HEALTHY SAN FRANCISCO

While State health care reform fizzled during FY 2007 -08, San Francisco moved forward on its commitment to expand health care access to its uninsured adults by implementing Healthy San Francisco (HSF). In its first year of implementation, approximately 24,400 uninsured residents were enrolled into this innovative, comprehensive health care delivery system.

There are an estimated 73,000 uninsured persons in San Francisco. The uninsured are less likely to receive preventive care, and they present later in the course of disease. HSF addresses this problem by providing uninsured persons with a medical home and a comprehensive set of benefits.

DPH historically provided services to low-income persons who lack the financial resources to pay for their care. However, the care provided to the uninsured by DPH prior to HSF was uncoordinated with other safety net providers and much of the care was episodic in nature.

DPH restructured San Francisco's fragmented safety net system (made up of both public and non-profit providers) and created HSF, a system that:

- Guarantees residents the opportunity to select their own primary care medical home;
- Emphasizes prevention in keeping with the changing practice of medicine;
- Creates one common eligibility system that enrolls applicants into the program;
- Establishes a centralized multi-lingual customer service center;
- Provides comprehensive health care services (both medical and behavioral health); and
- Provides more useable information on what services are provided, how to obtain services and the cost of those services.

HSF primarily supports DPH's strategic goal to ensure that "San Franciscans have access to the health services they need." It accomplished this goal by relying on an access model of care and not a health insurance program. HSF also contributed to helping DPH achieve its other strategic goals because the program: (1) partnered with various community entities; (2) sought to ensure that services, programs and facilities were cost-effective and resources maximized; and (3) promoted disease and injury prevention.

Phased Implementation
DPH phased-in implementation of this new program and estimates that 60,000 uninsured residents will enroll in the voluntary program. The following outlines the three critical phases of the program's implementation in FY 2007 -08:

- Debut Phase: Piloted HSF on July 2, 2007 at Chinatown Public Health Center (CPHC) and North East Medical Services (NEMS). At the end of the debut, there were 1,800 uninsured residents enrolled in the program – far exceeding the enrollment projections of 600 – 1,000 participants. Initial enrollment was limited to those with upcoming clinical appointments and those with incomes at or below the federal poverty level.

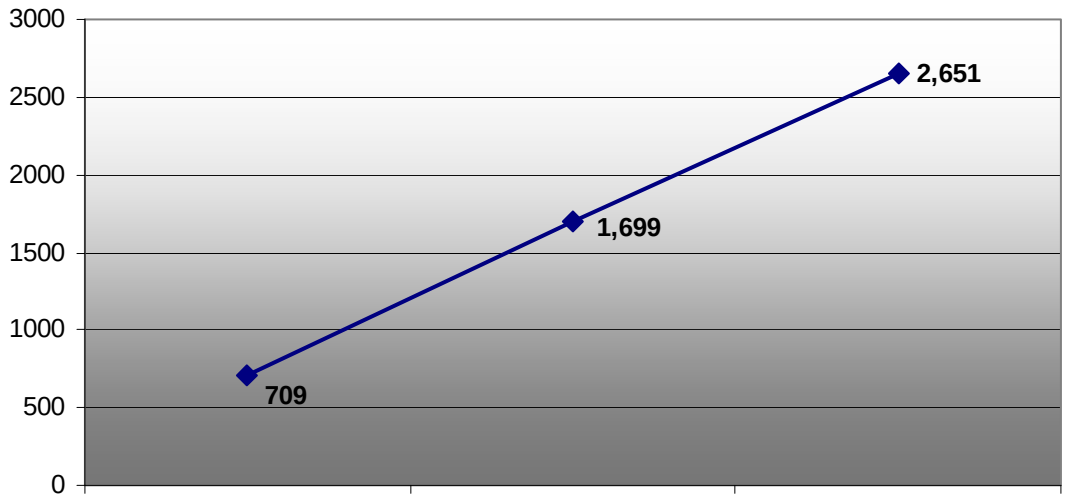
- September 2007 Expansion: Expanded HSF beyond the two debut clinics to a total of 22 clinics at 27 sites – encompassing a majority of both DPH and San Francisco Community Clinic Consortium clinics. Each clinic serves as a primary care medical home. Initial enrollment was limited to current users and those with incomes at or below the federal poverty level.

- January 2008 Expansion: Expanded HSF to those with incomes at or below 300% of the federal poverty level. In addition, HSF was made available for San Francisco employers who chose to meet the Employer Spending Requirement (ESR) by offering this option to their employees.

Enrollment

During the first year, there were 24,392 program participants, representing 33 percent of the estimated 73,000 uninsured adults in San Francisco and 41 percent of the expected 60,000 participants. The average monthly enrollment grew continually during the first year as shown in Figure #1, expanding from a little over 700 enrollees per month in Phase 1, to 2,651 enrollees per month in Phase 3.

Figure #1: HSF Average Monthly Enrollment, FY 2007-08

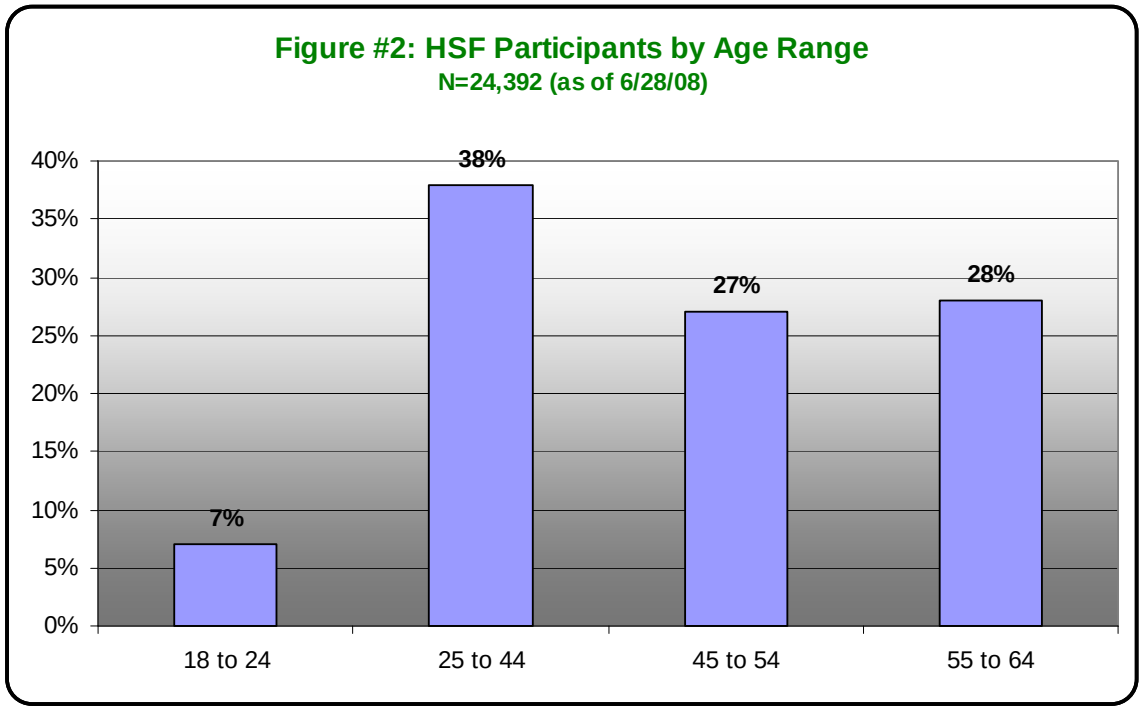


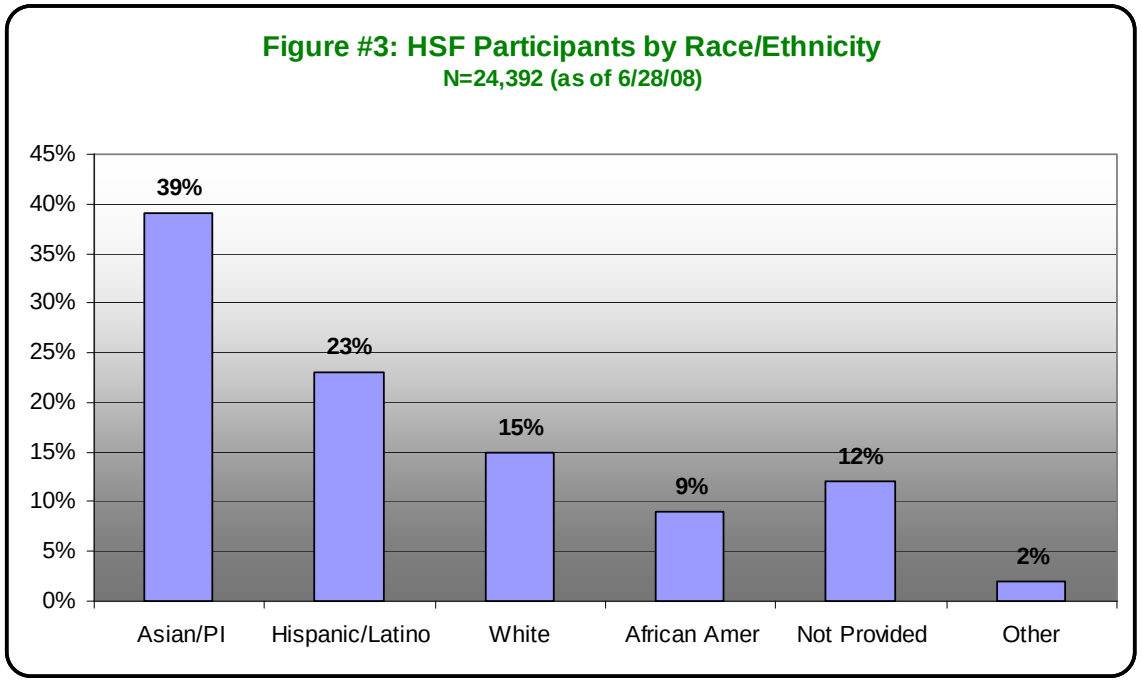
In addition to residents enrolling into the program on their own, San Francisco employers may select the "City Option" to fulfill a local law (known as the Employer Spending Requirement) that requires employers to spend health care expenditures on behalf of certain employees. During the fiscal year 616 employers selected the City Option. In doing so, they committed $8.8 million in funding to provide health care services to over 18,600 employees.

The legality of the law that created the Employer Spending Requirement was challenged in federal court by the Golden Gate Restaurant Association. The Association alleged that the local law violated federal law, specifically the 1974 federal Employees Retirement Income and Security Act (ERISA). On September 30, 2008, the Ninth Circuit Court of Appeals issued its ruling in the Golden Gate Restaurant Association vs. City and County of San Francisco. The Court found that ERISA did not preempt the Ordinance. The decision allows the City and County to enforce the Employer Spending Requirement.

Key Participant Demographics

Figures #2 through #4 show the demographics of the HSF participants during FY 2007 - 08. HSF enrolls adults 18 and over and under 65, and Figure #2 shows the distribution within these ages. Figure #3 shows that Asian/Pacific Islanders make up the largest percentage of enrollees. This reflects the first year phase-in strategy that began with a pilot in the Asian/Pacific Islander community.





In addition, this first phase focused on enrolling those with incomes at or below 100 percent of the federal poverty level (FPL). As illustrated in Figure #4, the highest percentage of enrollees is at or below 100 percent of the FPL during the first year of the program. Figure #5 shows HSF participants by the most common languages: English (48%), Cantonese/Mandarin (27%), Spanish (19%), and all others (6%). There were over 40 languages spoken among HSF participants, showing the diversity of San Francisco's population.

Figure #4: HSF Participants by FPL Distribution
N=24,392 (as of 6/28/08)

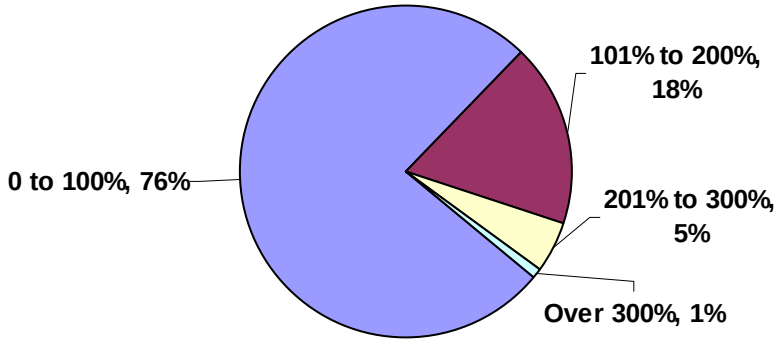
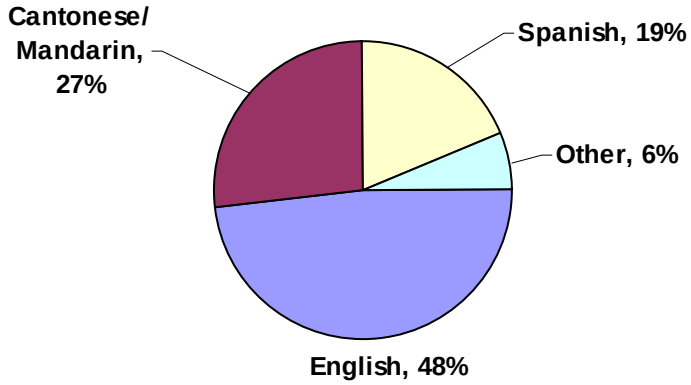
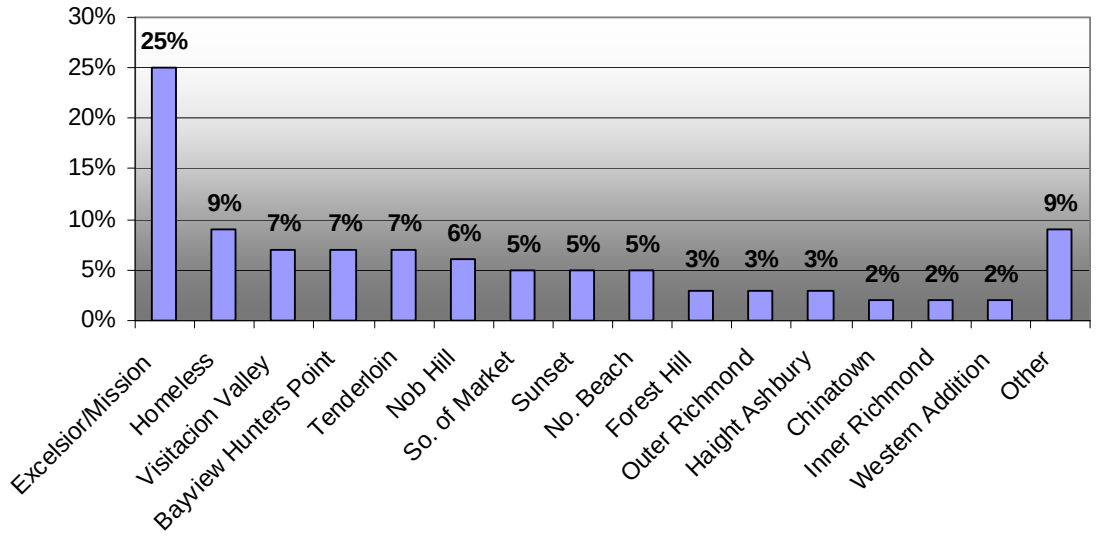


Figure #5: HSF Participants by Language
N=24,392 (as of 6/28/08)



HSF participants live throughout the City and are not clustered in certain neighborhoods. Collectively, the City's Excelsior and Mission neighborhoods represented roughly 25 percent of all participants during FY 2007 -08. Homeless participants made up 16 percent of the population (over half of which did not have a mailing address). Figure #6 shows the percentage of HSF participants by their neighborhood of residence.

Figure #6: HSF Participants by Neighborhood
N=24,392



Key Program Accomplishments
Key HSF program accomplishments in FY 2007 -08 were:

- Provision of Comprehensive Services: HSF participants had to access primary care, preventive, specialty, urgent, emergency, behavioral health (mental health and substance abuse), laboratory, inpatient, diagnostic, and pharmaceutical services.

- A Streamlined Eligibility and Enrollment Process: DPH launched a web-based eligibility and enrollment system (One-e-App) to enroll uninsured residents into HSF and determine eligibility for public health insurance programs (such as Medi-Cal). The system processed 28,000 applications in FY 2007 -08 of which 10 percent were for other health programs. All primary care medical homes were provided access to One-e-App and staff was trained in the new application system.

- Public/Non-Profit Primary Care Medical Home Model: HSF capitalized on the strengths of both public and non-profit health centers serving the uninsured

population. It created a coordinated network of primary care clinics within DPH and the San Francisco Community Clinic Consortium. There were a total of 22 primary care clinics at 27 different locations for HSF participants to select from. Every medical home served as an enrollment site and had HSF participants.

- Customer Service Center: HSF participants had access to a dedicated customer service center that provided information on the program, how to enroll, and how to resolve any concerns that a participant had. All participants received a program identification card, participant handbook, quarterly program newsletter and preventive health care brochure.

Looking Forward

To support continued enrollment in the program's second year (FY 2008 -2009), HSF will: (1) expand the provider network, (2) raise the program's income eligibility, (3) implement new program components and (4) engage in a comprehensive effort to monitor program effectiveness and improve clinical outcomes.

- Provider Network Expansion: To help ensure that the program meets the clinical demand for services, in September 2008 the HSF provider network will expand to include two additional primary care medical homes (Sister Mary Phillipa Clinic and Chinese Community Health Care Association). It will also expand from one inpatient hospital (San Francisco General Hospital) to five inpatient hospitals. The new hospitals include:
  1. California Pacific Medical Center (California, Davies & St. Luke's) – serving North East Medical Services;
  2. Chinese Hospital (affiliated with Chinese Community Health Care Association);
  3. Saint Francis (Catholic Healthcare West) – serving Glide Health Services;
  4. St. Mary's (Catholic Healthcare West) – serving Sister Mary Phillipa Clinic; and
  5. University of California at San Francisco Medical Center (radiological services only).

- Program Income Eligibility Expansion: In keeping with the program's intent to make HSF available to uninsured residents at all income levels, in January 2009, the income eligibility for the program will be raised and those with incomes at or below 500 percent of the federal poverty level will be eligible to enroll. It is estimated that an additional 14,500 uninsured adults would become eligible for the program with this income expansion.

- Clinical Component - Disease Management: The program is currently collecting clinical encounter data from participating providers to evaluate program effectiveness. During FY 2008 -09, staff will use data to analyze utilization trends, evaluate clinical quality, and monitor access standards. In addition, the program will use encounter data from patient visits to identity participants with

high chronic health conditions as candidates for a targeted disease management campaign. This effort will include one-on-one guidance from a trained team of clinicians and health coordinators and targeted health education mailings.

- Promote Timely Access to Care: In line with program goals to improve patient access and appointment scheduling, HSF will fully implement DPH's New Patient Appointment Unit (NPAU). New patients seeking their first clinical appointment with their DPH primary care provider will be directed to the NPAU, a centralized call center for patients seeking an appointment at any one of the 14 clinics in the DPH network.

- One-e-App Enhancements/Interface to Human Services Agency: HSF uses One-e-App to enroll applicants into the program with the assistance of trained staff who determines an applicant's eligibility for public health insurance before HSF enrollment. The system requires manual submission of Medi-Cal applications to the City and County's Human Services Agency. With the Human Services Agency as the lead agency, One-e-App will be modified to have a two-way electronic interface between Medi-Cal's enrollment database and HSF applicant screening system. This linkage will enable both agencies to redirect applicants to the most appropriate program.