



Gavin Newsom
Mayor

Mitchell H. Katz, MD
Director of Health

Charity Care Project

Emphasize individuals with disproportionate unmet health-related needs

Emphasize primary prevention

Build community capacity

Build a seamless continuum of care

Emphasize collaborative governance

July 13, 2007; 10:00 a.m. to 12:00 p.m.

101 Grove Street, Room 302

MINUTES

Introductions

The following individuals attended the meeting:

- Katrina Bennett, Saint Francis
- Orlando Elizando, UCSF
- Emily Gordon, SEIU
- Anne Kronenberg, DPH
- Wylie Liu, CPMC
- Susan Moore, UCSF
- Alicia Neumann, DPH
- Ron Smith, Hospital Council
- Amy Tsui, Chinese Hospital
- Abbie Yant, Saint Francis

Goals/Issues/Expectations

Anne Kronenberg opened the meeting. The group approved June's minutes and agreed to postpone the next agenda item until the end of the meeting.

Agenda

1. Approve proposal on hospital participation and reporting of care provided for Healthy San Francisco (formerly HAP): Alicia Neumann reviewed the proposal for reporting participating in Healthy San Francisco as charity care, primarily through a new type of charity. The group agreed that the reporting mechanisms as presented would work for the examples provided. Everyone also agreed that the approval implies no endorsement by the group of any contract arrangements including capitation amounts from Health San Francisco. Abbie Yant and Susan Moore asked for clarification about the application of the cost-to-charge ratio and Susan will follow up with Alicia on what everyone agreed is a minor issue of clarification.
2. Review individual organizational goals and group's goals regarding charity care and community benefit. The group reviewed the five goals of the project as borrowed from Kevin Barnett, and all organizations present confirmed that their institutions approve of these goals. Emily Gordon added that SEIU was especially interested in ensuring accountability and clarity in the reporting as mandated by the Board of Supervisors, and maintained ongoing concerns about inequity in the provision of charity care among different hospitals.

Orlando Elizondo suggested that the group continue to work on standard methodologies for all reporting and hoped for continuing increase in the trust of data and motives among all members of the group. He supported incremental movement toward the big picture. Anne Kronenberg expressed the belief that the additional information we have been (incrementally) including in the full report will prove valuable to the Board of Supervisors with regard to presenting the big picture of hospital participation in San Francisco's community health. She noted that as a group we have worked very hard to "keep out the fluff." Abbie indicated that ongoing attention to charity care included considering its affect on the viability of Saint Francis. Ron Smith expressed concern for all safety net hospitals, and Susan Moore asked that we continue to focus on unmet community needs and how best to address them. Ron announced that the next Community Needs Assessment will be released on September 26, 2007. Wylie Liu announced that CPMC is working on taking in the 3,000 patients who reside in zip codes with CPMC facilities or ancillary service centers and have been receiving care at SFGH. Ron announced that the San Francisco Community Clinic Coalition is also meeting every month and working with the Hospital Council to better utilize resources; people are looking at new ways of doing things.

3. Report from last meeting:

- a. Review Susan Moore's response regarding potential use of marginal cost to calculate Medi-Cal shortfall, as opposed to gross charges reduced by cost to charge ratio.¹ The group agreed that the use of the cost-charge-ratio seemed clear and easier to understand and implement than considering marginal cost.
- b. Update on interview of Medi-Cal physicians, and review of proposed physician survey (Barry Lawlor and Alicia Neumann)

To Do

1. Emily Gordon will take the Project's goals to SEIU, and ask whether they are sufficient to encompass the scope of the union's interest in the project. She will also contact representatives Health Access and Consumers Union, which used to be very involved in the group, to encourage active participation again.
2. Alicia Neumann and Susan Moore will review application of cost-to-charge ratio in calculating cost.
3. Alicia and Barry will work with Abbie to pilot revised physician Medi-Cal survey at Saint Francis on Tuesday July 24.

Next Meeting

The next meeting will occur Friday August 3, 2007 from 10:00 am to noon at 101 Grove St., Room 302.

¹ Medi-Cal Shortfall may be calculated as follows:

Gross Charges (Full billed charges) for all services provided to Medi-Cal beneficiaries	\$145,000,000
Hospital's Cost to Charge Ratio (Total Expenses divided by Total Gross Revenue)	<u>40%</u>
= Estimate of Cost of provided Medi-Cal services	\$ 58,000,000
Less: Reimbursement from Medi-Cal, including DSH and other supplemental funds	<u>\$ 16,800,000</u>
= Medi-Cal Shortfall	\$ 41,200,000