San Francisco Hospitals
Charity Care Report FY 2011

Thanks to the San Francisco Charity Care Project's participating hospitals:

- *California Pacific Medical Center, including St. Luke's Hospital*
- *Chinese Hospital*
- *Kaiser Foundation Hospital, San Francisco*
- *Saint Francis Memorial Hospital*
- *St. Mary's Medical Center*
- *San Francisco General Hospital*
- *University of California, San Francisco Medical Center*

San Francisco Department of Public Health

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Section I: **Executive Summary**

When passed in 2001, the San Francisco Charity Care Ordinance was a unique law designed to promote public disclose of amount of charity care provided by local non-profit tax-exempt hospitals and to require that hospitals provide clear patient notification of their charity policies. Now in its eleventh year, the FY 2011 San Francisco Hospitals Charity Care Report highlights the five following major findings, emphasizing comparisons from the three years FY 2009 through FY 2011:

Local Hospitals Now Care for More than 100,000 Charity Care Patients Annually

Over the 11 years of the report, local hospitals have cared for between 91,500 and 117,500 charity care patients annually. At more than 117,000 served in FY 2011, this year marks the highest number of patients seen. The second highest was just over 110,000 in FY 2003. Over the three years covered by this report, the annual numbers of patients seen were 91,500 in FY 2009; 98,000 in FY 2010; and 117,500 in FY 2011. (Note that these numbers are unduplicated by hospital, but not when hospitals are combined as patients may receive charity care at more than one hospital during the reporting year, and there is no way to disaggregate these data across hospitals.)

Total Citywide Charity Care Expenditures Have Been Rising Over Time

In every year since local reporting began, total citywide charity care expenditures have risen, surpassing $100 million for the first time in FY 2006. In the three years covered by this report, annual total citywide charity care expenditures were $151,501,396 in FY 2009; $173,648,636 in FY 2010; and $175,742,502 in FY 2011, representing a 16 percent increase since FY 2009, and a 1.2 percent increase since last year.

Private Hospitals and UCSF Have Been Increasing Their Share of Charity Care

While San Francisco General Hospital (SFGH) remains the City's primary safety net institution, the other local hospitals have seen an increasing number of charity care patients and have assumed a greater share of the financial burden for charity care expenditures. Since FY 2009, the private hospitals and UCSF saw a total of 14.9 percent of charity care patients in FY 2009; 20.0 percent in FY 2010; and 21.5 percent in FY 2011. In terms of their share of the financial burden, these same hospitals assumed 23.5 percent of total citywide charity care expenditures in FY 2009; 27.5 percent in FY 2010; and 28.5 percent in FY 2011.

The Shift from Traditional Charity Care to Charity Care Provided through Healthy San Francisco Continues

Since hospital contributions to Healthy San Francisco (HSF) were first reported as charity care in FY 2009, the share of hospitals' charity care provided through HSF has continued to increase. For the first time, HSF patients in FY 2011 comprised the majority (50.1%) of total charity care patients in San Francisco. In FY 2010, they comprised 37.5 percent of charity care patients, and 31.4 percent in FY 2009. In terms of charity care expenditures, HSF comprised 53.2 percent of total charity care expenditures in FY 2010; 52.0 percent in FY 2010; and 45.4 percent in FY 2009.

As HSF charity care has increased, the reliance on outpatient care over inpatient care has also increased. Between FY 2010 and FY 2011, total patients accessing outpatient charity care increased 31.6 percent while patients accessing inpatient care decreased 5.0 percent. However, patients receiving emergency department care also increased 7.9 percent between FY 2010 and FY 2011.

While the Need for Charity Care Will Continue San Francisco May Wish to Reconsider its Local Reporting

Since the San Francisco Charity Care Ordinance was enacted in 2001, a number of State and federal legislative changes have occurred, which now exceed San Francisco's requirements. In California, Assembly Bill 774 required that hospitals maintain charity care and discount payment policies; submit to the State charity care and discount policies, procedures, and applications; limit expected payment for services for low-income patients; and make "reasonable efforts" before initiating collection efforts. Starting in 2009, federal law required that non-profit tax-exempt hospitals submit annual reports to the Internal Revenue Service (IRS) the levels and types of charity care provided.

In addition to expanding the availability of both public and private health insurance for the currently uninsured, the federal Patient Protection and Affordable Care Act (ACA), signed into law in March 2010, mirrors many of the local and State charity care requirements and additionally requires that the Secretary of the Treasury review the tax exempt status of hospitals at least every three years. Given these changes to State and federal law, San Francisco may want to consider if and/or how local charity care reporting continues.

Introduction

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 Department of Public Health (DPH) to require hospitals to report on policies and amount of charity care provided and require that hospitals provide patient notification of policies on charity care. 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 health reform, the Patient Protection and Affordable Care Act (ACA). The Ordinance states:

> *"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.*[1]*"*

While it does not require hospitals to provide a specific level of free or discounted care to the community, the Ordinance requires hospitals to quantify their charity care work in an annual report. DPH collects and analyzes these data and prepares an annual report detailing the trends in the data and other findings. The first report to satisfy the Ordinance's requirements was prepared in 2002, for the fiscal year (FY) 2001. DPH has produced these reports each year since then. The purpose of this report is to examine San Francisco's hospitals' charity care data for the most recently completed fiscal year (FY 2011) compared to the two most recent years (FY 2010 and FY 2009).

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."[2]

DPH works with the hospitals through the Charity Care Project work-group, a subcommittee of the Community Benefits Project (CBP). An outgrowth of the Building a Healthier San Francisco (BHSF) tri-annual community needs assessment process, CBP 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. All acute care hospitals in San Francisco (with the exception of the Veteran's Administration Hospital, San Francisco) participate in this work-group and report their charity care activities in San Francisco.

[1] CCSF Health Code, Article 3 (Hospitals), Section 129. Charity Care Policy Reporting & Notice Requirement.

[2] CCSF Health Code, Article 3 (Hospitals), Section 130. Definitions.

According to the Ordinance, the following hospitals ("mandatory hospitals") are required to submit charity care reports to SF-DPH within 120 days after the end of their fiscal year:

- Chinese Hospital Association of San Francisco (CHASF)
- Dignity Health: Saint Francis Memorial Hospital (SFMH)
- Dignity Health: St. Mary's Medical Center (SMMC)
- Sutter Health: California Pacific Medical Center (CPMC)
- Sutter Health: St. Luke's Hospital (STL)

The remaining hospitals ("voluntary hospitals"), all of which report voluntarily, include:

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

This report summarizes San Francisco hospitals' charity care activities by quantifying the number of applications processed, number of patients served, the amount of charity care provided, Medi-Cal shortfall, ratio of net patient revenue to charity care expenditures, types of charity care provided, and analysis by ZIP Code of charity care. Additionally, this report will provide an update on the impact of the Affordable Care Act (ACA) progress, particularly in light of the U.S. Supreme Court's decision upholding the Constitutionality of the majority of the ACA, including the charity care provisions, and other changes in the health care landscape, focusing especially on health care programs for those with limited access. The ultimate goal of the report is to demonstrate charity care's importance in the San Francisco health care landscape.

Section II: **Charity Care & the Health Care Landscape**

Senate Bill 697 of 1994 was the first California law to emphasize the role of non-profit hospitals in relation to the communities they serve. Finding that, "[p]ublic recognition of their unique status has led to favorable tax treatment by the government. In exchange, non-profit hospitals assume a social obligation to provide community benefits in the public interest…,"[3] through SB 697, the legislature required that non-profit hospitals:

- Conduct a community needs assessment every three years;
- Develop a community benefit plan in consultation with the community; and
- Annually submit a copy of this plan to the Office of Statewide Health Planning and Development (OSHPD).

Since 1994, there have been a number of changes related to the provision of charity care and community benefit, and to the reporting rules in San Francisco, in California, and federally. Some of these expand upon, while others mirror, San Francisco's Charity Care Ordinance.

[3] California Senate Bill 697 (1994), page 1, Findings.

A. Healthy San Francisco/SF PATH

The Healthy San Francisco (HSF) and San Francisco Provides Access to Healthcare (SF PATH) programs provide services to uninsured San Franciscans, and are therefore included in this report. Uninsured and low-income residents of San Francisco may use non-profit hospitals to receive care through HSF, so it is important to include services provided to this population. By contrast, the SF PATH provider network includes only the DPH delivery system, including SFGH.

HSF first began enrolling uninsured, eligible individuals in 2007. The program provides comprehensive, affordable health care to uninsured adults 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 conditions. HSF members choose a medical home (a primary care provider) giving them improved access to preventive health care services. Medical homes are paired with hospitals, which provide necessary hospital care to enrollees as charity care.

SF PATH was created in response to California's "Bridge to Reform" Demonstration 1115 Medicaid Waiver. The waiver allowed for the development of a new statewide health care program called the Low Income Health Program (LIHP). LIHP is designed to move low-income uninsured individuals into a coordinated system of care to improve access to care, enhance quality of care, reduce episodic care, and improve health status. SF PATH is San Francisco's LIHP. Since SF PATH did not begin enrolling members until July 1, 2011, it is outside the scope of this report. It is, however, worth noting that like HSF, SF PATH serves the uninsured population, and as such is germane to the discussion of charity care. A more complete description and analysis of SF PATH will be included in the FY 2012 Charity Care Report.

During the time period of this report (FY 2011), HSF enrollment was at 54,348 members as of June 2011. This represents 85 percent of the estimated 64,000 uninsured adults in San Francisco. Given the voluntary nature of HSF, it is not anticipated that the program will cover 100 percent of the uninsured population in San Francisco. While San Francisco hospitals continue to provide free and discounted care through their financial assistance/charity care programs, HSF has started to shift the balance so that in some cases the majority of hospitals' charity care resources are being used to support HSF. During the time of this report, all of the hospitals reporting on charity care were providing services through HSF, many affiliated with HSF medical homes. (UCSF partners with HSF to provide radiological services under HSF, and is not affiliated with a medical home.)

B. California Hospital Fair Pricing Act (AB 774)

The California Hospital Fair Pricing Act (AB 774 of 2006) became effective on January 1, 2007. The intent of the legislation is to lessen the impact of high medical costs on the un- and underinsured needing health care in California. Similar to San Francisco's Charity Care

Ordinance, the Hospital Fair Pricing Act does this through public disclosure. Hospitals are required to:

- Make available information regarding the availability of charity care, discounts, and government-sponsored health insurance; and
- Standardize procedures for determining charity care eligibility, and for billing and collection processes.

AB 774 requires that hospitals offer charity care discounts or free care to individuals in households making less than 350 percent FPL, who are also either uninsured or insured with high medical costs. To ensure compliance OSHPD requires reporting every other year, and hospitals must include their:

- Charity care policy;
- Discount payment policy;
- Eligibility procedures for charity care;
- Review process; and
- Application form.

Under AB 774, hospitals may not charge charity care-eligible patients more for services than is allowable under Medicare. The legislation also protects charity care patients from debt collection practices that some hospitals use in pursuing payment. For example, the Act requires that if a patient is attempting to settle a debt, the hospital may not send the unpaid bill to collection, use wage garnishments, or place liens on primary residences. These issues are not addressed in San Francisco's Charity Care Ordinance, so offer additional important protections for patients locally and throughout California.

C. Hospital Reporting to IRS – Form 990, Schedule H

Form 990, *Return of Organization Exempt from Income Tax*, is required of tax-exempt and non-profit organizations to provide the Internal Revenue Service (IRS) with annual financial information. The new Form 990 was introduced in 2007 and Schedule H allows the IRS to track the community benefit activities of tax-exempt hospitals. The first reporting year for hospitals was 2009. Part I of Schedule H requires reporting of the organization's charity care policies, the availability of community benefit reports, and the cost of certain charity care and community benefit programs.

"Charity care" is defined for purposes of Schedule H as "free or discounted health services provided to persons who meet the organizations' criteria for financial assistance and are thereby deemed unable to pay for all or a portion of the services." Similar to San Francisco's Charity Care Ordinance, reporting of charity care excludes bad debt or uncollectible charges, the difference between the cost of care provided under governmental care and the revenue derived, and third-party contractual adjustments.

D. Patient Protection and Affordable Care Act (ACA)

The Patient Protection and Affordable Care Act (ACA) was enacted on March 23, 2010. The ACA is meant to reform the health care system and expand health insurance coverage to 32 million people by 2019, eventually covering 95 percent of all legal residents. Among its many provisions, the ACA includes requirements to be followed by tax-exempt hospitals so that they may maintain their tax-exempt status. Many of the provisions closely align with existing state and local laws with which San Francisco hospitals already comply.

In November 2011, the U.S. Supreme Court agreed to consider the constitutionality of the ACA arising from two cases, *National Federation of Independent Business v. Sebelius* and *Florida v. Department of Health and Human Services*. The four challenges the Court considered included:

1. The timeliness of the lawsuit (Could the Court rule on the constitutionality of the ACA before it has been enacted and before either an individual or a business had paid a penalty?)
2. The individual mandate (Is it within Congress' power to require that most U.S. residents have health insurance?)
3. The Medicaid expansion (Is the requirement that states expand Medicaid access to all uninsured residents up to 133 percent FPL or lose all federal Medicaid funding unconstitutionally coercive?)
4. Severability (If the individual mandate were struck down, are the remaining portions of the ACA valid or invalid since the law does not contain a severability clause?)

On June 28, 2012, in a five to four decision the Court ruled that the ACA is both constitutional and unconstitutional in part. On the specific arguments, the Court ruled:

- Timeliness – The Court ruled that the case was timely and a decision could be rendered now.
- Individual Mandate – The Court upheld the individual mandate as constitutional, although on the basis of Congress' power to tax and not on the basis of its power to regulate interstate commerce as had been widely expected.
- Medicaid Expansion – The Court ruled the Medicaid expansion is unconstitutionally coercive, but agreed that states could voluntarily participate in the expansion.
- Severability – Did not apply since individual mandate was upheld.

Since the portions of the ACA impacting non-profit hospitals were not impacted by the Court's ruling, they remain in effect. The seven ACA non-profit hospital provisions are outlined and discussed below. Because compliance with these provisions affects a hospital's tax-exempt status, the Internal Revenue Service (IRS) is responsible for enforcement.

1) Community Health Needs Assessment

Section 9007 of the ACA added new Section 501(r) to the Internal Revenue Code, which delineates a series of statutory requirements applicable to non-profit hospitals that seek tax-exempt status under Section 501(c)(3). The new requirements for charitable hospitals include

the community health needs assessment, which hospitals must conduct every three years, beginning with the taxable year two years after the enactment of the law. This new federal law mirrors the requirement that already exists for California hospitals pursuant to California SB 697, enacted in 1994, though puts local hospitals on a slightly accelerated timeline for completing their first needs assessment required by the ACA.

On July 7, 2011, the Treasury Department and the IRS published a Notice and Request for Comments on a proposed policy regarding the ACA's new requirements related to tax exempt hospitals' community health needs assessment (CHNA) obligations. All Section 501 (c)(3) tax-exempt hospitals are expected to follow the final requirements. Hospitals must describe the following elements in the written report:

- The community served and how the community was determined;
- The process and methods used to conduct the assessment;
- How the organization took into account input from persons representing the broad interests of the community served by the hospital facility;
- Prioritized community health needs identified through the CHNA; and
- Existing health care facilities and other resources within the community and available to meet community health needs.

The hospital must develop an implementation strategy to meet the community needs that were identified by the report. This report must be made widely available to the public by posting on the hospital facility's website until a subsequent CHNA is completed and publicized to replace the existing one.

2) Financial Assistance Policy

Each non-profit hospital must adopt, implement, and make widely available a written financial assistance policy. The written financial assistance policy must include the following:[4]

- Eligibility criteria, including whether or not the assistance includes free or discounted care;
- The basis for calculating amounts charged to patients;
- The method for applying for financial assistance;
- In the absence of an existing billing and collection policy, the policy must state the actions the hospital will take in the event of a non-payment; and
- Measures to widely publicize the policy within the community.

These provisions are substantially similar to those established in California's Hospital Fair Pricing Act (AB 774).

Additionally, these same hospitals must also have a written emergency medical care policy that includes a statement requiring the organization to provide, without discriminating, care for

[4] GPS – Health Reform Website (9/13/2011): http://www.healthreformgps.org/resources/new-requirements-for-tax-exempt-charitable-hospitals/

emergency medical conditions to individuals regardless of their eligibility under the financial assistance policy.

3) Restrictions on Patient Charges

Non-profit hospitals must limit charges for "emergency or other medically necessary care" to those who qualify under the financial assistance policy to not more than the amounts generally billed to individuals who have insurance. It is intended that amounts billed to those who qualify for financial assistance may be based on either the best, or an average of the three best, negotiated commercial rates, or Medicare rates. The hospital may not use "gross charges" when billing individuals who qualify for financial assistance. The term "gross charges" is not defined by the new law. Generally speaking, however, gross charges are considered the full amount a hospital charges for services, without taking into account any discounts negotiated with insurance providers.

Similarly, California's Hospital Fair Pricing Act (AB 774) includes provisions restricting non-profit hospitals' expectations of payment from low-income patients.

4) Limitations on Collection Practices

Non-profit hospitals may not take "extraordinary" collection actions before making a "reasonable effort" to determine whether a patient is eligible for assistance under the financial assistance policy. "Extraordinary collection actions" has been defined to include lawsuits, liens on residences, arrests, body, or other similar collection processes. "Reasonable efforts" include notification by the hospital of its financial assistance policy upon admission as well as written and oral communications with the patient regarding the patient's bill before collection action or reporting to credit agencies is initiated.

5) Mandatory Review of Tax Exemption for Hospitals

The Secretary of the Treasury is required at least once every three years to review the tax exemption and community benefit activities of each non-profit hospital organization. If a non-profit hospital organization operates more than one hospital facility, each facility within the organization will be individually subject to these new requirements.

6) Additional Reporting Requirements

Non-profit hospitals must submit audited financial statements and a description of how the hospital is addressing the needs identified in the community health needs assessment and a description of any needs that are not being addressed and why not.

7) Charity Care Report

The Secretary of the Treasury, in consultation with the Secretary of Health and Human Services, is required to submit an annual report on charity care to the relevant House and Senate committees. This report is to include the level of charity care provided by non-profit hospitals, the amount of bad debt expenses, and unreimbursed costs for services provided with respect to means tested and non-means-tested government programs. It will also include information regarding the costs incurred for community benefit activities. Within five years, the Secretary

of the Treasury, in consultation with the Secretary of Health and Human Services, is required to conduct a study on trends on charity care provided by non-profit hospitals and report to the congressional committees of jurisdiction.

E. Intersection of Charity Care Regulations

State and federal law relating to non-profit hospital charity care enacted since passage of San Francisco's Charity Care Ordinance substantiate San Francisco's more than ten years of work in this area. Nearly all of the components of San Francisco's Charity Care Ordinance were replicated by either California's Hospital Fair Pricing Act (AB 774) or provisions of the ACA. Even the IRS's Form 990 was revised to include more data related to charity care expenditures. Table #1 (Charity Care-related Requirements) illustrates the key charity care and community benefits requirements for non-profit hospitals on the local, state, and federal levels.

Table #1: *Charity Care-related Requirements*

Key Charity Care/Community Benefit Requirements for Non-Profit Hospitals	Effective Dates		
	SF	CA	US
Hospitals to conduct a community needs assessment at least once every three years		7/1/96	3/23/12
Hospitals to submit a community benefits plan annually		4/1/96	3/23/12
Hospitals to maintain charity care and discount payment policies	7/20/01	1/1/07	3/23/10
Hospitals to submit charity care and discount payment policies, procedures, and applications	7/20/01	1/1/08	
Hospitals to limit expected payment for services for low income patients		1/1/07	3/23/10
Hospitals to make "reasonable efforts" before initiating collection process		1/1/07	3/23/10
Hospitals to submit annual reports on the levels and types of charity care provided	7/20/01		12/20/07*
Annual report of hospital charity care to be compiled and prepared by governing agency	7/20/01		3/23/10
Mandatory review of tax exempt status by Secretary of the Treasury at least once every three years			3/23/10

*Using Form 990.

Section III: **Reporting Hospitals**

This section of the report provides a description of each hospital that participates in the Charity Care project/report. The data reported in Section IV of the report relate to the overall care and services provided by the hospital, providing a context of each hospital's full scope of services and the size of the operation. The total number of patients served, as well as the "Hospital Services" data are taken directly from the FY 2011 OSHPD hospital financial reports (except Kaiser, which does not report to OSHPD). The race and ethnicity data is reported by each hospital directly, because this information is not available through OSHPD.

A. Chinese Hospital Association of San Francisco (CHASF)

Located in Chinatown, Chinese Hospital was established in 1929 and primarily serves San Francisco's Chinese community. The stand-alone acute care, community-owned, non-profit small hospital (31 staffed and 54 licensed beds) offers a range of medical, surgical, and specialty programs. Additionally, Chinese Hospital operates three community clinics located in the Sunset and Excelsior neighborhoods of San Francisco and in Daly City. Chinese Hospital owns a Knox-Keene licensed, integrated, prepaid health plan, Chinese Community Health Plan (CCHP), which provides low-cost insurance products to the community. Without these low-cost insurance products, many of CCHP's members would otherwise access health care services through the charity care program.

Chinese Hospital is unique in providing bilingual healthcare services in both Chinese and English. Approximately 95 percent of patients are from San Francisco and five percent are from outside San Francisco. The vast majority (80%) of patients seen at Chinese Hospital are seniors covered by Medicare. Of these individuals, 80 percent also have Medi-Cal. Despite the low income of the majority of patients, Chinese Hospital only qualifies for 12 percent of federal Disproportionate Share Hospital (DSH) reimbursement because of its small size. (To qualify for DSH, hospitals must have at least 100 licensed beds.) More than ten percent of patients are covered by Medi-Cal and one percent of patients have no insurance coverage. Chinese Hospital is an active participant in a variety of public health coverage programs, including Healthy San Francisco, which started on July 1, 2007, Medi-Cal, Healthy Families, and Healthy Kids. Chinese Hospital also sponsors a non-profit private agency, the Chinese Community Health Resource Center (CCHRC), which provides linguistically and culturally sensitive community education, wellness programs, and counseling services.

FY 2011 CHASF Patient Population & Services

- Hospital Services:
  - Adjusted patient days[5]: 29,825
  - Outpatient visits: 67,149

[5] Used in the FY 2009 and FY 2010 Charity Care reports, when DPH standardized the hospital descriptions, adjusted patient day was chosen over other measures because the formula is more layered. It is defined by OSHPD as "total gross inpatient and outpatient revenue divided by gross inpatient revenue times the number of patient (census" days. This statistic adjusts the number of patient days (usually by increasing) to compensate for outpatient services."

- Emergency services visits: 4,441

- Ethnicity of unduplicated patients
  - Caucasian: 2.1%
  - Asian: 96.1%
  - African American: 0.5%
  - Hispanic: 0.5%
  - Other: 0.8%

B. Dignity Health: Saint Francis Memorial Hospital (SFMH)

Saint Francis Memorial Hospital (SFMH), established in 1906, is a general adult medical/surgical hospital in downtown San Francisco with 150 staffed beds and 257 licensed beds. 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 Bothin Burn Center, the only burn center in the San Francisco Bay Area verified by the American Burn Association and the American College of Surgeons, Trauma Division. Additionally, SFMH specializes in orthopedic services through the Spine Care Institute of San Francisco, the Total Joint Center and provides Occupational Medicine Services at clinics on the main campus and at AT&T Park, and Sports Medicine Services at clinics in San Francisco, Marin, and Walnut Creek. The hospital also serves the community through its Emergency Department, its partnership with Glide Health Services, and programs with other primary care clinics in the Tenderloin neighborhood. SFMH has served many Healthy San Francisco patients since the program's inception through its Emergency Department and its relationship with Glide Health Services.

FY 2011 SFMH Patient Population and Services

- Total number unduplicated patients served: 49,412
- Hospital Services:
  - Adjusted patient days: 49,800
  - Outpatient visits: 131,200
  - Emergency services visits: 32,229

- Race & Ethnicity of Patient Population:
  - Caucasian: 59.2%
  - Asian: 16.0%
  - African American: 10.8%
  - Hispanic: 7.7%
  - Other: 6.3%

C. Dignity Health: St. Mary's Medical Center (SMMC)

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) non-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 Western Addition 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. SMMC is committed to partnering with others in the community to improve quality of life in San Francisco. SMMC sponsors and operates the Sr. Mary Philippa Health Center serving over 3,500 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 serves as a medical home for 1,287 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 403 licensed beds, 1,119 employees, 583 physicians and credentialed staff, and 265 volunteers. For 155 years, St. Mary's has built a reputation for quality, personalized care, patient satisfaction, and exceptional clinical outcomes. Our Centers of Excellence include Total Joint Center, Spine Center, Oncology, Outpatient Therapies, Acute Physical Rehabilitation, and Cardiology. We offer a full range of diagnostic services and 24-hour Emergency Department. Surgical specialties include general, orthopedic, ophthalmology, podiatric, plastic, cardiovascular, and gynecologic surgery. SMMC was recertified as a Primary Stroke Center last year. We are one of only three San Francisco hospitals to earn designation as a Blue Distinction Center from Blue Cross in Knee and Hip Replacement and Spine Surgery. We have the only Adolescent Psychiatric inpatient and day treatment units in our service area. Patients in need of financial assistance are cared for in every department, and our financial counselors help direct them to appropriate assistance including charity care.

FY 2011 SMMC Patient Population and Services

- Total number unduplicated patients served: 40,667
- Hospital Services:
  - Adjusted patient days: 56,111
  - Outpatient visits: 132,830
  - Emergency services visits: 17,819

- Race & Ethnicity of Patient Population:
  - Caucasian: 59.4%
  - Asian: 22.2%
  - African American: 6.1%
  - Hispanic: 6.3%
  - Other: 6.0%

D. Sutter Health: California Pacific Medical Center (CPMC) & St. Luke's Campus (STL)

CPMC is an affiliate of Sutter Health, a non-profit health care 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 the fourth campus of CPMC. CPMC consists of four acute care campuses:

- The Pacific Campus (Pacific Heights) is the center for acute care including, oncology, orthopedics, ophthalmology, cardiology, liver, kidney, and heart transplant services.
- The California Campus (Laurel Heights) is the center for prenatal, obstetrics, and pediatric services.
- The Davies Campus (Castro District) is the center for neurosciences, microsurgery, and acute rehabilitation.
- The St. Luke's Campus (Mission District) is a vital community hospital serving underinsured residents in the South-of-Market districts. St. Luke's Campus also has one of the busiest emergency departments in the City.

These four locations have a total of 1,143 licensed beds (914 at Pacific/California/Davies, 229 at St. Luke's) and 644 staffed beds (514 at Pacific/California/Davies, 130 at St. Luke's). In addition to the acute-care hospital, CPMC manages several primary care clinics. The St. Luke's Health Care Center (St. Luke's campus) provides pediatric, adult, and women's services to a panel of over 14,000 patients. The Family Health Center (California campus) provides pediatric, adult, and women's services utilizing medical preceptors and residents. The Bayview Child Health Center (Bayview Hunters Point) provides pediatric primary care services for 1,000 children, nearly all of whom are insured by Medi-Cal. Since January 2009, CPMC has participated in the Healthy San Francisco program (HSF) as an inpatient partner for the North East Medical Services (NEMS), which primarily serves residents of Chinatown, Richmond, and Sunset districts. In addition, since December 2010, CPMC has been the primary inpatient partner for the Brown & Toland Medical Group's participation in HSF. Brown & Toland as the medical home and CPMC as the inpatient provider have agreed to enroll up to 1,500 new patients.

FY 2011 CPMC & St. Luke's Patient Population and Services

- Total number unduplicated patients served: 263,018 (225,389 California/Pacific/Davies; 37,629 St. Luke's)
- Hospital Services (Pacific, California, & Davies campuses):
  - Adjusted patient days: 248,142
  - Outpatient visits: 556,718
  - Emergency services visits: 54,808
- Hospital Services (St. Luke's campus):
  - Adjusted patient days: 51,739
  - Outpatient visits: 62,680

- Emergency services visits: 26,540

- Race & Ethnicity of Patient Population (Pacific, California & Davies):
  - Caucasian: 59%
  - Asian/Pacific Islander: 25%
  - Hispanic: 7%
  - African American: 5%
  - Other & Unknown: 4%
- Race & Ethnicity of Patient Population (St. Luke's):
  - Caucasian: 33%
  - Hispanic: 33%
  - African American: 16%
  - Asian/Pacific Islander: 14%
  - Other & Unknown: 4%

E. Kaiser Permanente: Kaiser Foundation Hospital, SF (KFH-SF)

As part of the Kaiser Permanente integrated health system, KFH-SF provides hospital services to Kaiser Foundation Health Plan (KFHP) members and other patients. KFH-SF was established in 1954 as a not-for-profit hospital and is located at 2425 Geary Boulevard. KFH-SF has 247 licensed and staffed beds. KFH-SF is not required by the City ordinance to report charity care data and provides this data voluntarily. KFH-SF is part of a larger integrated health care system in San Francisco, including the KFH Medical Office Building at 2238 Geary Boulevard in the Western Addition and the French Campus at 4141 Geary Boulevard in the Richmond District. Primary Care Services are provided by The Permanente Medical Group to KFH members.

KFH-SF services include such specialties as cardiovascular surgery and critical care services, high-risk obstetrics and neonatal intensive care, and HIV care and research. The hospital is a Joint Commission Certified Primary Stroke Center.

KFH-SF began accepting HSF patients on July 1, 2009. HSF patients receive their full range of eligible services within the Kaiser Permanente integrated health care system in the San Francisco Service Area.

FY 2011 KFH-SF Patient Population and Services

- Total number unduplicated patients served: 11,348
- Hospital Services:
  - Adjusted patient days: Not available.
  - Outpatient visits: 19,329
  - Emergency services visits: 35,775

- Race & Ethnicity of Patient Population:
  - Caucasian: 44.9%

- Asian/Pacific Islander: 30.6%
- African American: 6.0%
- Hispanic: 14.1%
- Other: 4.4%
- Native American: 0.8%
- Other: 3.4%
- Unknown: 2.8%

F. 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 UC system in 1873. UCSF Medical Center, including UCSF Benioff Children's Hospital, is part of UCSF and is a non-profit hospital affiliated with the UC system. Consequently it is not subject to San Francisco's Charity Care Ordinance, but reports voluntarily. UCSF Medical Center is a Disproportionate Share Hospital.

UCSF Medical Center operates as a 722-licensed bed tertiary care referral center with two major sites (Parnassus Heights and Mount Zion). During FY 2011, there were a total of 659 available beds through these two hospitals. A third location, a 289-bed women's, children's, and cancer hospital complex at Mission Bay, is scheduled to open in February 1, 2015. UCSF Benioff Children's Hospital currently operates at the Parnassus site. UCSF Medical Center and UCSF Children's Hospital are world leaders in health care, with the Medical Center consistently ranked among the nation's best by US News & World Report. UCSF's expertise covers virtually all specialties, including cancer, heart disease, neurological disorders, and organ transplantation, as well as special services for women and children. UCSF has the only nationally designated Comprehensive Cancer Center in Northern California. As a regional academic medical center, UCSF attracts patients from throughout California, Nevada, the Pacific Northwest, as well as from all San Francisco neighborhoods and abroad.

To help meet the needs of the City's most vulnerable populations, UCSF has established clinics around San Francisco and provides staff for other existing clinics. Examples include:

- 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. The vast majority (90%) of patients at this clinic have incomes below the Federal Poverty Level.
- UCSF School of Dentistry Buchanan Dental Center: The Dental School clinic on Buchanan Street provides comprehensive services to low-income adults and children. The clinic sees approximately 2,700 patients each year, with 10,000 total patient visits.

- Glide Health Services: This Tenderloin district community clinic is managed by the UCSF School of Nursing, in cooperation with Glide Memorial United Methodist Church, Catholic Healthcare West, and other community partners.

UCSF Medical Center has provided emergency care for HSF enrollees since the program began enrolling members in summer of 2007 and also provides radiological services.

FY2011 UCSFMC Patient Population and Services

- Hospital Services:
  - Adjusted patient days: 266,818
  - Outpatient visits: 815,010
  - Emergency services visits: 27,787
- Race of Patient Population:
  - Caucasian: 51.9%
  - Asian/Pacific Islander: 16.9%
  - African American: 7.8%
  - Other: 15.3%
  - Unknown: 8.1%

G. San Francisco General Hospital (SFGH)

SFGH 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 463 budgeted beds and 686 licensed beds. SFGH is owned by the City and County of San Francisco and operated by DPH's Community Health Network (CHN), which is responsible for the hospital's administration. SFGH reports Charity Care data on a voluntary basis.

SFGH 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, SFGH 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 SFGH's emergency room for care.

SFGH 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. SFGH participates in the Charity Care Work-Group and reports charity care-related data on a voluntary basis.

The CHN operates three primary care clinics on the SFGH campus: the Children's Health Center, Family Health Center, and General Medical Clinic. In addition, there is a network of affiliated community clinics spread throughout San Francisco, in neighborhoods with the greatest need

for access. SFGH 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. SFGH is recognized as a DSH by the California state and federal governments, meaning that it provides care to a disproportionate share of Medi-Cal and the uninsured.

FY 2011 SFGH Patient Population and Services

- Total number unduplicated patients served: 102,802
- Hospital Services:
  - Adjusted patient days: 221,236
  - Outpatient visits: 599,796
  - Emergency room visits: 48,042

- Race & Ethnicity of Patient Population:
  - Caucasian: 25%
  - Asian/Pacific Islander: 23%
  - African American: 17%
  - Hispanic: 30%
  - Other: 5%

Section IV: **Charity Care Policies**

Hospitals meet their Charity Care Ordinance requirements by submitting a charity care report to DPH for each fiscal year. The Ordinance directs hospitals to submit their reports within 120 days after the end of each hospital's fiscal year. The hospitals use different reporting years, with CPMC, St. Luke's, and Chinese Hospital following a calendar year (January 1 through December 31). The remaining hospitals use a fiscal year starting on July 1 of each year and ending on June 30.

A. Individual Hospital Charity Care Policies

California's Hospital Fair Pricing Act (AB 774) requires hospitals to provide charity care discounted or free services to patients in households at or below 350 percent FPL. All of San Francisco's hospitals meet or exceed this requirement. Table #2 shows the income levels hospitals will provide traditional charity care services to patients who apply.

Table #2: *Traditional Charity Care Eligibility, by FPL and Hospital*

Single Person - Monthly FPL Limit	State Charity Care Policy	CPMC/ STL	CHASF	SFMH/ SMMC	KFH - SF	UCSF	SFGH
450% to 500% FPL $4,086 - $4,540							
400% to 450% FPL $3,632 - $4,086							
350% to 400% FPL $3,178 - $3,632							
300% to 350% FPL $2,724 - $3,178	State law requires non-profit hospitals provide free or discounted care to patients in households <350% of the federal poverty level (FPL).		**Free** **or discount** ***(case by case)***	**Discount**	**Discount**	**Discount**	**Discount** ***(Sliding Scale)***
250% to 300% FPL $2,270 - $2,724							
200% to 250% FPL $1,816 - $2,270							
150% to 200% FPL $1,362 - $1,816							
100% to 150% FPL $908 - $1,362							
0 to 100% FPL 0 - $908		**Free**		**Free**	**Free**	**Free**	**Free**

All of the hospitals report to DPH all charity care provided within the parameters shown in Table #2, whether services are discounted or free. The discounts offered through charity care are considered by the hospitals to be "sliding scale" payments, as they are dependent on the patients' income and usually are 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, or financial assistance 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. CPMC, St. Luke's Hospital, Chinese Hospital, Saint Francis Memorial Hospital, and St. Mary's Medical Center all allow for an application to be in effect for one year. Kaiser, UCSF, and SFGH use a shorter time span for the application; UCSF and SFGH both allow for six months, while KFH-SF allows for three months. However, when the eligibility period expires, the patient may re-apply.

B. Posting and Notification Requirements

The Charity Care Ordinance requires that all hospitals communicate clearly to patients regarding the financial assistance programs, free and discounted charity care specifically. According to the Ordinance, this must be done in the following ways:

- Verbal notification during the admissions process whenever practicable; and
- 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.

DPH visits all of the participating hospitals every other year to verify that the facilities are meeting the posting and notification requirements. DPH representatives conduct these visits to verify signage and speak to admissions representatives. The last visits by DPH staff were conducted in 2011 and are not due to be repeated until 2013.

Section V: **The Provision of Charity Care**

The data submitted by the hospitals has allowed DPH to look at the provision of charity care in ways not possible before the Charity Care Ordinance went into effect. This section of the report focuses on the data provided in a number of ways, including analysis of charity care applications received, unduplicated charity care patients by hospital, charity care expenditures, Medi-Cal shortfall, analysis of net patient revenue to charity care expenditures, types of charity care provided, and ZIP Code analysis of charity care provided.

A. Charity Care Applications

Individuals seeking to access traditional charity care, or who need help paying for hospital services, must apply to the individual hospital. HSF applications, by contrast, are processed through the One-e-App system, available at 30 different enrollment sites across San Francisco. Hospitals do not process these applications, so this report does not include them. Table #3 shows the number of applications accepted by hospitals in FY 2011, as well as those denied. This is compared to the full number of unduplicated patients. The number of applications will not always be the same as the number of unduplicated patients, because some patients may have completed more than one application within the course of the year, have an active application from a prior year, or receive services as a HSF patient.

Table #3: *Charity Care Applications by Hospital FY 2009 – FY 2011*

Charity Care Applications & Patients (Non-HSF) – FY 2011					
Reporting Hospitals		**Applications**			**Patients**
System	**Hospital**	**Accepted**	**Denied**	**Total**	**Unduplicated Patients**
Chinese	CHASF	308	0	308	308
CCSF	SFGH	35,710	13,375	49,085	39,137
Dignity Health	SFMH	765	24	789	1,247
Dignity Health	SMMC	523	0	523	710
Kaiser Permanente	KFH-SF	1,769	456	2,225	2,766
Sutter	CPMC	7,347	361	7,708	7,347
Sutter	STL	3,440	49	3,489	3,440
UC Regents	UCSF	3,397	0	3,397	3,353
Total		**53,259**	**14,265**	**67,524**	**58,308**
Charity Care Applications & Patients (Non-HSF) – FY 2010					
Reporting Hospitals		**Applications**			**Patients**
System	**Hospital**	**Accepted**	**Denied**	**Total**	**Unduplicated Patients**
Chinese	CHASF	316	0	316	310
CCSF	SFGH	38,419	12,094	50,513	41,830
Dignity Health	SFMH	885	25	910	1,189
Dignity Health	SMMC	918	0	918	918
Kaiser Permanente	KFH-SF	1,327	270	1,597	267
Sutter	CPMC	6,810	524	7,334	6,810
Sutter	STL	2,585	121	2,706	2,585
UC Regents	UCSF	2,457	0	2,457	2,402
Total		**53,717**	**13,034**	**66,751**	**56,311**
Charity Care Applications & Patients (Non-HSF) – FY 2009					
Reporting Hospitals		**Applications**			**Patients**
System	**Hospital**	**Accepted**	**Denied**	**Total**	**Unduplicated Patients**
Chinese	CHASF	317	0	317	290
CCSF	SFGH	51,897	13,540	65,437	47,470
Dignity Health	SFMH	3,773	39	3,812	2,491
Dignity Health	SMMC	3,538	0	3,538	2,466
Kaiser Permanente	KFH-SF	943	228	1,171	132
Sutter	CPMC	2,830	687	3,517	2,830
Sutter	STL	751	198	949	751
UC Regents	UCSF	2,309	0	2,309	2,309
Total		**66,358**	**14,692**	**81,050**	**58,739**

Reasons for denied applications vary, but generally include incomplete applications (such as not providing income documentation), income or assets above the hospital's limits for charity care, or the applicant is otherwise ineligible for charity care (such as applicant is already a HSF

participant or is eligible for a coverage program). There are also cases in which the application is considered denied in the hospital's system because the applicant submitted it in FY 2011, but it was not approved until the following fiscal year. There are several hospitals that have no denials, and this is generally because the hospital's financial counselors work with the patient to determine eligibility before the application is completed.

The percentage of application denials among hospitals is 27 percent for SFGH, 20 percent for Kaiser Foundation Hospital, five percent for CPMC, four percent for St. Luke's hospital, three percent for Saint Francis Memorial Hospital, and zero percent for each Chinese Hospital, St. Mary's Medical Center, and UCSF. In FY 2011, the overall rate of denials was 21 percent. This compares to 15 percent in FY 2010 and 16 percent in FY 2009.

In general, charity care has been shifting from traditional (non-HSF) to HSF. From FY 2009 to FY 2011, the number of non-HSF applications fell 17 percent, while the number of non-HSF patients fell one percent. From FY 2010 to FY 2011, the numbers have stabilized somewhat, with non-HSF applications increasing by one percent, while the number of non-HSF patients increased by four percent.

B. Unduplicated Charity Care Patients by Hospital

For the third year of this report, hospitals reported those individuals receiving traditional charity care as defined by the Ordinance and those enrolled in the HSF program. Table #4 shows the unduplicated patient count, comparing non-HSF charity care to HSF charity care for the three fiscal years, FY 2009 – FY 2011. The unduplicated patient count reflects the number of individual patients counted only once in the record for the year by hospital, regardless of the number of services that individual receives at one hospital. Because there is no central processing of charity care applications, but rather applications are processed by each individual hospital, these numbers are not unduplicated among all the hospitals. For example, an individual receiving charity care services at St. Mary's Medical Center in FY 2011 and then additional services at St. Luke's Hospital also in FY 2011, the patient will be counted once by St. Mary's Medical Center and once by St. Luke's Hospital.

Table #4: *FY 2009 – FY 2011 Charity Care Unduplicated Patients (HSF and Traditional)*

Unduplicated Patients FY 2011 - HSF & Traditional Charity Care					
	Non-HSF	Non-HSF %	HSF	HSF %	Total
CHASF	308	78%	87	22%	395
SMMC	710	33%	1,428	67%	2,138
SFMH	1,247	40%	1,872	60%	3,119
CPMC	7,347	91%	728	9%	8,075
STL	3,440	92%	291	8%	3,731
SFGH	39,137	42%	53,118	58%	92,255
KFH	2,766	63%	1,604	37%	4,370
UCSF	3,353	98%	76	2%	3,429

Unduplicated Patients FY 2010 - HSF & Traditional Charity Care					
	Non-HSF	Non-HSF %	HSF	HSF %	Total
CHASF	310	77%	93	23%	403
SMMC	918	42%	1,293	58%	2,211
SFMH	1,189	41%	1,715	59%	2,904
CPMC	6,810	97%	213	3%	7,023
STL	2,585	93%	193	7%	2,778
SFGH	41,830	54%	35,895	46%	77,725
KFH	267	9%	2,560	91%	2,827
UCSF	2,402	98%	55	2%	2,457
Unduplicated Patients FY 2009 - HSF & Traditional Charity Care					
	Non-HSF	Non-HSF %	HSF	HSF %	Total
CHASF	290	81%	69	19%	359
SMMC	2,466	70%	1,092	30%	3,558
SFMH	2,491	66%	1,282	34%	3,773
CPMC	2,830	97%	77	3%	2,907
STL	751	97%	25	3%	776
SFGH	47,470	62%	29,448	38%	76,918
KFH	132	16%	681	84%	813
UCSF	2,309	99%	7	1%	2,316

Between FY 2010 and FY 2011, the shift from traditional charity care toward HSF continued. Although not technically directly comparable because numbers are not unduplicated between hospitals, as a crude measure, the percentage of HSF patient increased from 36 percent in FY 2009 to 42 percent in FY 2010 to 50 percent in FY 2011. This was largely driven by SFGH, which not only saw the largest number of total charity care patients, but also saw its HSF patient increase by 48 percent while non-HSF patients decreased by six percent from FY 2010 to FY 2011. Other hospitals that saw increases in their percent of HSF patients served include Saint Francis Memorial Hospital, St. Mary's Medical Center, CPMC, and St. Luke's.

Overall, the number of total charity care patients has increased from approximately 91,500 in FY 2009 to 117,500 in FY 2011. Between FY 2010 and FY 2011, six hospitals in particular saw an increase in the total number of unduplicated charity care patients, including CPMC (15% increase), St. Luke's (34% increase), Kaiser Foundation Hospital (55% increase), UCSF (40% increase), SFGH (19% increase) and Saint Francis Memorial Hospital (7% increase). The other two hospitals saw slight decreases in the total number of unduplicated charity care patients seen, including Chinese Hospital (2% decrease), and St. Mary's Medical Center (3% decrease).

Each hospital follows a different procedure in determining charity care eligibility for financial assistance programs. Hospitals report that their procedures require the following:

- CPMC and St. Luke's Campus determine charity care eligibility at the point of service and make a real time determination.

- Chinese Hospital determines charity care eligibility after the service is rendered.
- SMMC and SFMH prefer, but do not require, eligibility determination before the service is rendered.
- Kaiser's approach is a combination of determining eligibility before the service is rendered and after, depending on the situation.
- UCSF determines charity care eligibility after the service is rendered.
- At SFGH, traditional charity care patients are enrolled in the program after the service is rendered.

C. Charity Care Expenditures

The Charity Care Ordinance requires that hospitals report the dollar value of charity care provided, after being adjusted by the cost-to-charge ratio. The cost-to-charge ratio is the relationship between the hospital's cost of providing service and the charge assessed by the hospital for the service. The cost-to-charge ratio is the difference between the qualifying hospital's total operating expenses and total other operating revenue divided by gross patient revenue, as it is also reported to OSHPD.

Table #5 delineates the specific charity care expenditures per hospital, through the HSF program, traditional charity care, and the total of these two. The total amount for all hospitals was $175.7 million. In FY 2010, total charity care expenditures for all hospitals were just under $173.6 million. In FY 2009, they were slightly more than $151.5 million. Although representing a decreasing share of the total, it is San Francisco General Hospital that drives overall expenditures. SFGH alone represented 71.5 percent ($125.4 million) of total citywide charity care expenditures in FY 2011, 72.6 percent in FY 2010, and 76.5 percent in FY 2009.

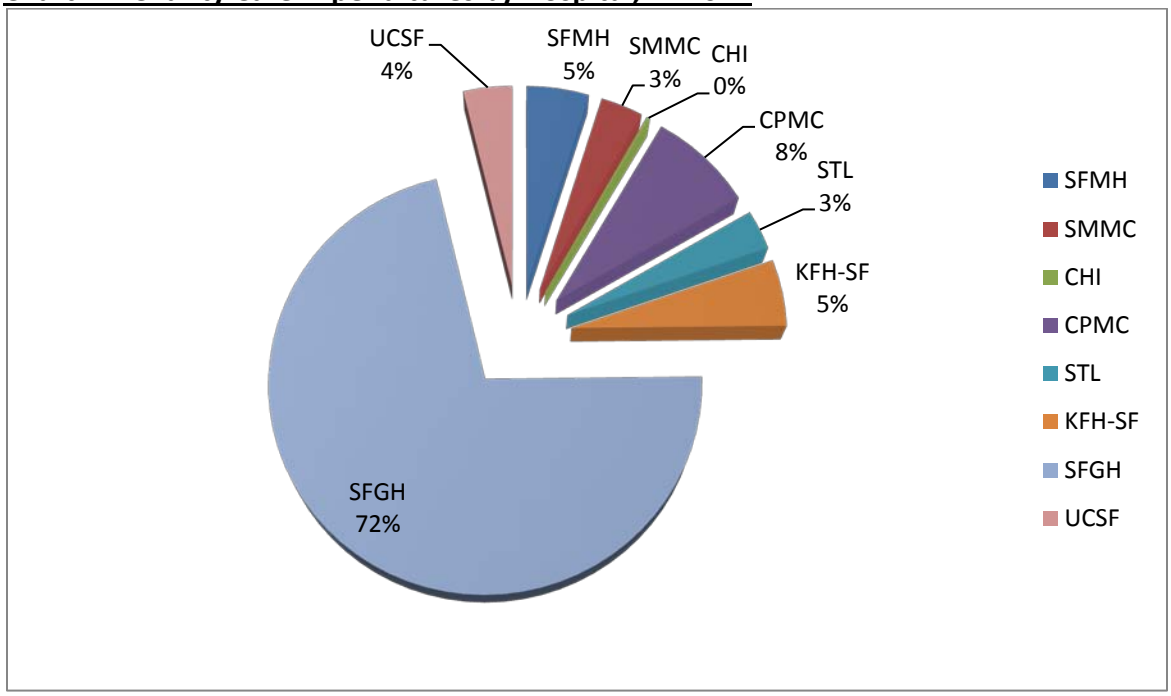
Three hospitals showed decreases in their total charity care expenditures from FY 2010, including St. Mary's Medical Center (6% decrease), SFGH (0.5% decrease), and UCSF (41% decrease). The remaining hospitals showed increases, including Chinese Hospital (44% increase), Saint Francis Memorial Hospital (39% increase), CPMC (16% increase), St. Luke's Hospital (28% increase), and Kaiser Foundation Hospital (66% increase). Also of note, all hospitals except St. Luke's Hospital and Kaiser Foundation Hospital saw an increase in their percentage of total charity care comprised of HSF.

Table #5: *Charity Care Expenditures by Hospital, FY 2009 – FY 2011*

System	Hospital	2011 Traditional Charity Care	2011 Healthy San Francisco	2011 - Total Charity Care
Chinese	CHASF	$309,602	$188,831	$498,433
CCSF	SFGH	$49,188,916	$76,254,858	$125,443,774
Dignity Health	SFMH	$3,620,157	$4,891,635	$8,511,792
Dignity Health	SMMC	$1,721,359	$4,046,602	$5,767,961
Kaiser Permanente	KFH-SF	$6,320,229	$2,772,003	$9,092,232
Sutter	CPMC	$10,739,085	$3,617,423	$14,356,508
Sutter	STL	$4,494,005	$922,528	$5,416,533
UC Regents	UCSF	$5,796,915	$858,354	$6,655,269
Total		**$82,190,268**	**$93,552,234**	**$175,742,502**
System	**Hospital**	**2010 Traditional Charity Care**	**2010 Healthy San Francisco**	**2010 - Total Charity Care**
Chinese	CHASF	$244,131	$121,220	$345,351
CCSF	SFGH	$47,809,138	$78,218,941	$126,028,079
Dignity Health	SFMH	$3,645,416	$4,108,598	$7,754,014
Dignity Health	SMMC	$2,112,231	$4,031,298	$6,143,529
Kaiser Permanente	KFH-SF	$3,490,463	$1,998,457	$5,488,920
Sutter	CPMC	$10,538,613	$1,864,439	$12,403,052
Sutter	STL	$3,146,093	$1,080,424	$4,226,517
UC Regents	UCSF	$10,509,349	$749,825	$11,259,174
Total		**$81,495,434**	**$92,173,202**	**$173,648,636**
System	**Hospital**	**2009 Traditional Charity Care**	**2009 Healthy San Francisco**	**2009 - Total Charity Care**
Chinese	CHASF	$251,490	$108,853	$360,343
CCSF	SFGH	$49,783,701	$66,064,540	$115,848,241
Dignity Health	SFMH	$4,778,164	$1,858,397	$6,636,561
Dignity Health	SMMC	$2,375,745	$798,592	$3,174,337
Kaiser Permanente	KFH-SF	$3,171,573	$458,282	$3,629,855
Sutter	CPMC	$8,998,020	$883,170	$9,881,190
Sutter	STL	$1,362,281	$201,687	$1,563,968
UC Regents	UCSF	$10,285,741	$121,160	$10,406,901
Total		**$81,006,715**	**$70,494,681**	**$151,501,396**

Chart #1 shows each hospital's financial charity care contribution in FY 2011, relative to the total ($175,742,502). In the most recent reporting year, SFGH provided 72 percent of the charity care expenditures, including 60 percent of traditional charity care expenditures and 82 percent of HSF expenditures. The remaining hospitals combined provided 28 percent of total charity care expenditures, including 40 percent of traditional charity care expenditures and 18 percent of HSF expenditures.

Chart #1: Charity Care Expenditures by Hospital, FY 2011



For the second year in a row, the HSF expenditures reported by all reporting hospitals exceeded the amount spent on traditional charity care. In FY 2010, traditional charity care spending was $81.5 million, while spending on HSF was $92.2 million. In FY 2009, traditional charity care spending was at $81.0 million, while HSF was at $70.5 million. However, the majority of the HSF hospital care is provided at SFGH, so if SFGH is removed, the trend reverses and the remaining hospitals spent more on traditional charity care in all three years, FY 2009 through FY 2011 (see Table #6), although as noted above, that trend is shifting to increased relative spending on HSF. The reporting hospitals, excluding SFGH, have increased spending from FY2009 through FY2011 in total charity care and HSF. Spending on traditional charity care decreased slightly from FY 2010 to FY 2011.

Table #6: Charity Care Expenditures from FY 2009 to FY 2011 (excluding SFGH)

	FY2009	FY2010	FY 2011
Non-HSF Expenditures (w/out SFGH)	$31,223,014	$33,666,296	$33,001,352
HSF Expenditures (w/out SFGH)	$4,430,141	$13,954,261	$17,297,376
Total	$35,653,155	$47,620,557	$50,298,728

D. Net Patient Revenue and Charity Care Expenditures

Reviewing each hospital's ratio of charity care compared to net patient revenue is another way of comparing charity care across hospitals, as well as to the state average. This helps to compare each hospital's charity care contribution relative to its size. These numbers are taken from the OSHPD financial reports for the purposes of this report.

One of the common ways to measure hospital financial performance is by analyzing the margins (i.e., the difference in revenues vs. expenses). These margins can be expressed by using financial ratios and as dollar amounts. For the third year, DPH's Charity Care Report has included a review of each hospital's charity care expenditures as it compares to the hospital's net patient revenue. (KFH-SF is excluded, as they are not required to report this information to OSHPD.) OSHPD defines net patient revenue as gross patient revenue plus capitation premium revenue minus related deductions from revenue. Net patient revenue includes the payments received for inpatient and outpatient care, including emergency services.

Table #7 shows each hospital's ratio of charity care expenditures reported to DPH, compared to the net patient revenue as reported to OSHPD. OSHPD has not yet released the statewide hospital data, so the most recent average California ratio used for comparison is not yet available. These data show that SFGH is an outlier with a ratio of nearly 20 percent. This is far outside the range of the other hospitals in San Francisco, and well above the 2.01 percent average among all hospitals. The range of ratios is 0.36 percent at UCSF to 19.82 percent at San Francisco General Hospital. All hospitals in San Francisco are above the state average on this metric except Chinese Hospital, CPMC, and UCSF.

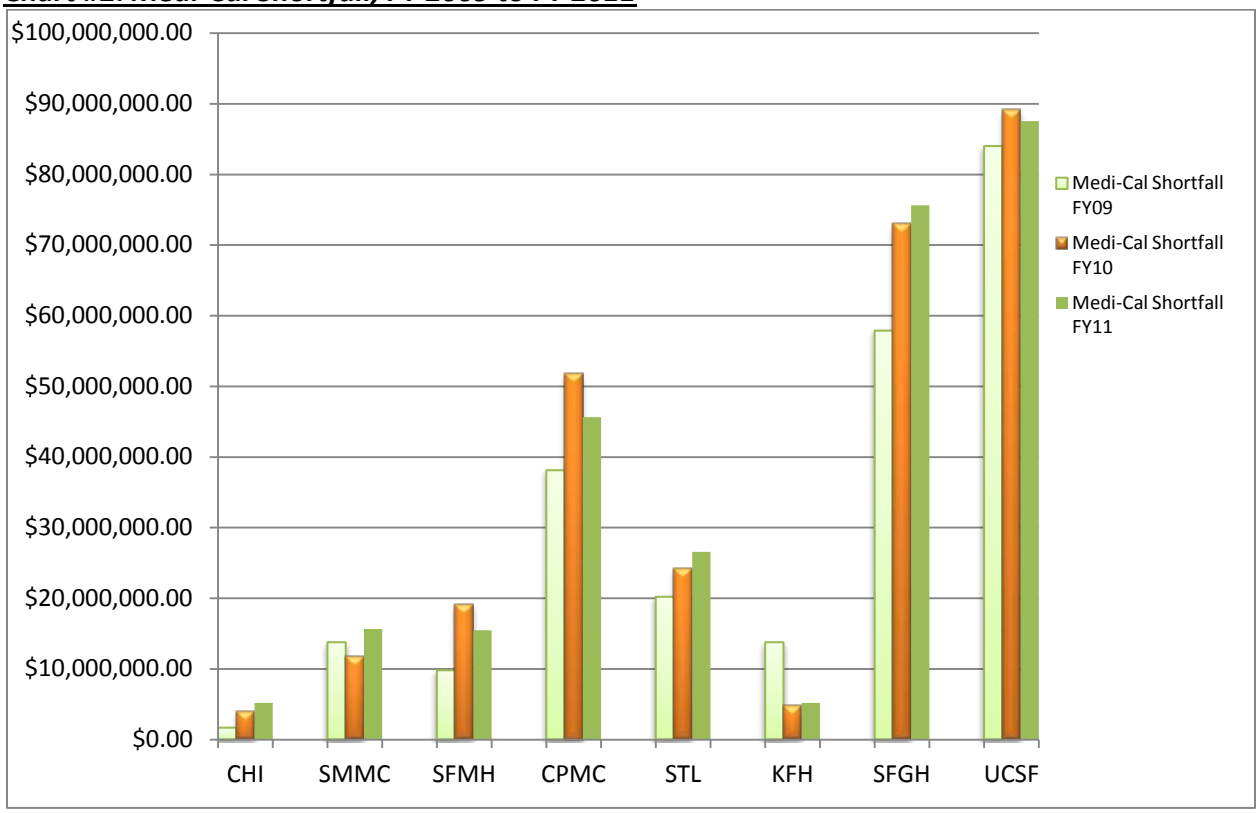
Table #7: FY 2011 *Charity Care as Compared to Net Patient Revenue*

Table 7: Ratio of Charity Care to Net Patient Revenue – FY 2011				
Hospital	Net Patient Revenue	Charity Care Costs	Ratio of CC Costs to Net Pt. Revenue	State Avg. CC Costs to Net Pt. Revenue
CHASF	$98,029,037	$498,433	0.51%	2.07%
SFGH	$632,929,821	$125,443,774	19.82%	
SFMH	$198,235,591	$8,511,792	4.29%	
SMMC	$192,388,344	$5,767,961	3.00%	
CPMC	$1,132,305,651	$14,356,508	1.27%	
STL	$101,817,765	$5,416,533	5.32%	
UCSF	$1,868,601,041	$6,655,269	0.36%	

E. Medi-Cal Shortfall

Medi-Cal is California's Medicaid program, the federal/state health insurance coverage for low-income children, families, seniors, and persons with disabilities. While Medi-Cal shortfall does not technically fall within the definition of charity care, hospitals track the amount of expenditures spent in services to the Medi-Cal population and how much is reimbursed by the program. The difference between these two amounts is considered the Medi-Cal shortfall. Because of Medi-Cal's focus on health care for low-income individuals, the hospitals have volunteered these data for inclusion in the report. Chart #2 compares FY 2009, FY 2010, and FY 2011 Medi-Cal shortfalls as reported by all hospitals. For all but three hospitals (Saint Francis Memorial Hospital, CPMC, and UCSF) the Medi-Cal shortfall increased from FY 2010 to FY 2011. For all hospitals, except Kaiser Foundation Hospital, it increased in FY 2011 as compared to FY 2009.

Chart #2: *Medi-Cal Shortfall, FY 2009 to FY 2011*



F. Trends & Changes in the Types of Charity Care Provided

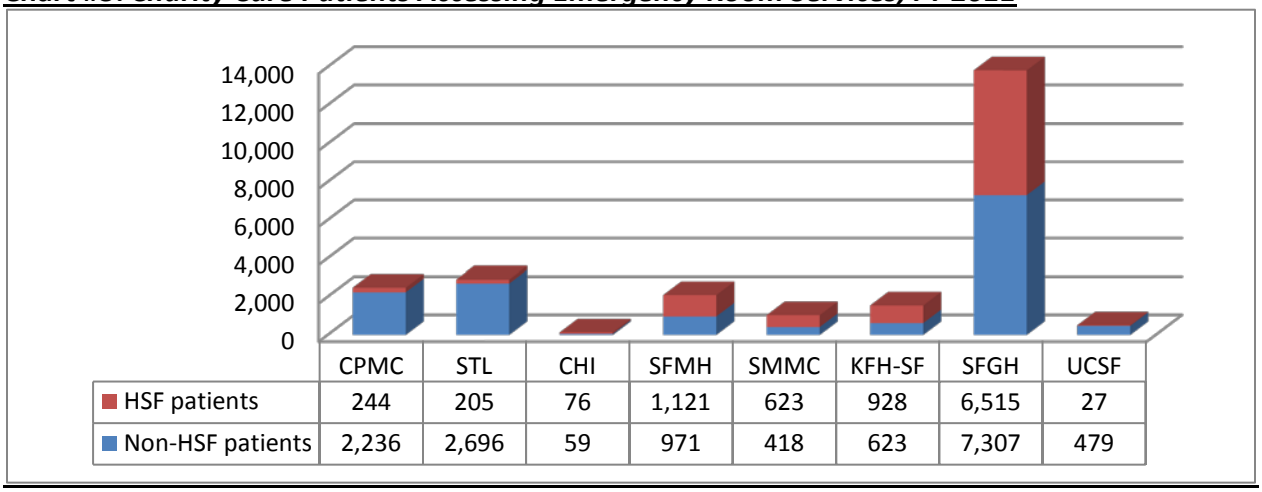
Hospitals provide a range of medical services that can generally be categorized into inpatient, outpatient, and emergency services. The Charity Care Ordinance requires that hospitals report the types of services the patients utilized. The Ordinance requires that hospitals report "*the total number of patients who received hospital services within the prior year reported as being charity care and whether those services were for emergency, inpatient or outpatient medical care, or for ancillary services.*"[6] To ensure consistency, hospitals were instructed to report the total number of unduplicated patients, and then the number who received emergency, those who received inpatient, and those who received outpatient services. This means that, as noted in the Ordinance, this section is not counting the number of services, but the number of patients who access those services. For example, if during the reporting year, John Doe visited SFGH's emergency room two times, was an inpatient for a one-week stay, and visited an outpatient clinic at SFGH, he would be counted in the following manner: Once for emergency, once for inpatient, and once in the outpatient section for that hospital. This section will review where hospital charity care patients were seen.

[6] CCSF Health Code, Article 3 (Hospitals), Section 131. Reporting to the Department of Public Health.

1) Emergency Department: Charity Care Patient Count

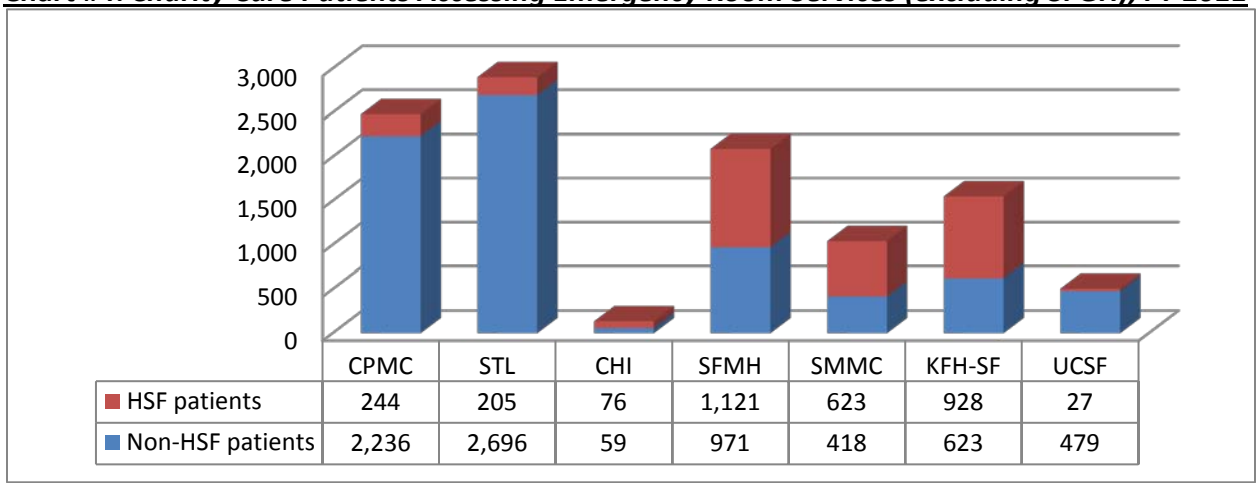
Chart #3 shows the number of unduplicated patients who received emergency department charity care from all reporting hospitals in FY 2011. Chart #4 shows the same information, with the exclusion of SFGH. While SFGH provided emergency room care for more charity care patients than any other reporting hospital (13,822 charity care patients received emergency services at SFGH), the hospital is left off chart #4 so that the other hospitals' work can be seen more clearly. (This will also be done in the following sections that focus on service types.) Of the remaining hospitals, St. Luke's Hospital, CPMC, and Saint Francis Memorial Hospital saw the most patients in the Emergency Room. Between FY 2010 and FY 2011, the total number of unduplicated patients receiving emergency department charity care in all San Francisco hospitals increased 7.9 percent from 22,734 to 24,528.

Chart #3: ***Charity Care Patients Accessing Emergency Room Services, FY 2011***



	CPMC	STL	CHI	SFMH	SMMC	KFH-SF	SFGH	UCSF
HSF patients	244	205	76	1,121	623	928	6,515	27
Non-HSF patients	2,236	2,696	59	971	418	623	7,307	479

Chart #4: ***Charity Care Patients Accessing Emergency Room Services (excluding SFGH), FY 2011***



	CPMC	STL	CHI	SFMH	SMMC	KFH-SF	UCSF
HSF patients	244	205	76	1,121	623	928	27
Non-HSF patients	2,236	2,696	59	971	418	623	479

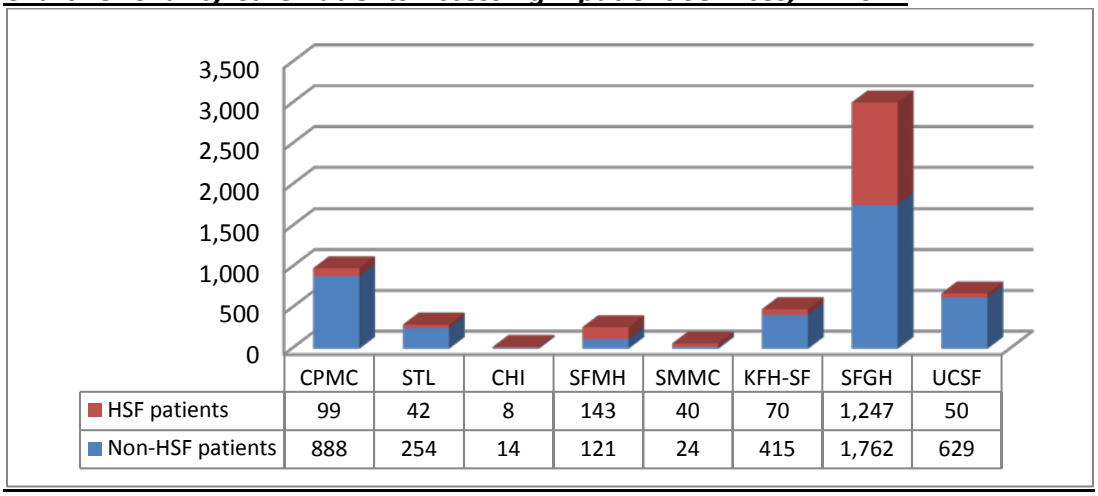
2) Inpatient Services: Charity Care Count

Not surprisingly, the number of charity care patients accessing inpatient services is considerably lower than the number of charity care patients accessing emergency services. At most

hospitals, the majority of charity care patients accessing inpatient services have applied through the traditional charity care programs, rather than those receiving care through HSF. The exceptions are Saint Francis Memorial Hospital and St. Mary's Medical Center.

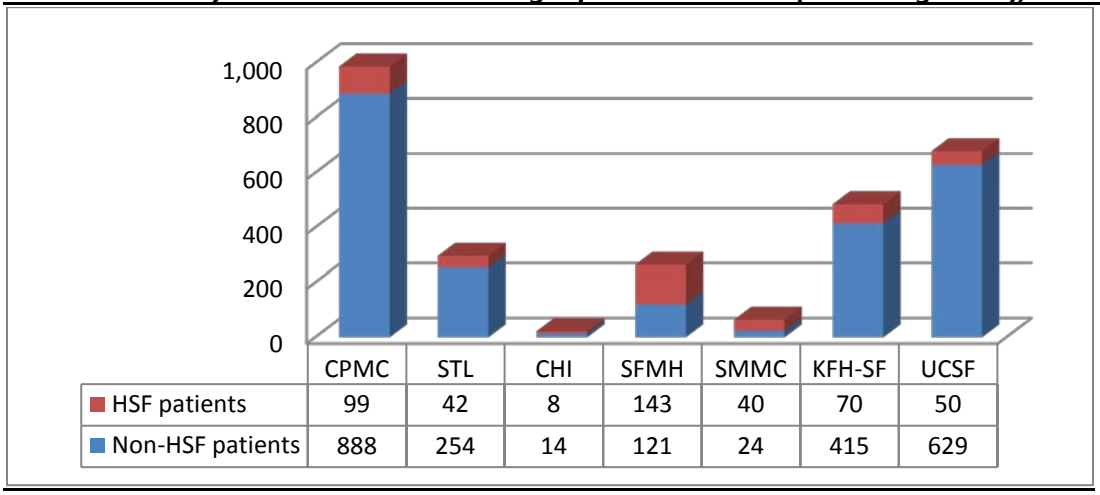
SFGH and St. Mary's Medical Center have the lowest percentage of charity care patients accessing inpatient services, relative to the total number of charity care patients (3%), while UCSF has the highest (20%). The remaining hospitals have between six and 12 percent. Chart #6 shows that, aside from SFGH, CPMC and UCSF provided the majority of total inpatient charity care. SFGH, Saint Francis Memorial Hospital, and CPMC served the most number of HSF inpatients with 1,247, 143, and 99, respectively. Only Saint Francis Memorial Hospital and St. Mary's Medical Center served more HSF inpatients than non-HSF (traditional charity care) inpatients. Between FY 2010 and FY 2011, the total number of unduplicated patients receiving inpatient charity care in all San Francisco hospitals decreased 5.0 percent from 6,110 to 5,806.

Chart #5: *Charity Care Patients Accessing Inpatient Services, FY 2011*



	CPMC	STL	CHI	SFMH	SMMC	KFH-SF	SFGH	UCSF
HSF patients	99	42	8	143	40	70	1,247	50
Non-HSF patients	888	254	14	121	24	415	1,762	629

Chart #6: *Charity Care Patients Accessing Inpatient Services (excluding SFGH), FY 2011*

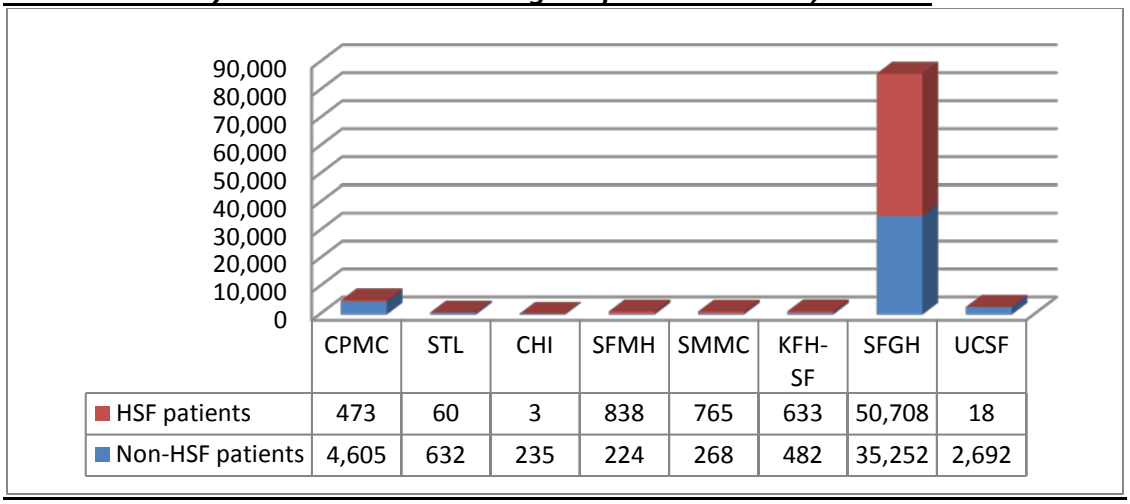


	CPMC	STL	CHI	SFMH	SMMC	KFH-SF	UCSF
HSF patients	99	42	8	143	40	70	50
Non-HSF patients	888	254	14	121	24	415	629

3) Outpatient Services: Charity Care Patient Count

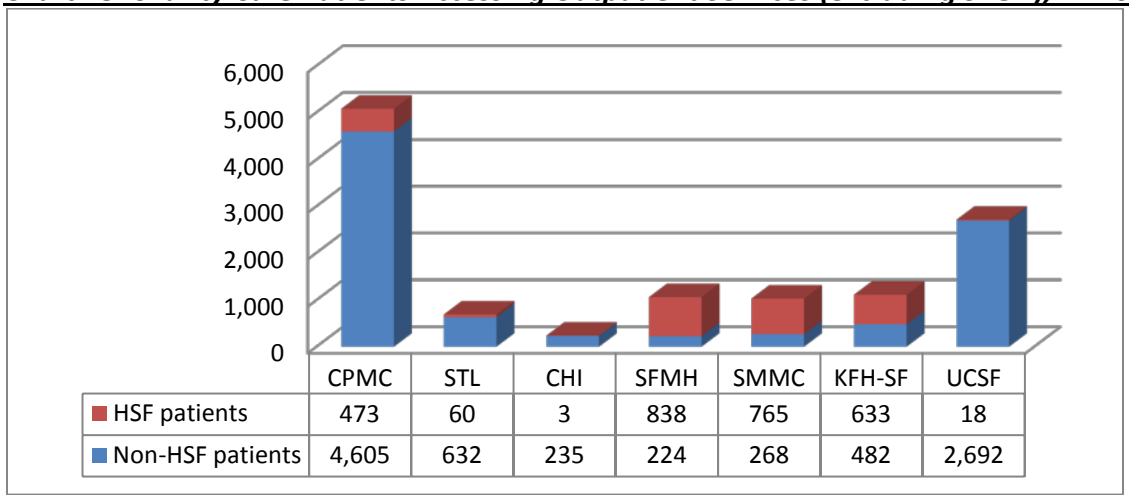
Outpatient clinics are used far more frequently by charity care patients than any other service. According to the numbers reported by all hospitals (including SFGH), there were a total of nearly 98,000 charity care patients that accessed outpatient services in FY 2011, compared to just over 24,500 patients accessing emergency services, and 5,800 inpatients. SFGH served 88 percent of the total outpatient services. Excluding SFGH, CPMC served the most outpatients (43% of the total outpatients, excluding SFGH). SFGH, Saint Francis Memorial Hospital, St. Mary's Medical Center, and Kaiser San Francisco all provided more outpatient services to HSF members than to traditional charity care patients. The other hospitals, CPMC, St. Luke's Hospital, Chinese Hospital, and UCSF all provided more outpatient care to traditional charity care patients. Among four hospitals (CPMC, Chinese Hospital, SFGH, and UCSF), outpatient services comprised the majority of charity care services provided. At the other four (St. Luke's Hospital, Saint Francis Memorial Hospital, St. Mary's Medical Center, and Kaiser Foundation Hospital), emergency services comprised the majority of charity care services provided. Between FY 2010 and FY 2011, the total number of unduplicated patients receiving outpatient charity care in all San Francisco hospitals increased 31.6 percent from 74,371 to 97,888.

Chart #7: *Charity Care Patients Accessing Outpatient Services, FY 2011*



	CPMC	STL	CHI	SFMH	SMMC	KFH-SF	SFGH	UCSF
HSF patients	473	60	3	838	765	633	50,708	18
Non-HSF patients	4,605	632	235	224	268	482	35,252	2,692

Chart #8: *Charity Care Patients Accessing Outpatient Services (excluding SFGH), FY 2011*



	CPMC	STL	CHI	SFMH	SMMC	KFH-SF	UCSF
HSF patients	473	60	3	838	765	633	18
Non-HSF patients	4,605	632	235	224	268	482	2,692

G. ZIP Code Analysis of Charity Care Recipients

The Ordinance requires that hospitals provide the ZIP Codes of the charity care recipients, and this report presents an analysis of this data allowing a review of the location of charity care patients. All of the hospitals, except Kaiser San Francisco, are able to provide the ZIP Codes of each charity care patient who has received services at the hospital. This section will organize these data in a variety of ways including by supervisorial district, quantifying the patients that live near the hospital from which they receive care, and an expanded view of out-of-county charity care patients.

1) Charity Care by Supervisorial District

Table #8 shows the distribution of all reporting hospitals' traditional charity care recipients by Supervisorial district. Charity care programs primarily serve charity care patients within San Francisco, but traditional charity care programs are not limited to residents only.

For the first time in the report's history, District 10 (southeast neighborhoods, including Bayview Hunters Point) has slightly eclipsed District 6 (South of Market) as the district with the largest number of charity care recipients in FY 2011. Slightly more than 8,000 charity care recipients (14.5%) in FY 2011 resided in District 10, while slightly fewer than 8,000 (14.4%) resided in District 6. District 9 (Mission District, Bernal Heights) had the third highest representation, with just over 6,700 recipients (12.1%). These three districts represent 41 percent of all in-state charity care recipients.

Table #8: *Charity Care Recipients by District*

Districts	Charity Care Recipients	% of Total
District 1	1,315	2.4%
District 2	2,293	4.1%
District 3	2,639	4.8%
District 4	2,012	3.6%
District 5	2,414	4.4%
District 6	7,982	14.4%
District 7	3,046	5.5%
District 8	1,516	2.7%
District 9	6,725	12.1%
District 10	8,033	14.5%
District 11	4,065	7.3%
Homeless/Other	5,641	10.2%
Outside SF (within CA)	7,804	14.1%
Total	**55,485**	**100.0%**

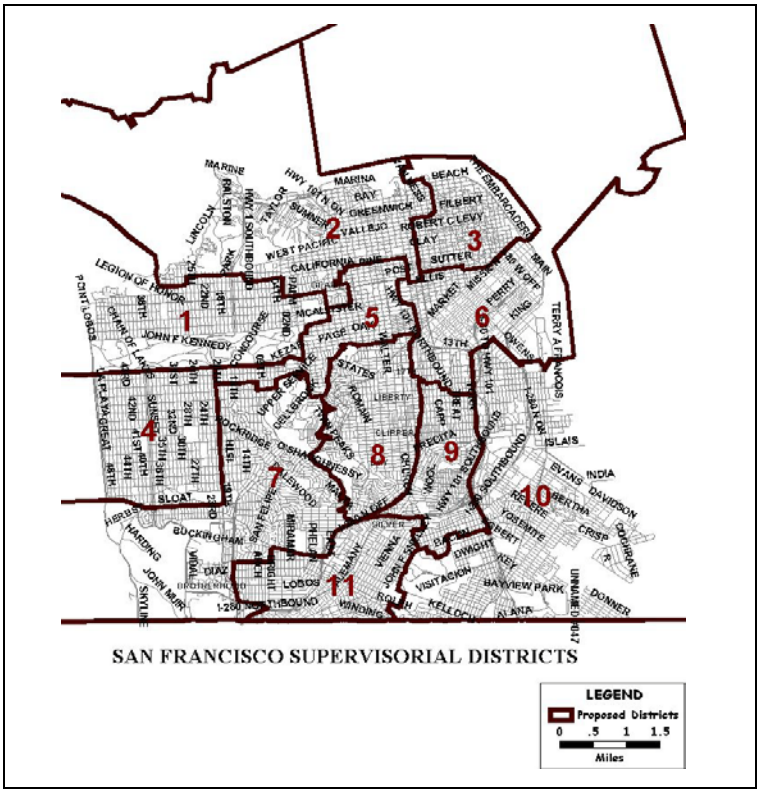


Table #9 shows additional detail regarding charity care by supervisorial district, including the hospitals in each district where patients received care. The data represent patients within California.

Table #9: *Charity Care Recipient Detail by District and Hospital, FY 2011*

	CPMC	SFGH	STL	CHASF	SFMH	SMMC	UCSF	*Total*
District 1								
Recipients	275	860	10	14	21	31	104	***1,315***
Percentage	20.9%	65.4%	0.8%	1.0%	1.6%	2.4%	7.9%	***100.0%***
District 2								
Recipients	445	1,401	33	15	250	37	111	***2,293***
Percentage	19.4%	61.1%	1.4%	0.6%	10.9%	1.6%	4.9%	***100.0%***
District 3								
Recipients	518	1,572	45	96	295	28	85	***2,639***
Percentage	19.6%	59.6%	1.7%	3.6%	11.2%	1.0%	59.6%	***100.0%***
District 4								
Recipients	327	1,366	31	23	14	25	226	***2,012***
Percentage	16.3%	67.9%	1.5%	1.1%	0.7%	1.2%	11.2%	***100.0%***
District 5								
Recipients	356	1,772	45	8	45	51	138	***2,414***
Percentage	14.7%	67.9%	1.9%	0.3%	1.9%	2.1%	5.7%	***100.0%***
District 6								
Recipients	813	6,241	258	22	349	98	202	***7,982***
Percentage	10.2%	78.2%	3.2%	0.3%	4.4%	1.2%	2.5%	***100.0%***
District 7								
Recipients	338	2,174	162	24	17	28	303	***3,046***
Percentage	11.1%	71.4%	5.3%	0.8%	0.6%	0.9%	9.9%	***100.0%***
District 8								
Recipients	169	1,115	65	1	13	46	107	***1,516***
Percentage	11.2%	73.5%	4.3%	0.1%	0.9%	3.0%	7.1%	***100.0%***
District 9								
Recipients	483	5,358	703	12	14	25	129	***6,725***
Percentage	7.2%	79.7%	10.5%	0.2%	0.2%	0.4%	1.9%	***100.0%***
District 10								
Recipients	428	6,454	879	31	48	53	140	***8,033***
Percentage	5.3%	80.3%	10.9%	0.4%	0.6%	0.7%	1.7%	***100.0%***
District 11								
Recipients	298	3,207	368	33	18	14	128	***4,065***
Percentage	7.3%	78.9%	9.0%	0.8%	0.4%	0.3%	3.1%	***100.0%***
Homeless/ Other SF	49	5,054	260	3	21	224	30	***5,641***
Percentage	0.9%	89.6%	4.6%	0.1%	0.4%	4.0%	0.5%	***100%***
CA (no-SF)	2,602	2,426	545	24	113	33	2,061	***7,804***
Percentage	33.3%	31.1%	7.0%	0.3%	1.4%	0.4%	26.4%	***100%***

2) Charity Care Patients in Hospitals' ZIP Code

A number of factors impact where a patient receives care, including personal preferences, ambulance diversion, location, and transportation, among other possibilities. An analysis of charity care data over the decade supports the idea that many local patients access charity care services in outside their neighborhoods of residence. Table #10, below shows the ZIP Code for each of the ten hospital campuses in San Francisco and the number of charity care patients served in FY 2011 from each ZIP Code by each of the hospitals. The bold/highlighted cells show the number of patients residing in a ZIP Code who received care by the hospital in its respective ZIP Code. What Table #10 indicates is that not all charity care patients receive care in their ZIP Code of residence.

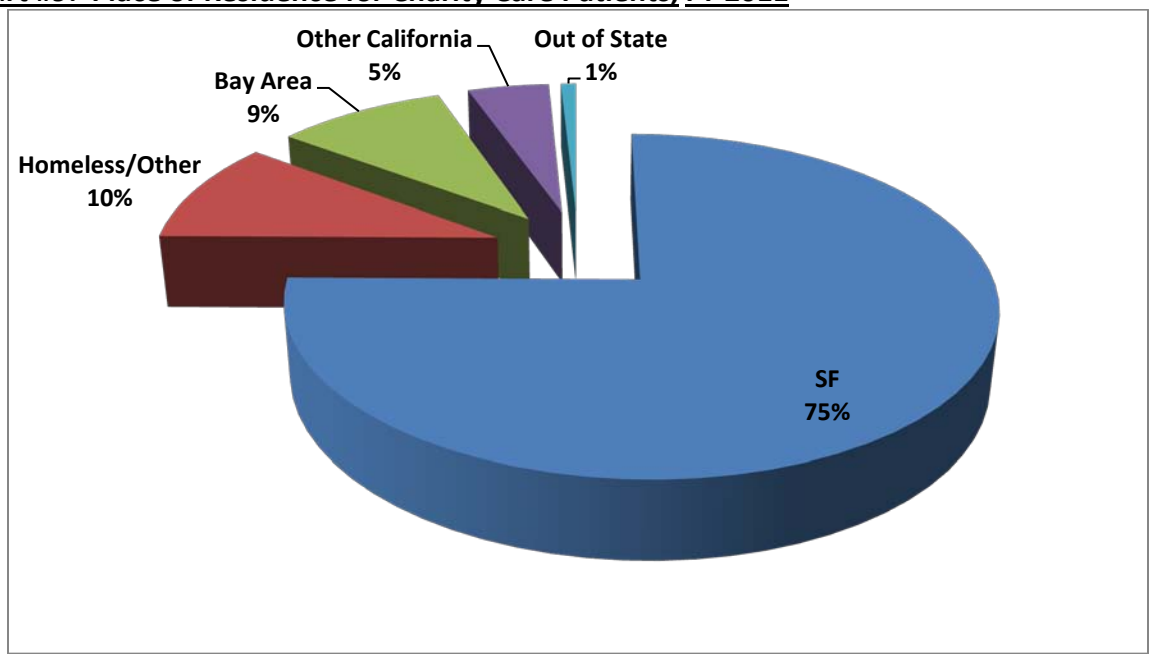
Table #10: ***Charity Care Recipients in Local Hospitals' ZIP Codes, FY 2011 (Non-HSF)***

Zip Code	Hospital in Zip Code	CPMC	STL	CHI	SFMH	SMMC	SFGH	UCSF
94109	SFMH	544	33	21	**584**	37	1,669	78
94110	SFGH STL	487	**726**	9	11	25	**5,429**	124
94114	CPMC (Davies)	**95**	9	0	6	39	491	62
94115	CPMC (Pacific), UCSF (Mt. Zion)	**233**	31	6	19	18	919	**55**
94117	SMMC	144	15	2	18	**34**	848	77
94118	CPMC (California)	**169**	11	8	15	26	494	58
94122	UCSF (Parnassus)	274	23	14	10	23	831	**192**
94133	Chinese Hospital	174	21	**59**	35	2	558	35

3) Out-of-County Charity Care Patients

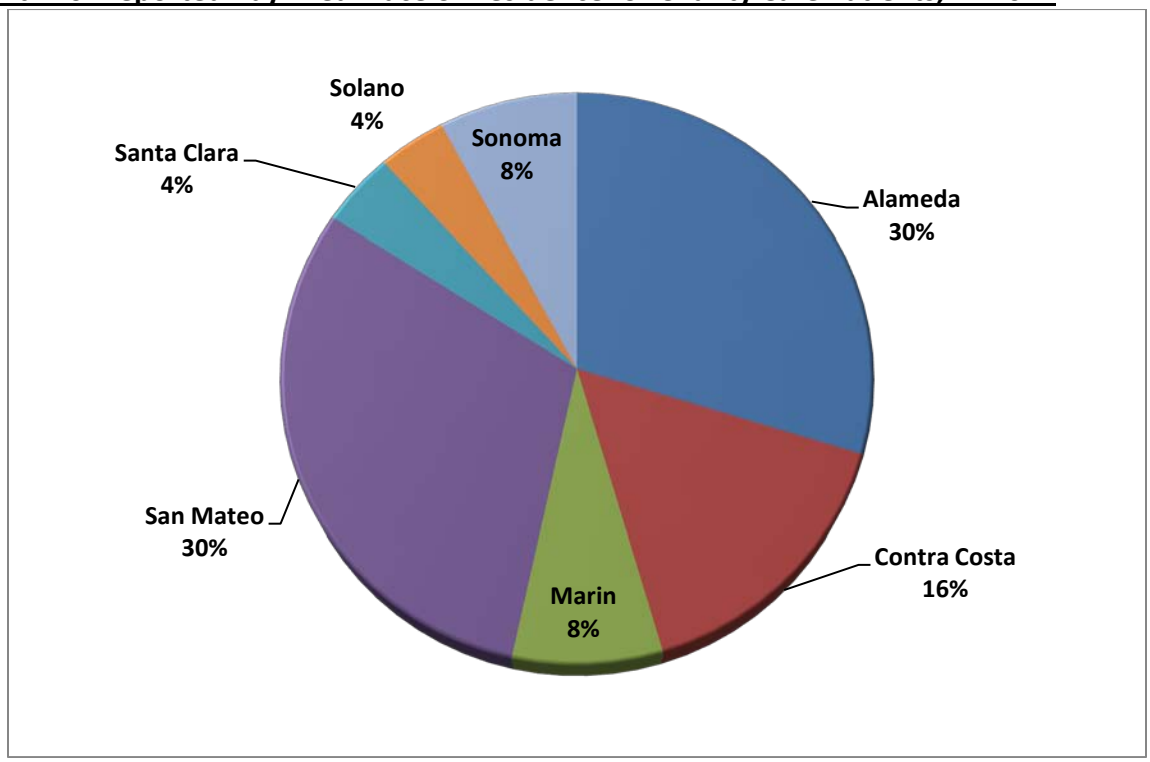
Charity care programs do not limit eligibility to patients who reside in San Francisco. In FY 2011, of the charity care recipients who live in California, approximately 14 percent (up from 10 percent in FY 2010) are from counties outside of San Francisco (with the majority from the greater Bay Area), and another 10 percent are listed as homeless (or in some cases are categorized as 'other' because they did not provide a valid address). Unfortunately, the data for charity care utilization among the homeless cannot be captured accurately in this report, because some hospitals do not consistently identify patients as homeless in their registration systems. In FY 2011, there were 473 traditional charity care recipients who reported out-of-state addresses, representing only one percent of the total. Chart #9 shows that approximately 85 percent of charity care recipients live in San Francisco (this includes the homeless category), while the remaining 15 percent are split among the bay area counties, other California residents, and a small percentage of out-of-state residents.

Chart #9: Place of Residence for Charity Care Patients, FY 2011



The final chart (#10) shows the percentage of charity care patients with addresses in the seven county greater Bay Area counties noted below. After San Francisco, Alameda and San Mateo counties represent the greatest proportion (60% total non-San Francisco), followed by Contra Costa, Marin and Sonoma, and Santa Clara and Solano counties.

Chart #10: Reported Bay Area Place of Residence for Charity Care Patients, FY 2011



Conclusions

A. Shift to Provision of Charity Care through Healthy San Francisco (HSF)

Overall, the shift to providing charity care through HSF as opposed to through traditional charity care (non-HSF) has continued. Applications for traditional charity care declined 17 percent from FY 2009 to FY 2011, though increased slightly (1%) from FY 2010 to FY 2011 (Table #3). At the same time, the total number of charity care patients increased 29 percent from FY 2009 to FY 2011 and increased 20 percent from FY 2010 to FY 2011. For the first time, the number of patients receiving charity care through HSF surpassed those receiving traditional charity care in FY 2011 (Table #4). Over the same three years, total citywide charity care expenditures rose 16 percent from FY 2009 to FY 2011 and increased slightly more than one percent from FY 2010 to FY 2011. HSF charity care spending surpassed traditional charity care spending in FY 2010 and remained the majority of charity care spending in FY 2011 (Table #5).

Given HSF's emphasis on integration of care starting with the patient's primary care medical home, this puts San Francisco's system of care in a good position for implementation of federal health reform when many HSF members will transition to Medi-Cal in 2014.

B. San Francisco General Hospital (SFGH) Provides a Majority though Decreasing Share of Charity Care in San Francisco

SFGH continues to provide the majority of charity care in San Francisco, although that share has been decreasing over time. In FY 2009, SFGH saw 84.1 percent of the unduplicated charity patients citywide. In FY 2010, that dropped to 79.0 percent and to 78.5 percent in FY 2011 (Table #4). SFGH's charity care spending as a percentage of the citywide total also dropped from 76.5 percent in FY 2009 to 72.6 percent in FY 2010 and 71.5 percent in FY 2011.

C. Ongoing Need to Report Charity Care Locally Given State and Federal Changes

In 2001 when San Francisco's Charity Care Ordinance was passed, San Francisco was at the forefront hospital charity care policy making. Over time both the State and federal governments have caught up and now exceed San Francisco's requirements.

With the implementation of the California Hospital Fair Pricing Act (AB 774) in 2007, the requirements that non-profit hospitals maintain charity care and discount payment policies, that hospitals limit expected payment for services for low-income patients, and that hospitals make "reasonable efforts" before initiating collections became state law. Provisions in the

federal Affordable Care Act (ACA) have made these requirements standard for non-profit hospitals nationally.

Additionally, under federal law, the new IRS Form 990 Schedule H, introduced in 2007 and implemented in 2009, requires non-profit hospitals to report annually the cost of "free or discounted health services to persons who meet the organization's criteria for financial assistance and are thereby deemed unable to pay for all or a portion of the services." Reporting excludes bad debt or uncollectable charges, the difference between the cost of care provided under governmental care and the revenue derived, and third-party contractual agreements. These provisions are substantially similar to San Francisco's reporting requirements.

Given the State and federal changes that have occurred in charity care requirements, San Francisco may want to consider if and/or how local charity care reporting continues.