

**Fiscal Year 2007 San Francisco Hospital
Charity Care Report Summary**

Prepared by
the San Francisco Department of Public Health
Office of Policy and Planning

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Attachment A: Summary of Charity Care Ordinance

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I. INTRODUCTION

This report has been designed to meet the requirements of San Francisco Ordinance Number 163-01, the Charity Care Policy Reporting and Notice Requirement Ordinance (the Charity Care Ordinance), promulgated by the Board of Supervisors in 2001. It first explains hospital charity care policies and describes the hospitals that contributed to this report. It then presents a summary of hospitals' charity care applications and services, with analysis by location; followed by data on expenditures with a comparison by size of facility.

This is the seventh annual report pursuant to the Charity Care Ordinance, and it has been streamlined since last year to focus on the Ordinance requirements. Thus, it differs from the 2006 report in three ways:

- The 2007 report focuses exclusively on charity care and excludes information about other community benefits, such as education expenses and donations to community providers. This change occurred after a series of public meetings and a presentation to the Health Commission about the formation of the San Francisco Community Benefits Partnership (SFCBP). The SFCBP is a public-private policy organization that reports independently on hospital community benefits. It seeks to harness the collective energy and resources of San Francisco's private non-profit hospitals, City departments (Public Health and Human Services), community clinics, health plans, and non-profit providers and advocacy groups to improve the health status of San Francisco residents.
- This year's report does not provide estimates of hospitals' tax benefits, primarily due to concerns about reliable data and an adequate methodology for calculating the estimates.
- The following report provides trend analysis from 2004, instead of the inception of the report in 2001. The use of 2004 as a baseline is supported by two significant events: 1) St. Luke's adopted a new billing system that year, which significantly changed the quality of their data; and 2) that was the first year of complete data provision from all currently reporting hospitals, including the University of California, San Francisco, and Kaiser Permanente.

According to directives from the San Francisco Health Commission, this report was prepared by the Department of Public Health as part of the Charity Care subcommittee of the SFCBP. The subcommittee includes the following organizations: California Pacific Medical Center, Chinese Hospital, Consumers Union, Health Access, the Hospital Council of Northern and Central California, Kaiser Permanente, Operation Access, Saint Francis Memorial Hospital, San Francisco Community Clinic Consortium, the San Francisco Department of Public Health, San Francisco Medical Society, Service Employees' International Union United Health Care Workers – West (SEIU UHW), St. Mary's Medical Center, and the University of California, San Francisco Medical Center. The Department of Public Health greatly appreciates the participation of representatives from all of these organizations in the production of this report.

A. Hospital Charity Care Policies

All reporting hospitals have submitted copies of their charity care policies to the Department of Public Health pursuant to the Charity Care Ordinance. Regarding thresholds for care, they exceed the requirements of California statute (AB 774), which is to provide free or discounted care to patients earning up to 350 percent of the Federal poverty level (FPL). All San Francisco hospitals provide free care to patients earning 200 percent FPL, with many providing charity for patients at documented income levels of 350 to 400 percent FPL. Additionally, all San Francisco hospitals provide sliding scale or discounted care on a case-by-case basis to individuals earning up to 500 percent FPL.

Regarding hospital charity care processes and procedures, few major differences exist among San Francisco's reporting hospitals except the length of time an application remains valid (see Section II). At all hospitals, charity care patients must go through an application process, and provide some proof of income. A summary of the key components in hospitals' charity care policies effective for fiscal year 2007 appears as Attachment B to this report.

1. Posting and Notification Requirements

In 2004 and again in the fall of 2007, staff from the Department of Public Health verified that each hospital was in compliance with all posting requirements, which include notifying patients about charity care policies in at least English, Spanish and Chinese.

2. Reporting Compliance

The hospitals subject to Ordinance comply with San Francisco regulations, and all of the reporting hospitals provide data according to specifications in a timely manner. All facilities, however, report difficulty providing detailed information on denied charity care applicants – the ZIP Codes of denied applicants, and the names of facilities to which denied applicants have been referred.

B. Hospitals Subject to Ordinance (by Affiliated System)

1. Catholic Healthcare West

a) Saint Francis Memorial Hospital (SFMH)

A member of Catholic Healthcare West, SFMH is located on Nob Hill, and maintains 239 staffed beds, with a staff of over 900 employees and 530 physicians. The majority (71 percent) of SFMH patients are San Francisco residents, while another nine percent live in the greater Bay Area. Among the hospital's inpatient population, 52 percent are Caucasian, and 24 percent Asian. African Americans comprise 13 percent of patients, and Hispanics six percent. SFMH partners with many primary care clinics in the areas near the hospital, including Glide Health Clinic, St. Anthony's Foundation Free Clinic, Curry Senior Center, South of Market Medical Clinic, and the Tom Waddell Clinic. The hospital's specialty centers include: Bothin Burn Center, Center for Sports Medicine, The San Francisco Spine Center, Occupational Medicine Services, Total Joint Center, Adult Behavioral Health (inpatient and outpatient services) and the Emergency Department.

b) St. Mary's Medical Center (SMMC)

Located between the Haight-Ashbury and Richmond districts, SMMC is a fully accredited teaching hospital and also a member of Catholic Healthcare West. Sponsored by the Sisters of Mercy, the hospital and its clinics maintain 575 physicians on staff, more than 1,100 employees, 322 staffed beds, and approximately 100,000 annual patient visits and admissions. Approximately 70 percent of SMMC patients are from San Francisco, and another 18 percent are from the Bay Area. The majority of patients, almost 60 percent, are Caucasian, with 20 percent Asian, nine percent African American, six percent American Indian and other, and five percent Hispanic. SMMC's programs primarily serve adults, with 96 percent of patients over the age of 18 years and 60 percent over the age of 65. SMMC provides training and educational programs for technicians, nurses, and physicians. The Medical Center has resident training programs in internal medicine, orthopedics, podiatry, pathology, and physical rehabilitation medicine. Internships are provided in the fields of physical, occupational, and speech therapies; chaplaincy; radiology; dietary; psychology; phlebotomy; food services; and nursing. Specialty centers include Acute Rehabilitation, Adolescent Mental Health Services, a Bariatric Surgery Center, Emergency Services, and Orthopedics. SMMC also houses the Northern California Melanoma Center, which includes experts in melanoma therapy in the fields of immunology, oncology, oncology surgery, and clinical research. Additional SMMC specialty centers include The PROS (Plastic Reconstructive Orthopedic Surgery) Center and the St. Mary's Spine Center, where physicians have been pioneers in spine surgery - inventing the X-STOP, an innovative new spinal implant which has revolutionized the treatment of debilitating spinal stenosis. Surgery services include comprehensive surgical care for patients on an outpatient and inpatient basis, arthroscopic and advanced laparoscopic surgery. SMMC surgical specialties include general, orthopedic, ophthalmology, podiatric, plastic, cardiovascular, and gynecologic surgery.

A centerpiece of SMMC's charitable mission and community benefit services, the Sister Mary Philippa Clinic is the largest private hospital-based medical clinic in San Francisco and serves 2,669 needy and underinsured patients. A vital part of the city's healthcare safety net, in FY 2008 the clinic offered adult primary care and specialty care including cardiology, ophthalmology, optometry, gynecology, podiatry, dermatology, ear-nose-throat, rheumatology, and psychiatry - providing comprehensive care to 3,500 San Francisco adults at the clinic each year. In addition, the clinic at SMMC operates the largest free HIV/AIDS clinic outside of the public health department. Other clinic based free and sliding scale ancillary services include on-site translators, a pharmacy, and access to the hospital's laboratory and radiology services. Located in a low-income, multi-ethnic San Francisco neighborhood (the Excelsior), SMMC also runs the Adult Day Health Center, which provides frail elderly or disabled participants with daily medical care, therapies, social services, and nutrition. These services enable individuals to remain independent and avoid premature placement into nursing homes. The McAuley Adolescent Behavioral unit is the only inpatient psychiatric program for youth in San Francisco. SMMC also supports a school program that provides day-treatment counseling and therapy, and has a School-Care Program that provides educational and psychological testing services for parochial primary school children in San Francisco. Community partners include, Kimochi, New Leaf Services for Our Community, Baker Places, Delancey Street, drug/alcohol/ex-offender rehabilitation services, Haight-Ashbury Services Association, Little Brothers for the Poor, New Leaf, HIV/AIDS services, Project Open Hand, St. Catherine's Center, San Francisco Senior Center, Self-Help for the Elderly, Shanti, HIV/AIDS services, Tenderloin AIDS Resource Center, Walden House and Zen Hospice.

2. Chinese Hospital

Located in Chinatown, Chinese Hospital primarily serves San Francisco's Chinese Community with a small (54 staffed beds) acute care, community-owned, nonprofit hospital that offers a range of medical, surgical and specialty programs. Additionally, Chinese Hospital operated three community clinics located in the Sunset, Excelsior areas and most recently Daly City. The hospital owns a Knox-Keene licensed, integrated, prepaid health plan, Chinese Community Health Plan (CCHP), which provides low cost insurance products to the community. Executives at Chinese Hospital report that without these low cost insurance products many of CCHP's members would otherwise access health care services as charity care. Approximately 90 percent of Chinese Hospital's patients are monolingual Chinese. More than 65 percent of the patients are seniors covered by Medi-Care (80 percent of these seniors are covered by both Medicare and Medi-Cal). However, Chinese Hospital only qualifies for 12 percent of federal Disproportionate Share Hospital reimbursement because of having less than 100 licensed beds. More than eight percent of patients are covered by Medi-Cal and 1.2 percent of patients have no insurance coverage. Chinese Hospital is an active participant in the San Francisco Health Plan, Medi-Cal, Healthy Family and Healthy Kids programs. Chinese Hospital also sponsors a non-profit private agency, the Chinese Community Health Resource Center (CCHRC) that provides linguistically and culturally sensitive community education, wellness programs and counseling services.

3. Sutter Health

a) California Pacific Medical Center (CPMC and CPMC-St. Luke's)

California Pacific Medical Center (CPMC) (936 staffed Beds) is one of the largest not-for-profit 501(c) (3), academic medical centers in California. CPMC provides a wide variety of services, including acute, post-acute, and outpatient hospital care; home care and hospice services; preventive and complementary care; and health education.

The medical center is currently situated on four campuses and serves more than 550,000 San Francisco Bay Area patients annually. The California Campus (originally Children's Hospital of San Francisco) is dedicated to women's and children's health. CPMC's Pacific Campus (formerly Pacific Presbyterian Medical Center) is known for its acute care including oncology, orthopedics, ophthalmology, cardiology, and the Kanbar Cardiac Center. The Davies Campus (previously the Ralph K. Davies Medical Center) is the focal point for acute rehabilitation, microsurgery, and neurosciences. In 2007, St. Luke's Hospital became the fourth CPMC campus, and this facility serves as the hub for providing culturally competent health care to predominately low-income working class families in order to bridge the existing health disparities in the St. Luke's South of Market and Mission district service areas.

The ethnic distribution of patients varies by department but overall includes 67 percent Caucasians, 25 percent Asian and Pacific Islander, six percent African American and one percent Hispanic. At the St. Luke's campus located in the Mission district, the ethnic distribution of patients also varies by department but generally includes approximately 25 percent Caucasian, 35 percent Hispanic, 15 percent Asian/Pacific Islander, 15 percent African American, and ten percent Other/Unknown.

With the goal of decreasing health disparities, CPMC partners with several community and faith-based organizations. These organizations include Calvary Hill Community Church in and the Bayview Community Senior Center. In addition, CPMC collaborates with community health centers including Mission Neighborhood Health Center, St. Anthony Free Medical Clinic, North East Medical Services and South of Market Health Center with the goal of increasing primary and specialty care access in vulnerable neighborhoods.

C. Other Reporting Hospitals

Three additional hospitals that are not subject to the Ordinance, but actively participate in the Charity Care Project and voluntarily comply with some provisions of the Ordinance are:

1. Kaiser Permanente

a) Kaiser Foundation Hospital - San Francisco (KFH-SF)

As part of the Kaiser Foundation integrated health system, KFH-SF provides hospital services to Kaiser Foundation Health Plan (KFHP) members and other patients. The hospital reports that KFH-SF is located at 2425 Geary Boulevard and has Medical Office Buildings located at 2238 Geary Blvd, 2200 O'Farrell Street and 4141 Geary Boulevard in the Western Addition and Richmond Districts. KFH-SF, with 247 licensed and staffed beds, provides health care to one out of every five San Franciscans. The hospital services include such specialties as cardiovascular surgery and critical care services, high-risk obstetrics and neonatal intensive care, HIV care and research. The hospital is a Joint Commission certified Primary Stroke Center.

2. City and County of San Francisco Department of Public Health

a) San Francisco General Hospital Medical Center (SFGHMC) and Community Health Network Clinics:

A general acute care hospital with 383 staffed beds, SFGHMC is located on Potrero Hill and operates within the Community Health Network (CHN) of the San Francisco Department of Public Health. Approximately 25 percent of CHN patients are Hispanic, 25 percent are Caucasian, 21 percent are African American, and 20 percent are Asian/Pacific Islander. SFGHMC 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. SFGHMC operates the only Level I Trauma Center for San Francisco and northern San Mateo County. In addition, SFGHMC provides care to a disproportionate share of Medi-Cal and uninsured individuals.

3. Regents of the University of California

a) University of California, San Francisco Medical Center (UCSFMC)

UCSFMC provides inpatient care at Moffitt-Long hospital on the 107-acre Parnassus campus, and at UCSF Mount Zion located on Divisadero Street in the Western Addition. Together these sites provide 642 staffed beds, and serve as the principal clinical teaching site for the UCSF School of Medicine. As a tertiary academic medical center, UCSFMC offers treatments that are not widely available elsewhere. The facility has one of one of the nation's largest centers for kidney and liver transplants. Other specialty programs provide treatment for AIDS, surgical eye care, and in the area of orthopedics, spine deformities, degenerative disc disease, tumors and fractures. Additionally, the hospital maintains a women's center that provides specialized care and health education for women. In the area of neurology and neurosurgery, UCSF Medical Center maintains the largest brain tumor treatment program in the nation, as well as the only comprehensive memory disorders center and the only comprehensive epilepsy center in Northern California.

II. CHARITY CARE: APPLICATIONS, SERVICES, AND COSTS

This section presents San Francisco hospital charity care data for fiscal year 2007 with history to 2004. Reporting hospitals provide charity care through four measures: 1) the number of applications received and accepted; 2) the number of individual patients served; 3) the number of patients by type of service provided (emergency, inpatient, or outpatient); and 4) the estimated cost of charity care provided. Unless otherwise indicated, all data has been collected from representatives at San Francisco's hospitals, or from California's Office of Statewide Health Care Planning and Development (OSHPD). Findings from this year's report can be summarized as follows:

Applications, Patients and Services:

- Hospitals subject to the Charity Care Ordinance reported an overall decrease in the last year and since 2004, recording:
 - A total of 8,926 applications and 8,756 unduplicated patients. This is a decrease in unduplicated patients of 46.2 percent in the past year, and 36.8 percent since 2004 (Table 2).
 - A total of 10,513 services, which is a decrease of 43.5 percent in the last year, and 29.3 percent since 2004 (Table 6).
- All reporting hospitals reported a total of 142,368 applications, with 94,261 unduplicated patients, a drop in patients of less than 10% since 2004 and 2006.
- Approximately 42 percent of charity care applicants who received care came from Supervisorial District 6, 9 or 10, and ten percent of charity care patients came from outside San Francisco.

Expenditures:

- Hospitals subject to the Charity Care Ordinance reported \$15.8 million in expenditures, which is a decrease of 3.3 percent in the past year, and an increase of 30.8 percent since 2004.
- All reporting hospitals tracked total expenditures of \$108.8 million for charity care, which represents an increase of six percent in the past year, and 25.3 percent since 2004.
- A comparison of expenditures per staffed bed shows that SFMH, Chinese, and SMMC provided between \$14,000 and \$18,000 of charity care per staffed bed.

The following sections provide details and explanations about the hospital charity care provided in San Francisco in 2007, with history to 2004.

A. Hospital Charity Care Applications and Unduplicated Patients

In 2007 hospitals subject to the Charity Care Ordinance received a total of 8,926 requests for charity care and shared responsibility for patients in need by providing services care to between 3,000 and 9,000 unduplicated patients (Table 1).

**Table 1.
Charity Care Applications and Patients: FY 2007**

		Applications				Unduplicated Patients ¹
System	Hospital	Accepted	Denied	Total		
CHW	Saint Francis	3,087	16	3,103	3,087	
CHW	St. Mary's	3,164	4	3,168	3,164	
Chinese	Chinese	484	0	484	452	
Sutter	CPMC	1,234	110	1,344	1,234	
Sutter	St. Luke's	819	8	827	819	
Subtotal		8,788	138	8,926	8,756	
Kaiser Permanente	KFH-SF	166	84	250	140	
CCSF	SFGH	112,924	13,373	126,297	78,470	
UC Regents	UCSFMC	6,895	0	6,895	6,895	
Subtotal		119,985	13,457	133,442	85,505	
Grand Total		128,607	13,511	142,118	94,261	

Hospitals collectively report that 98 percent of completed applications were accepted, and denied applications result primarily from patient enrollment in other public assistance programs, such as Medi-Cal, Healthy Families, or Healthy Kids. Additional reasons for application denial may include patient income or assets above set guidelines, incomplete applications, and applications received in 2007 that were not approved until 2008.

¹ Because hospitals do not share patient data, this report cannot present the total number of unduplicated patients citywide. Totals represent only the sum of unduplicated patients at each hospital. Additionally, application policy varies among hospitals with CPMC requiring only one application per year, and Saint Francis requiring an application for each visit. Patients who apply at the end of the year and receive services the following year may or may not be counted in this report. For example, Kaiser Permanente reports total applications received, while CPMC only reports data for patients who applied and received services in the same year.

Table 2.
Number of Unduplicated Patients Who Received Charity Care: FY 2004-2007²

System	Hospital	2004	2005	2006	2007	% Change from 2004	% Change from 2006
<i>Hospitals Subject to Ordinance</i>							
CHW	Saint Francis	1,474	1,639	2,626	3,087	109.4%	17.6%
CHW	St. Mary's	8,011	8,967	10,291	3,164	-60.5%	-69.3%
Chinese	Chinese	77	158	201	452	487.0%	124.9%
Sutter	CPMC	1,174	1,303	1,178	1,234	5.1%	4.8%
Sutter	St. Luke's	3,129	2,307	1,978	819	-73.8%	-58.6%
Subtotal		13,865	14,374	16,274	8,756	-36.8%	-46.2%
<i>Other Reporting Hospitals</i>							
Kaiser Permanente	KFH-SF	221	226	258	140	-36.7%	-45.7%
CCSF	SFGHMC	87,583	85,015	81,447	78,470	-10.4%	-3.7%
UC Regents	UCSFMC	1,353	5,190	3,668	6,895	409.6%	88.0%
Subtotal		89,157	90,431	85,373	85,505	-4.1%	0.2%
Grand Total		103,022	104,805	101,647	94,261	-8.5%	-7.3%

Table 2 shows a decrease in the number of unduplicated patients at CPMC-St. Luke's and SMMC in 2007. The hospitals explain this variance as follows:

- St. Luke's, which became the fourth campus of CPMC on January 1, 2007, adopted CPMC's system-wide charity care processes that year, maintaining eligibility criteria of 400 percent of the FPL while applying consistent enrollment procedures for various financial assistance programs. As a result, the number of patients qualifying for Medi-Cal increased and the number of charity care patients declined.
- St. Mary's implemented changes to its patient population in preparation for participation in Healthy San Francisco, focusing treatment on residents of San Francisco, as opposed to the Archdiocese of San Francisco, which includes Southern Marin and Northern San Mateo.

² Because hospitals do not share patient data, this report cannot present the total number of unduplicated patients citywide. Totals represent only the sum of unduplicated patients at each hospital.

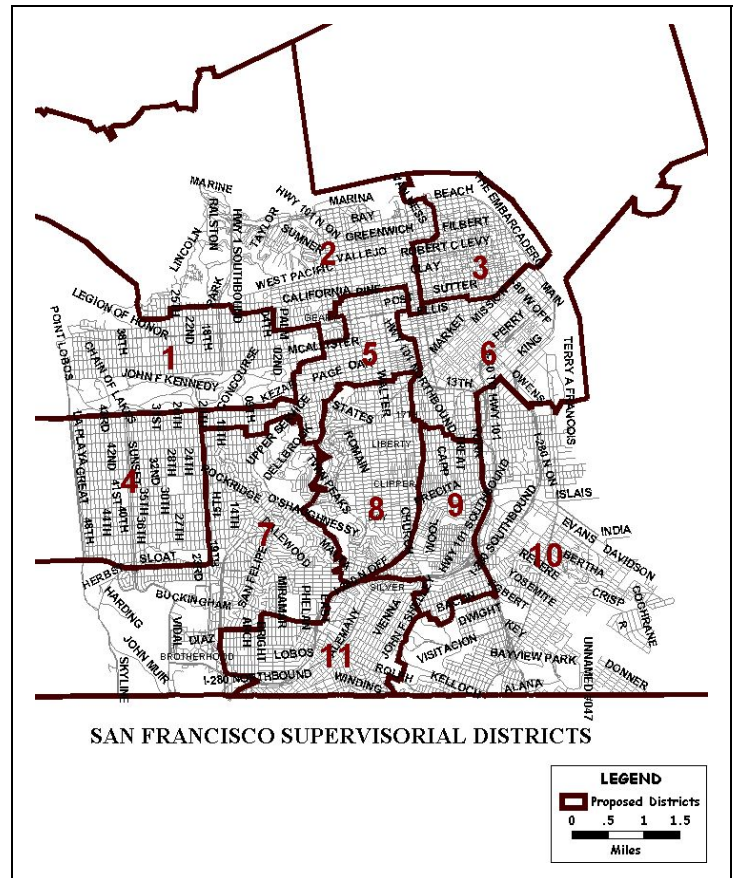
1. Approved Applications by Supervisorial District

Pursuant to the Charity Care Ordinance, hospitals have been required to report the residence ZIP Codes of charity care applicants who were provided and denied services. Hospitals have consistently reported the ZIP codes of the unduplicated applicants who received charity care, and a comparison by Supervisorial district shows that Districts 6, 9 and 10 (italicized, Table 3) receive the most care.

Table 3.
Approved Charity Care Applications by Supervisorial District: FY 2007³

District	Charity Care Applicants*	% of Total
District 1	2,635	2.7%
District 2	4,494	4.7%
District 3	5,120	5.3%
District 4	3,611	3.8%
District 5	5,940	6.2%
<i>District 6</i>	<i>16,745</i>	<i>17.4%</i>
District 7	5,486	5.7%
District 8	3,508	3.7%
<i>District 9</i>	<i>11,976</i>	<i>12.5%</i>
<i>District 10</i>	<i>11,903</i>	<i>12.4%</i>
District 11	6,849	7.1%
Outside SF	9,675	10.1%
Homeless/Other	8,083	8.4%
Total	96,024	100.0%

* Excludes 317 applications from Kaiser Permanente and 46,000 applications from SFGHMC for duplicate patients.



A breakdown of applications by hospital and district shows that charity care patients in Districts 6, 9, and 10 are served primarily by SFGHMC, and nonprofit hospitals subject to the Ordinance provide a relatively high percentage of care to individuals who are homeless and reside outside San Francisco (Table 4).

³ The sum of these applications may deviate slightly from the total number of accepted applications due to rounding when applying formulas to estimate the number of applicants in each supervisorial district.

Table 4.
Charity Care Applications by Hospital and Supervisorial District: FY 2007

District	Hospitals Subject to Ordinance						All Reporting Hospitals			
	CPMC	Chinese	Saint Francis	St. Luke's	St. Mary's	Total	Total for Hospitals Subject to Ordinance	SFGH MC	UCSF MC	Grand Total
District 1										
Applicants	51	25	56	2	299	432	432	2,009	194	2,635
Percentage	11.7%	5.7%	13.0%	0.4%	69.1%	100.0%	16.4%	76.3%	7.4%	100.0%
District 2										
Applicants	100	28	297	55	247	728	728	3,459	308	4,494
Percentage	13.8%	3.8%	40.8%	7.6%	34.0%	100.0%	16.2%	77.0%	6.9%	100.0%
District 3										
Applicants	64	149	419	60	147	839	839	4,113	167	5,120
Percentage	7.6%	17.8%	49.9%	7.2%	17.5%	100.0%	16.4%	80.3%	3.3%	100.0%
District 4										
Applicants	45	39	45	5	193	327	327	2,853	431	3,611
Percentage	13.6%	12.0%	13.8%	1.5%	59.1%	100.0%	9.0%	79.0%	11.9%	100.0%
District 5										
Applicants	104	8	136	20	343	611	611	4,914	415	5,940
Percentage	17.0%	1.3%	22.3%	3.2%	56.1%	100.0%	10.3%	82.7%	7.0%	100.0%
District 6										
Applicants	89	36	1015	74	300	1,514	1,514	14,976	255	16,745
Percentage	5.9%	2.4%	67.0%	4.9%	19.8%	100.0%	9.0%	89.4%	1.5%	100.0%
District 7										
Applicants	51	31	65	25	201	373	373	4,576	537	5,486
Percentage	13.6%	8.3%	17.5%	6.8%	53.9%	100.0%	6.8%	83.4%	9.8%	100.0%
District 8										
Applicants	101	1	50	12	157	321	321	2,921	266	3,508
Percentage	31.6%	0.2%	15.6%	3.8%	48.8%	100.0%	9.2%	83.3%	7.6%	100.0%
District 9										
Applicants	56	13	80	6	158	313	313	11,467	196	11,976
Percentage	17.9%	4.3%	25.5%	1.9%	50.5%	100.0%	2.6%	95.7%	1.6%	100.0%
District 10										
Applicants	38	72	120	73	238	542	542	11,195	166	11,903
Percentage	7.0%	13.4%	22.2%	13.5%	44.0%	100.0%	4.6%	94.1%	1.4%	100.0%
District 11										
Applicants	33	55	48	44	125	305	305	6,404	140	6,849
Percentage	10.7%	18.0%	15.9%	14.3%	41.1%	100.0%	4.5%	93.5%	2.0%	100.0%
Outside SF	383	20	889	100	689	2,081	2,081	3,709	3885	9,675
Percentage	18.4%	1.0%	42.7%	4.8%	33.1%	100.0%	21.5%	38.3%	40.2%	100.0%
Homeless/ Other	171	8	236	349	391	1,155	1,155	6,786	142	8,083
Percentage	14.8%	0.7%	20.4%	30.2%	33.9%	100.0%	14.3%	84.0%	1.8%	100.0%

2. Charity Care Patients in Hospitals' ZIP Codes

Numerous factors may affect where a patient receives his or her care, including past experience, ambulance diversion, clinic location, physician practices, service options, and transportation. An analysis of charity care ZIP Code data for patients shows that many individuals who reside near a hospital do not necessarily receive health care services at that hospital. This is supported by the number of accepted charity care applicants who reside in ZIP Codes where other hospitals are located (Table 5).

Table 5.
Charity Care Applicants in Local Hospitals' ZIP Codes: FY 2007

Hospital(s) in ZIP Code	ZIP Code	Number of Applicants Accepted by Hospital						
		CPMC	Chinese	Saint Francis	SFGHMC	St. Luke's	St. Mary's	UCSFMC
Saint Francis	94109	61	39	608	4261	131	159	157
SFGHMC St. Luke's	94110	57	7	73	11667	0	154	197
CPMC (Davies)	94114 and 94115	93	0	22	1514	7	93	141
CPMC (Pacific), UCSFMC (Mt. Zion), Kaiser Permanente	94115	72	6	42	2196	8	109	203
SMMC	94117	48	2	45	2736	10	276	250
CPMC (California)	94118	38	17	38	1258	0	241	158
UCSFMC (Parnassus)	94122	36	17	39	2116	5	163	404
Chinese Hospital	94133	21	88	85	1355	1	40	59

The highlighted cells show the number of charity care patients who received treatment from a hospital in their own reported ZIP Code. For example, Chinese Hospital, located in ZIP Code 94133, provided charity care to 88 local patients.

B. Charity Care Services Provided

1. Total Services by Hospital

Hospitals reported providing approximately 96,000 emergency, inpatient and outpatient charity care services in fiscal year 2007, with hospitals subject to the Charity Care Ordinance responsible for approximately 11 percent, or 10,500 of these (Table 6).⁴

**Table 6.
Number of Charity Care Services Provided: FY 2004-2007**

System	Hospital	2004	2005	2006	2007	% Change from 2004	% Change from 2006
<i>Hospitals Subject to Ordinance</i>							
CHW	Saint Francis	1,474	1,639	2,662	3,087	109.4%	16.0%
CHW	St. Mary's	8,011	8,967	10,291	3,164	-60.5%	-69.3%
Chinese	Chinese	91	183	222	484	431.9%	118.0%
Sutter	CPMC	2,114	2,460	2,349	2,453	16.0%	4.4%
Sutter	St. Luke's	3,177	2,401	3,093	1,325	-58.3%	-57.2%
Subtotal		14,867	15,650	18,617	10,513	-29.3%	-43.5%
<i>Other Reporting Facilities</i>							
Kaiser Permanente	KFH-SF	221	226	258	140	-36.7%	-45.7%
SF DPH	SFGHMC	87,583	85,015	81,447	78,470	-10.4%	-3.7%
UC Regents	UCSFMC	1,353	5,190	3,668	6,895	409.6%	88.0%
Subtotal		89,157	90,431	85,373	85,505	-4.1%	0.0%
Grand Total		104,024	106,081	103,990	96,018	-7.7%	-7.8%

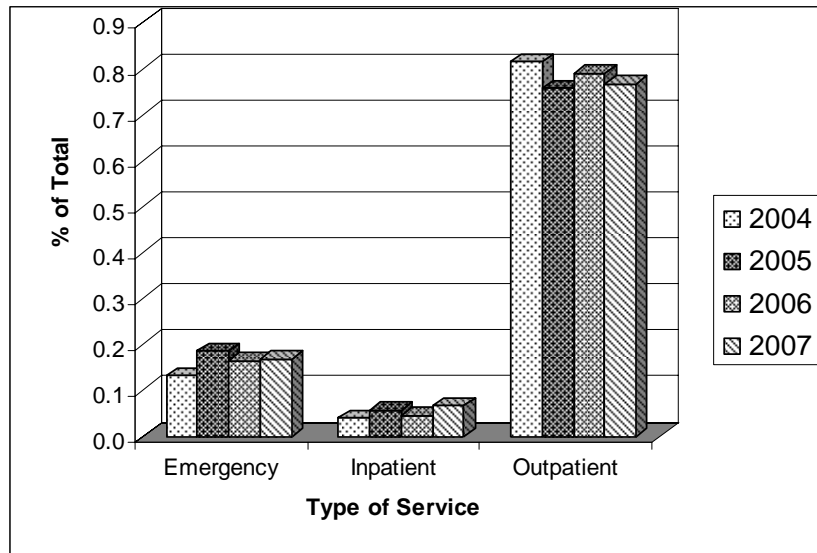
Hospitals that operate clinics (St. Mary's, UCSFMC, and SFGHMC) generally provide a greater number of services than other hospitals, especially outpatient care. The two hospitals showing declines appear due to the previously described changes at CPMC-St. Luke's, where application policies and practices were standardized to match CPMC at large, and SMMC, where treatment focused on San Francisco residents.

⁴ At most hospitals a service is an emergency, inpatient and/or outpatient visit provided to an unduplicated patient during the reporting year. At CPMC, however, a patient is counted every time he or she receives care in emergency, inpatient, or outpatient services. Additionally, Kaiser Permanente does not track charity care provided for inpatient and outpatient care, including ancillary services.

2. *Services by Type of Care*

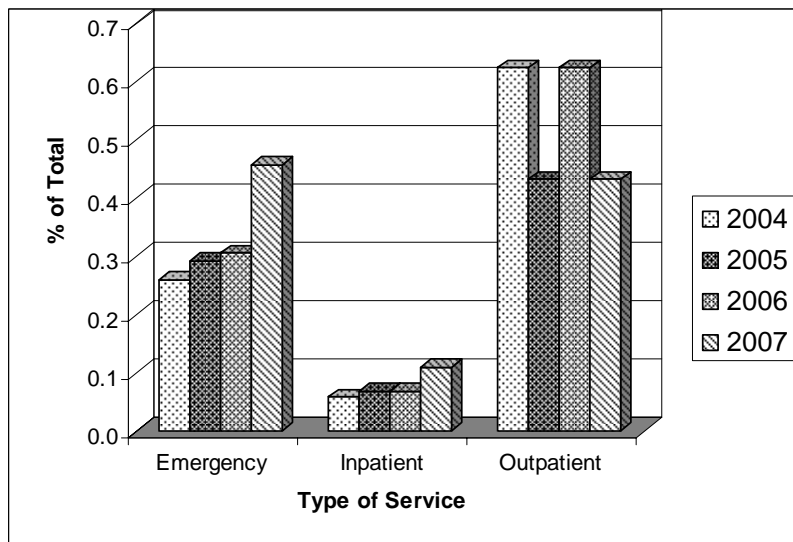
Among all hospitals, approximately 77 percent of 2007 charity care services were provided in an outpatient setting. Levels of care have shown little fluctuation over time (Figure 1).

Figure 1
Charity Care Services Provided by Type of Service at All Reporting Hospitals: FY 2004-2007



Among hospitals subject to Ordinance, emergency (46 percent) and outpatient services (43 percent) nearly balance in 2007, with emergency care increasing over time (Figure 2).

Figure 2
Charity Care Services Provided by Type of Service at Ordinance Hospitals: FY 2004-2007



Among the individual hospitals providing different types of services, CPMC-St. Luke's and Saint Francis provided most of their charity care in the emergency room, while SFGHMC, Chinese, CPMC, St. Mary's, and UCSFMC provided the majority of their charity care as outpatient services (Table 7).

Table 7.
Number of Charity Care Services by Type: FY 2007

System	Hospital	Emergency	Inpatient	Outpatient	Total
<i>Hospitals Subject to Ordinance</i>					
CHW	Saint Francis	1,850	269	968	3,087
CHW	St. Mary's	1,050	247	1,867	3,164
Chinese	Chinese	124	57	303	484
Sutter	CPMC	835	457	1,161	2,453
Sutter	St. Luke's	947	129	249	1,325
Subtotal		4,806	1,159	4,548	10,513
<i>Other Reporting Facilities</i>					
Kaiser Permanente	KFH-SF ⁵	140	N/A	N/A	N/A
SF DPH	SFGHMC	10,739	2,393	65,338	78,470
UC Regents	UCSFMC	428	2,764	3,703	6,895
Subtotal		11,307	5,157	69,041	85,365
Grand Total		16,113	6,316	73,589	95,878

As previously mentioned, facilities with clinics (St. Mary's, SFGHMC and UCSFMC) are better able to provide more outpatient care. All facilities report that they also subsidize outpatient services to those patients with disproportionate unmet need through other means than charity care, such as donations and grants to community organizations.

Historically, changes in the provision of different types of vary by individual hospital (Tables 8-10).

⁵ Kaiser Permanente does not publish data on charity services that are not provided in the emergency department.

a) Emergency Services

Among all hospitals, SFMH, Chinese and UCSFMC report increases in the number of emergency services provided since 2004 and 2006 (Table 8).

Table 8.
Emergency Department Services Provided: FY 2004-2007

System	Hospital	ED Services 2004	ED Services 2005	ED Services 2006	ED Services 2007	% Change from 2004	% Change from 2006
<i>Hospitals Subject to Ordinance</i>							
CHW	Saint Francis	1,150	1,307	1,370	1,850	60.9%	35.0%
CHW	St. Mary's	864	799	1,063	1,050	21.5%	-1.2%
Chinese	Chinese	48	67	52	124	158.3%	138.5%
Sutter	CPMC	938	1,066	849	835	-11.0%	-1.6%
Sutter	St. Luke's	876	1,331	2,363	947	8.1%	-59.9%
Subtotal		3,876	4,570	5,697	4,806	24.0%	-15.6%
<i>Other Reporting Facilities</i>							
Kaiser Permanente	KFH-SF	221	226	258	140	-36.7%	-45.7%
SF DPH	SFGHMC	9,302	12,653	10,972	10,739	15.4%	-2.1%
UC Regents	UCSFMC	148	206	251	428	189.2%	70.5%
Subtotal		9,671	13,085	11,481	11,307	16.9%	-1.5%
Grand Total		13,547	17,655	17,178	16,113	18.9%	-6.2%

b) Inpatient Services

In the past year and since 2004, the number of inpatient services provided by hospitals subject to Ordinance has increased at Chinese and UCSFMC (Table 9).

Table 9.
Inpatient Services Provided: FY 2004-2007

System	Hospital	IP Services 2004	IP Services 2005	IP Services 2006	IP Services 2007	% Change from 2004	% Change from 2006
<i>Hospitals Subject to Ordinance</i>							
CHW	Saint Francis	260	80	341	269	3.5%	-21.1%
CHW	St. Mary's	205	187	253	247	20.5%	-2.4%
Chinese	Chinese	16	21	23	57	256.3%	147.8%
Sutter	CPMC	459	442	505	457	-0.4%	-9.5%
Sutter	St. Luke's	160	172	167	129	-19.4%	-22.8%
Subtotal		1,100	902	1,289	1,159	5.4%	-10.1%
<i>Other Reporting Facilities</i>							
Kaiser Permanente	KFH-SF	N/A	N/A	N/A	N/A	N/A	N/A
SF DPH	SFGHMC	2,961	3,275	2,821	2,393	-19.2%	-15.2%
UC Regents	UCSFMC	449	1,212	626	2,764	515.6%	341.5%
Subtotal		3,410	4,487	4,487	5,157	51.2%	49.6%
Grand Total		4,510	5,389	5,389	6,316	40.0%	33.4%

c) Outpatient Services

The number of outpatient services has increased both in the past year and since 2004 at SFMH, Chinese, CPMC and UCSFMC (Table 10).

Table 10.
Outpatient Services Provided: FY 2004-2007

System	Hospital	OP Services 2004	OP Services 2005	OP Services 2006	OP Services 2007	% Change from 2004	% Change from 2006
<i>Hospitals Subject to Ordinance</i>							
CHW	Saint Francis	64	252	951	968	1412.5%	1.8%
CHW	St. Mary's	6,942	7,981	8,975	1,867	-73.1%	-79.2%
Chinese	Chinese	27	95	147	303	1022.2%	106.1%
Sutter	CPMC	717	952	995	1,161	61.9%	16.7%
Sutter	St. Luke's	2,141	898	563	249	-88.4%	-55.8%
Subtotal		9,891	10,178	11,631	4,548	-54.0%	-60.9%
<i>Other Reporting Facilities</i>							
Kaiser Permanente	KFH-SF	N/A	N/A	N/A	N/A	N/A	N/A
SF DPH	SFGHMC	73,075	57,984	67,654	65,338	-10.6%	-3.4%
UC Regents	UCSFMC	756	3,772	2,791	3,703	389.8%	32.7%
Subtotal		73,831	61,756	70,445	69,041	-6.5%	-2.0%
Grand Total		83,722	71,934	82,076	73,589	-12.1%	-10.3%

As previously explained regarding overall decreases in unduplicated patients, the total decrease in services is due primarily to changes at CPMC-St. Luke's, and at SMMC. At CPMC-St. Luke's the hospital adopted CPMC's system-wide procedures, increasing enrollments in Medi-Cal and other assistance programs. Simultaneously this year, SMMC focus on serving residents of San Francisco.

C. Charity Care Expenditures

Hospitals in San Francisco are required to report to the Department of Public Health the estimated value of charity care provided as either charges or costs. Values reported as charges, however, are then discounted by the hospital's cost to charge ratio.⁶

Reported estimates for 2007 show a range among hospitals subject to the Charity Care Ordinance of approximately \$865,000 to \$4.6 million in hospital expenditures on charity care (Table 11).

Table 11.
Charity Care Expenditures: Fiscal year 2007

System	Hospital	Charity Care Charges	Cost to Charge Ratio	Charity Care Expenditures
<i>Hospitals Subject to Ordinance</i>				
CHW	Saint Francis	\$17,980,965	24.80%	\$4,459,102
CHW	St. Mary's	\$20,269,606	22.84%	\$4,629,789
Chinese	Chinese	\$1,827,688	47.33%	\$864,994
Sutter	CPMC	\$14,807,733	26.93%	\$3,987,986
Sutter	St. Luke's	\$7,321,750	25.42%	\$1,861,142
Subtotal		\$62,207,742		\$15,803,013
<i>Other Reporting Facilities</i>				
Kaiser Permanente	KFH-SF	N/A	N/A	\$1,354,121
SF DPH	SFGHMC	\$200,487,000	43.66%	\$87,531,711
UC Regents	UCSFMC	\$14,706,462	28.06%	\$4,127,289
Subtotal		\$215,193,462		\$93,013,121
Grand Total		\$277,401,204		\$108,816,134

All reporting hospitals spent a total of \$108.8 million on charity care in 2007, and hospitals subject to Ordinance reported total expenditures of \$15.8 million, or 15 percent of the total.

⁶ This ratio provides a crude method for determining the individual percentage by which to discount charges and establish some conservative idea of costs. It is expressed as: (Total Operating Expenses – Total Other Operating Revenue)/Gross Patient Revenue. In general, a higher cost to charge ratio indicates a closer relationship between costs and charges (prices). The calculation for estimating costs is: Charity Care Expenditures = Charity Care Charges * Cost to Charge Ratio).

A historical comparison of expenditures from 2004 through 2007 shows that reported charity care costs have increased at most hospitals (Table 12). All hospitals report that charity care expenditures are budgeted each year according to the previous year's figures with a slight cost increase.

Table 12.
Charity Care Expenditures: FY 2004-2007

System	Hospital	2004	2005	2006	2007	% Change from 2004	% Change from 2006
<i>Hospitals Subject to Ordinance</i>							
CHW	Saint Francis	\$2,881,000	\$2,299,430	\$4,155,987	\$4,459,102	54.8%	7.3%
CHW	St. Mary's	\$2,117,000	\$2,967,551	\$3,533,505	\$4,629,789	118.7%	31.0%
Chinese	Chinese	\$158,959	\$149,105	\$265,295	\$864,994	444.2%	226.0%
Sutter	CPMC	\$4,311,690	\$5,376,835	\$5,225,596	\$3,987,986	-7.5%	-23.7%
Sutter	St. Luke's	\$2,615,000	\$2,705,790	\$3,158,558	\$1,861,142	-28.8%	-41.1%
Subtotal		\$12,083,649	\$13,498,711	\$16,338,941	\$15,803,013	30.8%	-3.3%
<i>Other Reporting Facilities</i>							
Kaiser Permanente	KFH-SF	\$867,626	\$813,863	\$1,131,063	\$1,354,121	56.1%	19.7%
SF DPH	SFGHMC	\$70,638,906	\$76,419,043	\$79,684,447	\$87,531,711	23.9%	9.8%
UC	UCSFMC	\$3,267,005	\$3,590,537	\$5,510,297	\$4,127,289	26.3%	-25.1%
Subtotal		\$74,773,537	\$80,823,443	\$86,325,807	\$93,013,121	24.4%	7.7%
Grand Total		\$86,857,186	\$94,322,154	\$102,664,748	\$108,816,134	25.3%	6.0%

A comparison of expenditures by hospital size shows that among facilities subject to the Charity Care Ordinance, Saint Francis, St. Mary's and Chinese each contribute \$14,000 to \$18,000 per staffed bed.

Table 13.
Charity Care Expenditures by Hospital Size (Staffed Bed): FY 2007

System	Hospital	Expenditures	Staffed Beds	Expenditures per Staffed Bed
CHW	Saint Francis	\$4,459,102	239	\$18,657
CHW	St. Mary's	\$4,629,789	322	\$14,378
Chinese	Chinese	\$864,994	52	\$16,634
Sutter	CPMC	\$3,987,986	755	\$5,282
Sutter	St. Luke's	\$1,861,142	229	\$8,127
Subtotal		\$15,803,013	1,597	\$9,895
Kaiser Permanente	KFH-SF	\$1,354,121	217	\$6,240
SF DPH	SFGHMC	\$87,531,711	401	\$218,284
UC	UCSFMC	\$4,127,289	604	\$6,833
Subtotal		\$93,013,121	1,222	\$76,115
Grand Total		\$108,816,134	2,819	\$38,601