Introduction

The health care safety net is a patchwork of programs and providers that serve low-income Californians without private health insurance. Changes in the economy, government budgets, and health care policy can influence how the safety-net population gets medical care.

*California’s Health Care Safety Net: A Sector in Transition* covers a period of transition with the 2014 implementation of the federal Patient Protection and Affordable Care Act (ACA), which expanded Medi-Cal eligibility to most adults with incomes up to 138% of the federal poverty level and established state exchanges where individuals can purchase health insurance, often with federal subsidies.

**KEY FINDINGS INCLUDE:**

- In 2014, 3 in 10 Californians could be counted in the safety-net population because they were low-income and enrolled in public programs or were uninsured.

- While public and private nonprofit hospitals provide the most care to the safety-net population, public hospitals are much more reliant on safety-net funding sources to finance their operations. In 2014, 70% of public hospital net patient revenue came from Medi-Cal and county indigent programs, while only 19% of private nonprofit hospitals’ revenue did.

- The safety-net population accounted for 83% of community clinic visits. Most of the funding for this care came from Medi-Cal, which funded 68% of community clinic visits, but provided 79% of the clinics’ net patient revenue.

- While insurance coverage of the safety-net population increased from 21% to 24% from 2013 to 2014, access to care may continue to be a problem. The safety-net population reported more difficulty in finding health care providers who accepted new patients or their insurance relative to the non-safety-net population.

- Californians in the safety-net were less likely than those outside the safety net to have a usual source of care, less likely to access preventive care, and more likely to delay care.

- The safety-net population spent more money out-of-pocket for health care as a percentage of income (3.1%) than the non-safety-net population (1.6%). In addition, third-party payer spending for the safety-net population was one-third of the amount spent on the non-safety-net population.
The term “safety net” is often used to describe the patient population, as well as the programs for which they are eligible and the providers who participate in the defined programs. For the purposes of this report, the population is defined as:

**Safety-Net Population**
- Enrolled in a public program and earning less than 300%* of the federal poverty level (FPL)
- Uninsured and earning less than 300% FPL

**Non-Safety-Net Population**
- Privately insured and earning less than 300% FPL†
- Income of at least 300% FPL (insured and uninsured)

Not everyone in the safety-net population used safety-net services, just as not everyone in the non-safety-net population has used health care services.

*In 2014, 300% of the FPL was $71,550 for a family of four, or $35,010 for an individual.
†Includes those who purchased private insurance with a federal subsidy through Covered California.
The Programs
Safety-net programs, which typically use income to determine eligibility, include the following:

- **State**: Medi-Cal and Restricted-Scope Medi-Cal
- **County**: county indigent programs, known as the Medically Indigent Adult (MIA) programs
- **Episodic**: Breast and Cervical Cancer Treatment Program; Child Health and Disability Prevention Program; Expanded Access to Primary Care; Family Planning, Access, Care and Treatment (PACT); and California Children’s Services
- **Low-income, nongovernment insurance**: CaliforniaKids, Kaiser Permanente Child Health Program, and Healthy Kids

The Providers
The safety net includes health care providers that by legal mandate or explicit mission provide care for a proportionately greater share of poor and uninsured patients:

- **Hospitals**: city/county, nonprofit, investor, and district hospitals with county or Medi-Cal contracts and/or designated as critical access or disproportionate share (DSH) as well as hospital emergency departments
- **Clinics**: Federally Qualified Health Centers (FQHCs and FQHC Look-Alikes), community, county-run, and free clinics
- **Private doctors**: contracted care and charity care
Public Program Eligibility, by Federal Poverty Level
California, 2014

Medi-Cal is the largest safety-net program, providing coverage for a diverse array of Californians, though benefits may vary by immigration status and income. Undocumented individuals are only eligible for restricted-scope (emergency and pregnancy-related) benefits from Medi-Cal. County programs for the uninsured vary in benefits and income eligibility.

*County medically indigent programs cover those who do not qualify for Medi-Cal or Covered California, up to an income limit set by the counties. These limits vary by county.
†Federal subsidies may be available for children with family incomes over 266% FPL, adults with incomes over 138% FPL, and households with incomes up to 400% FPL.
‡Californians age 65 and older and disabled adults who qualify will also have Medicare coverage.
§Medi-Cal provides coverage for pregnancy-related services for all women including the undocumented up to 213% FPL. The Medi-Cal Access Program (MCAP), formerly Access for Infants and Mothers (AIM), provides comprehensive coverage for middle-income eligible mothers of infants and for pregnant women with income up to 322% FPL.

Note: In 2014, 100% of the FPL was $11,670 for an individual and $23,850 for a family of four.

In 2014, 3 out of every 10 Californians earned under 300% of the federal poverty level and were uninsured or enrolled in Medi-Cal or another safety-net program. Slightly more Californians were enrolled in safety-net programs in 2014 than in 2013.

Notes: Public programs includes Medi-Cal, Healthy Families (phased out by 2014), Medicare & Medi-Cal dual eligibles, and “other” public programs. Medicare-only enrollees are included in the non-safety-net population. Other includes individuals who were uninsured or enrolled in public programs and earned ≥300% FPL. (In 2014, 300% of the FPL was $35,010 for an individual.) Segments may not add to 100% due to rounding.

**Insurance Status of Population with Incomes <300% FPL**

California, 2013 and 2014

<table>
<thead>
<tr>
<th>Category</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uninsured</td>
<td>21%</td>
<td>18%</td>
</tr>
<tr>
<td>Public Programs</td>
<td>40%</td>
<td>44%</td>
</tr>
<tr>
<td>Medicare</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td>Private Insurance</td>
<td>32%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Notes: FPL is federal poverty level. In 2014, 300% of the FPL was $71,550 for a family of four, or $35,010 for an individual. Medicare recipients were excluded from public programs unless they were also eligible for Medi-Cal. Residents being served by county MIA programs were included in the uninsured or public programs categories in these data.

The percentage of the safety-net population enrolled in Medi-Cal increased from 50% in 2013 to 61% in 2014, largely as a result of Medi-Cal expansion due to the Affordable Care Act. Those receiving coverage through other public programs declined from 8% in 2013 to 2% in 2014 due to the transition of enrollees from the Low Income Health Program and Healthy Families program to Medi-Cal.

Notes: Medicare recipients were excluded unless they were also eligible for Medi-Cal. Those covered by Healthy Families in 2013 were included in the other category. Residents being served by county MIA programs were included in the uninsured or other categories in these data. Other is other public programs. Segments may not add to 100% due to rounding.

Almost half of the safety-net population earned less than 100% of the federal poverty level. From 2013 to 2014, the proportion of the safety-net population insured by public programs increased slightly for those making less than 200% FPL, while the proportion of uninsured decreased slightly across all income groups.

Notes: In 2014, 100% of the FPL was $11,670 for an individual and $23,850 for a family of 4; 200% of the FPL was $23,340, for an individual and $47,700 for a family of 4; and 300% of the FPL was $35,010 for an individual and $71,550 for a family of 4. Segments may not add to totals due to rounding.

Sixty percent of the safety-net population were adults under 65, 33% were children, and 7% were seniors in 2014. Non-senior adults were much more likely to be uninsured compared to the other age groups. Nevertheless, adult enrollment in public programs increased from 30% in 2013 to 34% in 2014, largely due to the expansion of Medi-Cal eligibility.

Notes: Residents being served by county MIA programs were likely captured as uninsured in these data. Segments may not add to totals due to rounding.

Latinos made up 39% of California’s total population in 2014, but represented 64% of the safety-net population and were more likely to be uninsured compared to other groups. Meanwhile, whites also represented 39% of the state’s total population but accounted for only 16% of the safety-net population.

Note: Residents being served by county MIA programs were likely captured as uninsured in these data.

Citizenship and Insurance Status, Safety-Net Population
California, 2014

62% Enrolled in Public Programs
49% Uninsured

US-Born Citizen: 12% Enrolled, 12% Uninsured
Noncitizen: 12% Enrolled, 25% Uninsured
Naturalized Citizen: 14% Enrolled, 10% Uninsured

Notes: Residents served by county MIA programs were likely captured as uninsured in these data. Noncitizens are those who responded “no” to the question: “Are you a citizen of the United States?” A noncitizen is not necessarily undocumented. Segments may not add to totals due to rounding. Source: Blue Sky Consulting Group analysis of the 2013-2014 California Health Interview Survey, UCLA Center for Health Policy Research.
### Safety-Net Population, by County, 2014

<table>
<thead>
<tr>
<th>County</th>
<th>Total</th>
<th>Uninsured</th>
<th>Public Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marin</td>
<td>10%</td>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>Nevada</td>
<td>12%</td>
<td>3%</td>
<td>9%</td>
</tr>
<tr>
<td>Yolo</td>
<td>16%</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>San Mateo</td>
<td>16%</td>
<td>2%</td>
<td>14%</td>
</tr>
<tr>
<td>San Luis Obispo</td>
<td>18%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Placer</td>
<td>19%</td>
<td>7%</td>
<td>12%</td>
</tr>
<tr>
<td>San Francisco</td>
<td>23%</td>
<td>5%</td>
<td>18%</td>
</tr>
<tr>
<td>Napa</td>
<td>23%</td>
<td>1%</td>
<td>21%</td>
</tr>
<tr>
<td>Sonoma</td>
<td>23%</td>
<td>6%</td>
<td>17%</td>
</tr>
<tr>
<td>Contra Costa</td>
<td>24%</td>
<td>13%</td>
<td>11%</td>
</tr>
<tr>
<td>El Dorado</td>
<td>25%</td>
<td>9%</td>
<td>16%</td>
</tr>
<tr>
<td>Alameda</td>
<td>25%</td>
<td>6%</td>
<td>19%</td>
</tr>
<tr>
<td>Tuolumne, Calaveras, Amador, Inyo, Mariposa, Mono, Alpine</td>
<td>26%</td>
<td>3%</td>
<td>23%</td>
</tr>
<tr>
<td>Santa Clara</td>
<td>26%</td>
<td>5%</td>
<td>21%</td>
</tr>
<tr>
<td>Ventura</td>
<td>27%</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>Solano</td>
<td>27%</td>
<td>1%</td>
<td>26%</td>
</tr>
<tr>
<td>Santa Barbara</td>
<td>29%</td>
<td>12%</td>
<td>17%</td>
</tr>
<tr>
<td>Humboldt</td>
<td>29%</td>
<td>12%</td>
<td>17%</td>
</tr>
<tr>
<td>San Diego</td>
<td>29%</td>
<td>8%</td>
<td>20%</td>
</tr>
<tr>
<td>Butte</td>
<td>30%</td>
<td>5%</td>
<td>25%</td>
</tr>
<tr>
<td>Orange</td>
<td>31%</td>
<td>10%</td>
<td>20%</td>
</tr>
<tr>
<td>Del Norte, Siskiyou, Lassen, Trinity, Modoc, Plumas, Sierra</td>
<td>31%</td>
<td>6%</td>
<td>25%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>County</th>
<th>Total</th>
<th>Uninsured</th>
<th>Public Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sacramento</td>
<td>33%</td>
<td>9%</td>
<td>24%</td>
</tr>
<tr>
<td>Mendocino</td>
<td>34%</td>
<td>8%</td>
<td>26%</td>
</tr>
<tr>
<td>Santa Cruz</td>
<td>34%</td>
<td>8%</td>
<td>25%</td>
</tr>
<tr>
<td>Shasta</td>
<td>35%</td>
<td>10%</td>
<td>24%</td>
</tr>
<tr>
<td>Stanislaus</td>
<td>37%</td>
<td>10%</td>
<td>27%</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>38%</td>
<td>11%</td>
<td>27%</td>
</tr>
<tr>
<td>San Bernardino</td>
<td>40%</td>
<td>10%</td>
<td>30%</td>
</tr>
<tr>
<td>Kern</td>
<td>42%</td>
<td>9%</td>
<td>33%</td>
</tr>
<tr>
<td>Sutter</td>
<td>42%</td>
<td>7%</td>
<td>35%</td>
</tr>
<tr>
<td>Tulare</td>
<td>42%</td>
<td>2%</td>
<td>40%</td>
</tr>
<tr>
<td>Monterey</td>
<td>42%</td>
<td>22%</td>
<td>20%</td>
</tr>
<tr>
<td>Yuba</td>
<td>43%</td>
<td>6%</td>
<td>38%</td>
</tr>
<tr>
<td>San Benito</td>
<td>43%</td>
<td>3%</td>
<td>40%</td>
</tr>
<tr>
<td>Riverside</td>
<td>43%</td>
<td>16%</td>
<td>27%</td>
</tr>
<tr>
<td>Madera</td>
<td>47%</td>
<td>10%</td>
<td>37%</td>
</tr>
<tr>
<td>Imperial</td>
<td>47%</td>
<td>6%</td>
<td>41%</td>
</tr>
<tr>
<td>Tehama, Glenn, Colusa</td>
<td>48%</td>
<td>16%</td>
<td>32%</td>
</tr>
<tr>
<td>Fresno</td>
<td>48%</td>
<td>9%</td>
<td>38%</td>
</tr>
<tr>
<td>Kings</td>
<td>52%</td>
<td>5%</td>
<td>47%</td>
</tr>
<tr>
<td>Merced</td>
<td>53%</td>
<td>17%</td>
<td>36%</td>
</tr>
<tr>
<td>San Joaquin</td>
<td>54%</td>
<td>14%</td>
<td>39%</td>
</tr>
<tr>
<td>Lake</td>
<td>54%</td>
<td>16%</td>
<td>38%</td>
</tr>
</tbody>
</table>

Notes: Public programs includes Medi-Cal, Medicare and Medi-Cal dual eligibles, and other public programs. Segments may not add to totals due to rounding.

Nonprofit hospitals were the main source of inpatient care for all patients. The state’s 17 city/county public hospitals, which accounted for 9% of all inpatient days, provided care for a disproportionate share of the population enrolled in a public program. These hospitals provided 15% of Medi-Cal inpatient days and 44% of county indigent program inpatient days in 2014.

Notes: Data are only for hospitals classified as comparable and thus do not include state-run and Kaiser hospitals or facilities classified as psychiatric or long term care. Other indigent programs and payers includes hospital-provided charity care, University of California Support for Clinical Teaching funds, self-pay, and all other payers not included elsewhere. Investor hospitals are operated by an investor-individual, investor-partnership, or investor-corporation. Segments may not total 100% due to rounding.

Outpatient Hospital Visits
by Hospital Ownership Type and Payer, 2014

PERCENTAGE OF TOTAL OUTPATIENT VISITS

<table>
<thead>
<tr>
<th></th>
<th>Investor (114 hospitals)</th>
<th>District (39 hospitals)</th>
<th>City/County (17 hospitals)</th>
<th>Nonprofit (197 hospitals)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Payers</td>
<td>1%</td>
<td>2%</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>8%</td>
<td>8%</td>
<td>12%</td>
<td>22%</td>
</tr>
<tr>
<td>County Indigent Program</td>
<td>76%</td>
<td>61%</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Other Indigent Programs and Payers</td>
<td>21%</td>
<td>67%</td>
<td>12%</td>
<td>67%</td>
</tr>
</tbody>
</table>

Notes: Data are only on hospitals classified as comparable and thus do not include state-run and Kaiser hospitals or facilities classified as psychiatric or long term care. Other indigent programs and payers includes hospital-provided charity care, University of California Support for Clinical Teaching funds, self-pay, and all other payers not included elsewhere. Investor hospitals are operated by an investor-individual, investor-partnership, or investor-corporation. Segments may not total 100% due to rounding.


California’s Health Care Safety Net
Safety-Net Hospitals

The majority of outpatient hospital visits* by enrollees in Medi-Cal and other indigent programs and payers occurred at a nonprofit hospital (61% and 67% of visits, respectively). City/county hospitals provided the bulk of outpatient care for county indigent program patients (76% of visits).

*Outpatient hospital visits include outpatient emergency room visits, outpatient clinic visits, referred (ancillary service) visits, home health care visits, and day care days, where the outpatient is treated and released the same day. Also included are outpatient chemical dependency visits, hospice outpatient visits, and adult day health care visits.
City/county hospitals received 70% of their net patient revenue from Medi-Cal and county indigent programs in 2014. The bulk of this revenue came from Medi-Cal. Other hospitals relied much more extensively on Medicare and private insurance.

Notes: Data are only on hospitals classified as comparable by OSHPD and thus do not include state-run and Kaiser hospitals or facilities classified as psychiatric or long term care. Segments may not total 100% due to rounding.
County funds were an important source of revenue for city and county hospitals, accounting for 12% of their total revenue. Other hospital types did not have this source of revenue.
City/county and district hospitals struggled to make a profit in 2014 based on operating revenue alone. More than half of these hospitals operated at a net loss; the median operating margin was negative 6%.

Notes: Operating margin = net income from operations ÷ operating revenue (net patient revenue plus other operating revenue). The operating margin does not take into account revenue from other sources, such as government funds. Margin calculations include disproportionate share hospital funds. Hospital data are only on hospitals classified as comparable and thus do not include state-run and Kaiser hospitals, or facilities classified as psychiatric or long term care.

By Quartile and Hospital Ownership Type, 2014

While additional revenues, such as funds from government sources, improved the financial picture for many hospitals, district and nonprofit hospitals in the bottom quartile (25th percentile) still reported losses.

Notes: Net income margin = total net income ÷ total revenue (operating revenue plus other revenue including government funds). Margin calculations include disproportionate share hospital funds. Hospital data are only on hospitals classified as comparable and thus do not include state-run and Kaiser hospitals, or facilities classified as psychiatric or long term care.

Community clinics were heavily reliant on Medi-Cal funding. Medi-Cal enrollees made up 68% of the community clinic visits but provided 79% of the net patient revenue. Conversely, uninsured and county indigent program patients provided 5% of the revenue but accounted for 16% of visits.

Notes: Medi-Cal episodic care programs — BCCCP, CHDP, and Family PACT — are included in the Medi-Cal total. Uninsured and indigent coverage are combined due to data-reporting inconsistencies, and include self-pay/sliding scale, free, and county indigent program patients. Other includes Alameda Alliance for Health, EAPC, other county, and all other payers. Excludes county-run clinics. Segments may not total 100% due to rounding.

Source: Blue Sky Consulting Group analysis of 2014 OSHPD "Primary Care and Specialty Clinics Annual Utilization Data," www.oshpd.ca.gov
Primary Care Community Clinic Total Revenue by Source, 2014

- Net Patient Revenue: 71%
- Federal Funds: 14%
- Other: 7%
- Contributions/Fundraising: 2%
- State Programs: <1%
- County and Local Programs: 4%

Notes: Excludes county-run clinics. Segments don’t total 100% due to rounding.

Community clinics supplemented net patient revenue with significant contributions from other government sources; almost 19% of total revenue for these clinics came from federal, state, county, and local governments.
Most community clinics were profitable in 2013, though a quarter of clinics operated at a loss. Those clinics in the highest and lowest quartiles (in terms of operating margin) improved their performance from 2012 to 2013.

Note: Data are presented for 73 California Federally Qualified Health Centers (FQHCs) and FQHC Look-Alike clinics.

Usual Source of Care

California's Health Care Safety Net
Access and Quality of Care

It was much more common for those in the safety net to report not having a usual source of care — nearly 1 in 4 — compared to just 1 in 10 among the non-safety-net population.

Note: Medicare recipients were excluded from both populations unless they were also eligible for Medi-Cal.


©2016 CALIFORNIA HEALTHCARE FOUNDATION
Delay of Needed Care Due to Cost or No Insurance

In 2014, 9% of the safety-net population reported that they delayed care because they could not afford it or had no insurance, while 5% of the non-safety-net population did the same.

Note: Medicare recipients are excluded from both populations unless they were also eligible for Medi-Cal.
Difficulty Finding a Provider

PERCENTAGE OF ADULT POPULATION REPORTING DIFFICULTY FINDING...

- Safety-Net Population
- Non-Safety-Net Population

Primary Care That Accepts Insurance*:
- Safety-Net Population: 8%
- Non-Safety-Net Population: 3%

Primary Care That Accepts New Patients:
- Safety-Net Population: 4%
- Non-Safety-Net Population: 2%

Specialty Care That Accepts Insurance†:
- Safety-Net Population: 16%
- Non-Safety-Net Population: 9%

Despite an increase in insurance coverage for the safety-net population in 2014 (see pages 7 and 8), this population was more likely to report difficulties finding health care providers accepting new patients or their insurance, compared to the non-safety-net population.

*Currently insured
†Currently insured and needing specialty care
Note: Medicare recipients are excluded from both populations unless they were also eligible for Medi-Cal.
Annual Office Visits and Hospital Visits per Person

Compared to higher-income Californians, the safety-net population made more visits per person to the emergency department and fewer visits to office-based medical professionals, dental providers, and outpatient departments. Hospital inpatient use was relatively similar between the two groups (not shown).

Notes: Dental care includes general dentists, dental hygienists, dental technicians, dental surgeons, endodontists, orthodontists, and periodontists. The safety-net population includes those who were uninsured or enrolled in public programs for a whole year; the non-safety-net population includes people that had private insurance at any point during the year. Source: Blue Sky Consulting Group analysis of the 2012 Medical Expenditure Panel Survey data, meps.ahrq.gov.
Individuals in the safety-net population were much more likely to report being in poor health and to be disabled by physical, mental, and emotional conditions compared to the non-safety-net population.

*Disability status measures difficulty in daily life activities, not receipt of disability benefits.

Note: Medicare recipients were excluded from both populations unless they were also eligible for Medi-Cal.

Asthma Care Measures

PERCENTAGE OF POPULATION WITH ASTHMA THAT REPORTED HAVING...

- Been Given an Asthma Management Plan*
- Not Had an Asthma Attack/Episode in Past Year†
- Not Been to the ER/Urgent Care for Asthma in Past Year†

**PERCENTAGE OF TOTAL POPULATION WITH ASTHMA**

<table>
<thead>
<tr>
<th></th>
<th>Safety-Net Population</th>
<th>Non-Safety-Net Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Been Given an Asthma Management Plan*</td>
<td>45%</td>
<td>48%</td>
</tr>
<tr>
<td>Not Had an Asthma Attack/Episode in Past Year†</td>
<td>65%</td>
<td>73%</td>
</tr>
<tr>
<td>Not Been to the ER/Urgent Care for Asthma in Past Year†</td>
<td>83%</td>
<td>95%</td>
</tr>
</tbody>
</table>

Though asthma was equally prevalent in both populations in 2014, the safety-net population fared worse than the non-safety-net population on three measures of asthma care. Those with asthma in the safety-net population were more likely to have had an ER/urgent care visit than those in the non-safety-net population. ER/urgent care visits for asthma may be avoided with proper care.

*Adolescents and adults
†Children, adolescents, and adults.

Note: Medicare recipients are excluded from both populations unless they are also eligible for Medi-Cal.

Diabetes Care Measures

PERCENTAGE OF ADULT POPULATION WITH DIABETES THAT REPORTED HAVING...

<table>
<thead>
<tr>
<th>Measure</th>
<th>Safety-Net Population</th>
<th>Non-Safety-Net Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checked Glucose at Least Once a Day</td>
<td>53%</td>
<td>58%</td>
</tr>
<tr>
<td>Had a Dilated Eye Exam in Past Year</td>
<td>55%</td>
<td>62%</td>
</tr>
<tr>
<td>Had at Least One Foot Exam in Past Year</td>
<td>60%</td>
<td>73%</td>
</tr>
<tr>
<td>Had at Least One A1C Hemoglobin Test in Past Year</td>
<td>65%</td>
<td>83%</td>
</tr>
<tr>
<td>Taken Medication</td>
<td>83%</td>
<td>87%</td>
</tr>
</tbody>
</table>

California’s Health Care Safety Net
Access and Quality of Care

Diabetes patients in the safety-net population fared worse than those not in the safety net on all five measures of diabetes care. A much smaller proportion of people with diabetes in the safety-net population had a foot exam or an A1C hemoglobin test in the past year than those in the non-safety-net population.

Note: Medicare recipients are excluded from both populations unless they are also eligible for Medi-Cal.
Heart Disease Care Measures

PERCENTAGE OF ADULT POPULATION WITH HEART DISEASE THAT REPORTED HAVING...

<table>
<thead>
<tr>
<th>Measure</th>
<th>Safety-Net Population</th>
<th>Non-Safety-Net Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heart Disease Plan</td>
<td>50%</td>
<td>66%</td>
</tr>
<tr>
<td>Not Been to the ER for Heart Disease in the Past Year</td>
<td>78%</td>
<td>85%</td>
</tr>
<tr>
<td>Confidence to Control and Manage Disease</td>
<td>79%</td>
<td>94%</td>
</tr>
</tbody>
</table>

PERCENTAGE OF TOTAL POPULATION WITH HEART DISEASE

- Safety-Net Population: 7%
- Non-Safety-Net Population: 3%

Note: Medicare recipients are excluded from both populations unless they are also eligible for Medi-Cal.

California’s Health Care Safety Net
Access and Quality of Care

Compared to the non-safety-net population, adults in the safety-net population with heart disease were less likely to report that they had been given a care plan by their medical providers, were less likely to feel confident in their ability to manage the condition, and were more likely to have visited the emergency room in the past year because of their heart disease.
Preventive Care Measures

PERCENTAGE OF POPULATION THAT REPORTED HAVING A...

<table>
<thead>
<tr>
<th>Preventive Care Visit in Past Year†</th>
<th>Safety-Net Population</th>
<th>Non-Safety-Net Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flu Shot*</td>
<td>42%</td>
<td>43%</td>
</tr>
<tr>
<td>Preventive Care Visit in Past Year†</td>
<td>59%</td>
<td>69%</td>
</tr>
</tbody>
</table>

*Adults, teens, and children
†Adults only

Note: Medicare recipients are excluded from both populations unless they were also eligible for Medi-Cal.


California’s Health Care Safety Net
Access and Quality of Care

The safety-net population was less likely to report receiving preventive care compared to the non-safety-net population. The two populations were just as likely to report having received a flu shot.
The safety-net population had three times as many avoidable hospitalizations per 100,000 people as the non-safety-net population for 12 ambulatory care sensitive conditions. Rates of avoidable hospitalizations for these conditions, which include diabetes complications, adult asthma, and hypertension, are widely used as a marker of access to good primary care.

Notes: Number of avoidable hospitalizations was identified by payers of interest (private insurance, Medi-Cal, county indigent, other indigent, and self-pay). Overall PQI = the number of hospitalizations ÷ the 18-and-over population from insurance type in CHIS-identified safety-net and non-safety-net populations. Without income data, some non-safety-net patients in the safety-net population and all uninsured and public program enrolled were moved into the CHIS safety-net population to compensate. Without access to age, sex, and race indicators, the rates could not be adjusted according to demographics. For additional information about this measure, see [www.oshpd.ca.gov](http://www.oshpd.ca.gov).

Source: Blue Sky Consulting Group analysis of AHRQ PQI module (version 5.0) applied to OSHPD Hospital Inpatient Discharge data and the 2014 California Health Interview Survey, UCLA Center for Health Policy Research.
Out-of-Pocket Expenses

PERCENTAGE OF MEDIAN INCOME SPENT ON HEALTH CARE PER PATIENT

<table>
<thead>
<tr>
<th>Safety-Net Population</th>
<th>Non-Safety-Net Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1%</td>
<td>1.6%</td>
</tr>
</tbody>
</table>

AVERAGE AMOUNT SPENT

<table>
<thead>
<tr>
<th>Safety-Net Population</th>
<th>Non-Safety-Net Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>$302</td>
<td>$570</td>
</tr>
</tbody>
</table>

Notes: Out-of-pocket expenses includes payments made by the individual for medical care and prescriptions but excludes insurance premiums. The average includes only those respondents who had medical expenses in 2012. Medicare recipients were excluded from both populations unless they were also eligible for Medi-Cal. The safety-net population includes those who were uninsured or enrolled in public programs for a full year; the non-safety-net population includes people who had private insurance at any point during the past year.

Source: Blue Sky Consulting Group analysis of the 2012 Medical Expenditure Panel Survey data.

In 2012, the safety-net population spent an average of $302 of their own money on health care, while the non-safety-net population spent $570. But as a percentage of income, the safety-net population spent almost twice as much as other Californians.
In 2012, per member spending by third-party payers, such as Medi-Cal, private insurers, and county indigent programs, for the safety-net population was nearly one-third that spent for the non-safety-net population.

Notes: Since MEPS omits spending on long term care, over-the-counter medications, and all spending for institutionalized people, this chart does not capture all spending. Medicare recipients were excluded from both populations unless they were also eligible for Medi-Cal. The safety-net population includes those who were uninsured or enrolled in public programs for a full year; the non-safety-net population includes people who had private insurance at any point during the past year. Major third-party spenders include Medi-Cal, other public insurance, and private insurance.

Source: Blue Sky Consulting Group analysis of the 2012 Medical Expenditure Panel Survey data.
Physician Reimbursement Rates, Medi-Cal vs. Medicare
Selected High-Frequency Services, 2014

Physician Medicare reimbursement rates were consistently much higher than Medi-Cal reimbursement rates for selected highly used services. For example, the Medicare reimbursement rate for a 45-minute hospital visit was nearly twice the Medi-Cal rate.

Notes: Author calculation of Medi-Cal rates based on the 2014 Urban Institute California Medicaid fee index. Procedures codes for services shown are 99213, 99214, 99283, 99232, and 71020.
Recent Legislation Impacting the Safety Net

**MARCH 2010**

**Patient Protection and Affordable Care Act**
Federal legislation for comprehensive health care reform
- Expanded consumer protections
- Increased access to coverage through Medi-Cal expansions and marketplaces
- Included provisions for improving quality and lowering costs

**JUNE 2013**

**2013-2014 State Budget**
Provided the state share of funding for the Medi-Cal expansion and other health care reform implementation

**Assembly Bill 85**
Allowed the state to redirect realignment funds to county social services programs according to specific county formulas

**Assembly Bill X1-1 and Senate Bill X1-1**
- Provided the statutory foundation for implementing the Medicaid components of the ACA in California
- Implemented the optional expansion of Medi-Cal to childless adults
- Created new eligibility rules and essential health benefits including behavioral health services
- Provided for the transition of LIHP enrollees into Medi-Cal and eligibility coordination between Covered California and counties

**JUNE 2014**

**2014-2015 State Budget**
- Expanded full-scope Medi-Cal to pregnant women* with incomes up to 138% of the federal poverty level
- Continued providing state share funding for the Medi-Cal expansion and other health care reform implementation

**JUNE 2015**

**2015-2016 State Budget**
- Expands and funds full-scope Medi-Cal for undocumented children starting in May 2016
- Restores provider rates modestly after several previous reductions
- Continues providing state share funding for the Medi-Cal expansion and other health care reform implementation

*Excluding undocumented women

Sources: Legislative Counsel of California; Official California Legislative Information.

Recent legislation, most importantly the passage and implementation of the Affordable Care Act (ACA), has had a significant impact on the safety net in California. The ACA and accompanying implementing legislation has increased public program participation and eligibility.
Data Sources

Administrative data on health care providers and programs, as well as survey data on patient experiences, are reported to paint a picture of the safety net in California. These data represent the best available, but they have their limitations: the provider data do not capture individual-level experiences nor do they assess all providers. The individual-level survey data sometimes present outcomes and experiences of Californians who do not actually access (and may not need to access) health care services from safety-net providers or programs. In addition, self-reported experience of services (such as eye exams, foot exams, and A1C tests) may not be reliable, due to lack of understanding during a visit, or memory inaccuracy. Nevertheless, the data presented in this report compose the most comprehensive look at the safety net to date.