity Care Patients, Inpatient Services, 2017 to 2021<sup>58</sup>**



<sup>58</sup> Chinese Hospital reported a small number of inpatient charity care patients served.



Overall, the number of charity care patients receiving outpatient services increased eight percent between 2019 and 2021 (42,891 to 46,251 patients). Outpatient services continue to represent the majority of overall charity care services provided. Note that outpatient services include only those services provided on a hospital's campus.

**Figure 42 HSF and Traditional Charity Care Patients, Outpatient Services, 2017 to 2021**

