CALIFORNIA
HEALTH CARE ALMANAC

California HealthCare Foundation

California's Health Care Safety Net: Facts and Figures

OCTOBER 2010

Introduction

The health care safety net is a term that describes the intersection of three loosely coordinated, continuously evolving components: public health care programs, health care providers, and the population of low-income uninsured with unmet medical needs. For this presentation, the safety net population is defined as Californians with incomes below 300 percent of the federal poverty level (FPL). The nature and scope of the safety net changes constantly in response to the level of need, the economy, and shifts in policy and budget priorities.

The Affordable Care Act of 2010 promises to again reshape the health care safety net, dramatically expanding both Medicaid and private insurance coverage. Implementation of health care reform will bring financial relief to the health care safety net as well as changes in the populations served. This chart book provides a snapshot of California's health care safety net on the eve of what will likely be a decade of fundamental transformation.

KEY FINDINGS INCLUDE:

- The health care safety net is composed of numerous programs that vary widely in their eligibility criteria and services covered.
- As recently as 2007, three out of ten Californians were in the "safety-net population"—either uninsured or enrolled in a public health care program. Among this group, 37 percent were uninsured and 53 percent were enrolled in Medi-Cal. Ten percent were enrolled in Healthy Families or another public program. Given that these data predate the economic recession, the numbers have certainly increased.
- The largest safety-net providers are public hospitals and private nonprofit hospitals, which together provide 70 percent of inpatient and 82 percent of outpatient hospital care under Medi-Cal, as well as 73 percent of inpatient and 96 percent of outpatient county indigent hospital care. Private nonprofit hospitals provide most of the Medi-Cal care, while public hospitals provide most of the county indigent care.
- Seventy-eight percent of primary care community clinics visits in 2008 were made by safety-net patients; 56 percent were by people enrolled in Medi-Cal or Healthy Families, and 22 percent by the uninsured or indigent.
- Safety-net providers rely on Medi-Cal funding. Seventy-three percent of community clinic net revenue is paid by the program; among public hospitals the proportion is 63 percent. Fourteen percent of nonprofit hospital net revenue is paid by Medi-Cal.
- Other sources of public funds are important as well; 22 percent of public hospital total revenue is from county contributions, while 28 percent of community clinic revenue is from government grants.
- In general, the safety-net population receives less in the way of health care services than the non-safety-net population (those with incomes above 300 percent FPL or the insured). The safety-net population is more likely to lack a usual source of care, to delay needed care, and to be hospitalized for an avoidable cause.

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Defining Safety-Net Programs and Providers

The Programs:

Safety-net programs, which typically use income to determine eligibility, include the following:

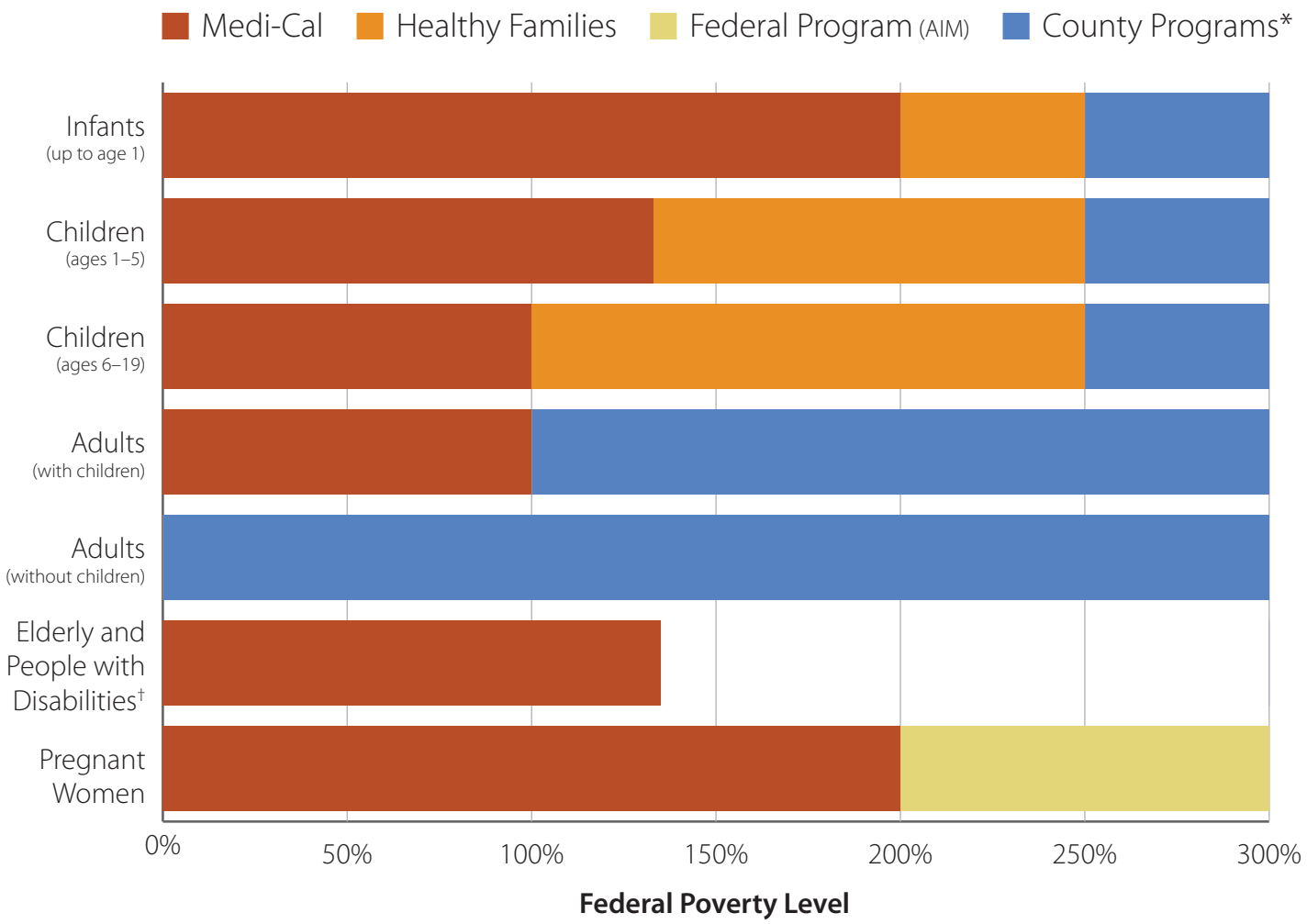
- **State:** Medi-Cal and Healthy Families
- **County:** Medically indigent adult (MIA) programs
- **Episodic:** Breast and Cervical Cancer Treatment Program, Child Health and Disability Prevention Program, Expanded Access to Primary Care, Family PACT, and California Children's Services
- **Low-income, non-government insurance:** California Kids, Kaiser Permanente Cares for Kids, Healthy Kids

The Providers:

The safety net includes health care providers that by legal mandate, explicit mission, or contract provide care to patients regardless of their ability to pay:

- **Hospitals:** city/county, nonprofit, investor, and district hospitals with county or Medi-Cal contracts and/or designated as critical access or disproportionate share (DSH)
- **Clinics:** federally qualified health centers, free, rural, and mental health
- **Private doctors:** contracted care and charity care

Public Program Eligibility,
by Poverty Level, 2009



*County medically indigent adult (MIA) programs cover those who do not qualify for state and federal programs, up to a limit set by the counties themselves. These limits vary by county, with many counties setting limits below 300 percent FLP. Thus, many uninsured individuals within this eligibility bracket may be responsible for the entirety of their medical expenses. Some counties have multiple MIA programs. County-based programs for children ineligible for Medi-Cal or Healthy Families include Healthy Kids, Kaiser Permanente Cares for Kids, and CalKids, and have eligibility limits that may exceed 300 percent FPL.

†Californians age 65 and older and disabled adults who qualify will also have Medicare coverage.

Note: Public programs reported and used are Medi-Cal, Healthy Families, Medi-Cal dual eligibles, and "other" public programs.

Sources: California Health Care Foundation, *Medi-Cal Facts and Figures,* 2009. California Health Care Foundation, *County Programs for the Medically Indigent in California,* 2009.

State and federal programs generally provide services to children, pregnant women, adults with children, and the elderly or disabled up to specified poverty levels. County programs generally provide services to adults without children and to those who do not qualify for state or federal programs up to specified income limits.

Public Programs Services Covered, 2009

	MEDI-CAL	HEALTHY FAMILIES	COUNTY MIA PROGRAMS†
Inpatient Hospital Services	✔	✔	57 (83%)
Outpatient Hospital and Clinic Services	✔	✔	57 (83%)
Emergency Room Care	✔	✔	58 (84%)
Laboratory and X-ray Services	✔	✔	58 (84%)
Physician Services	✔	✔	60 (87%)
Drug and Alcohol Treatment Services	✔	✔	5 (7%)
Family Planning Services	✔	✔	11 (16%)
Skilled Nursing Services	✔	✔	4 (6%)
Medical Equipment and Supplies	✔	✔	42 (61%)
Home Health Agency Services	✔	✔	37 (54%)
Prescription Drugs	✔	✔	54 (78%)
Dental Services	✔*	✔	38 (55%)
Optometry Services	✔*	✔	40 (58%)
Eye Appliances	✔*	✔	37 (54%)
Audiology Services	✔*	✔	39 (57%)
Chiropractic Services	✔*	Optional	5 (7%)
Psychological Services	✔*	✔	6 (9%)
Therapies (such as occupational, physical, and speech)	✔*	✔	45 (65%)

*Only for patients under 21 or in a nursing facility (except for occupational therapy which is not limited).
†Included are those that reported full coverage of these services and not limited or no coverage. There are a total of 69 county programs because 9 MISP counties have more than one program.

Sources: California Health Care Foundation, *Medi-Cal Facts and Figures,* 2009 edition for Medi-Cal coverage. Health Families coverage is from the Managed Risk Medical Insurance Board's Healthy Families Summary of Benefits. County MIA information is from *County Programs for the Medically Indigent in California,* California Health Care Foundation, 2009.

While Medi-Cal and Healthy Families cover a range of services for children, adults in Medi-Cal and county programs for the medically indigent have fewer services covered. For example, dental and optometry are not covered for those over 21 in Medi-Cal and only fully covered by just over half of county medically indigent adult programs (MIAs).

Important Legislation for the Safety Net

2005 Hospital Financing Waiver

California negotiated a five-year waiver with the federal government that changed how Medi-Cal pays for hospital care. The waiver requires that public hospitals show proof of expenditures made for eligible beneficiaries in order to receive federal funds. In addition, the state receives a capped amount of Safety Net Care Pool (SNCP) funds to provide care for the uninsured. The waiver expires in 2010; a new waiver is in development.

2007–10 Health Care Coverage Initiative

Ten selected counties received separate annual SNCP funding to expand health care coverage for eligible low-income, uninsured individuals. These counties are also working to replace their county MIA program's fragmented, episodic care with more organized preventive and primary care.

2009 Healthy Families Reauthorization

Federal legislation extending funding for Healthy Families through 2013 that removed a five-year waiting period for legal immigrant children, provided fiscal incentives for increased enrollment and eligibility simplification, and included additional resources for mental health coverage.

2009–10 California State Budget

- Reduced Medi-Cal services for adults by removing dental, acupuncture, audiology, speech therapy, chiropractic, optometric/optician, podiatry, and psychology services.
- Cuts to Healthy Families froze enrollment for two months, creating a 93,000-child waiting list for the program. Subsequent measures — including a First Five Commission grant and increased premiums and copayments — allowed enrollment to resume.
- Eliminated $35.1 million in grants for community clinics and $64 million from mental health managed care program.

2010–11 California State Budget

California is again making cuts to close a budget deficit. The Medi-Cal program, hospitals, and community clinics will experience some funding reductions.

2010 Federal Health Care Reform

Signed into law in March 2010, federal health care reform will change the way health care is delivered. (See more on the next page.)

Sources: Kaiser Family Foundation, *Children's Coverage and SCHIP Reauthorization: Background Brief,* June 2009. California HealthCare Foundation, *California's Health Care Coverage Initiative: County Innovations Enhance Indigent Care*, September 2009. Department of Health Services, *Change in California State Law for Medi-Cal Benefits;* Harbage, Peter et al. *Examining the 2005 Medi-Cal Hospital Waiver,* California Health Care Foundation, April 2006. Department of Finance, *Enacted Budget Summary 2009–10,* 2009.

Recent Events Affecting the Safety Net

The Great Recession

The "Great Recession" dramatically altered the landscape for the health care safety net by increasing demand, decreasing state and local funding, and increasing the federal government's role.

- Increased demand

  Job losses mounted through 2008 and 2009 so that unemployment reached 12.3 percent in California by the end of 2009. In turn, distressed and uninsured families sought out public programs. The average number of Medi-Cal beneficiaries increased 6 percent from 2007 to 2009. Monthly enrollment peaked at over 7 million Californians in 2009. Community and county clinics were also inundated with new clients.

- Decreased state and local funding

  At the same time, the economic collapse reduced government revenues, leading to large cuts in state funding for public programs and county funding for indigent programs. The 2009–10 state budget cut $31 billion from programs and the 2010–11 budget likely will look to cut funding as well.

- Increased federal participation

  In light of decreased state budgets and increased need, the American Recovery and Reinvestment Act (ARRA) of 2009 provides stimulus funds to several safety-net programs. Included were an estimated $250 million for community health centers, $54 million in additional DSH funds, and $8.18 billion through an increase in the federal portion of Medi-Cal expenditures. In addition, as a condition of receiving the federal funds, California is not allowed to reduce eligibility for Medi-Cal.

2010 Federal Health Care Reform

The passage of federal health care reform in 2010 will have a large impact on the safety net. Access to Medi-Cal and subsidized insurance coverage will be increased, which will affect how this population uses the health care system, with ramifications for both patients and providers. County indigent programs in particular may find their role changing in the future as the size of the medically indigent population decreases.

Sources: California Employment Development Department, Historical Labor Force and Unemployment Data By Month, 2000–2009; Department of Health Care Services, Medi-Cal Beneficiaries Counts Pivot Table, January 2006 to November 2009; Department of Finance, Enacted Budget Summary 2009–10; California Economic Recovery Portal, Health and Human Services, 2009.

Defining the Population

Different organizations use the phrase "safety-net population" to refer to different groups. In each instance, they are precise in delineating who they mean. This analysis uses the criteria in the category list below to place people in either the safety-net or non-safety-net population. Including low-income, uninsured Californians who are not enrolled in public programs in the safety net provides the best sense of who uses or could potentially use county indigent programs or other such services.

To be clear, not everyone who is placed in the safety-net population has made use of safety-net services, just as not everyone in the non-safety-net population has used health care services. This analysis excludes Medicare enrollees except for those who are also enrolled in Medi-Cal, a group commonly referred to as "dual eligibles."

Safety-Net Population

- Enrolled in a public program and earning less than 300 percent of the federal poverty level (FPL)

  or
- Uninsured and earning less than 300 percent FPL

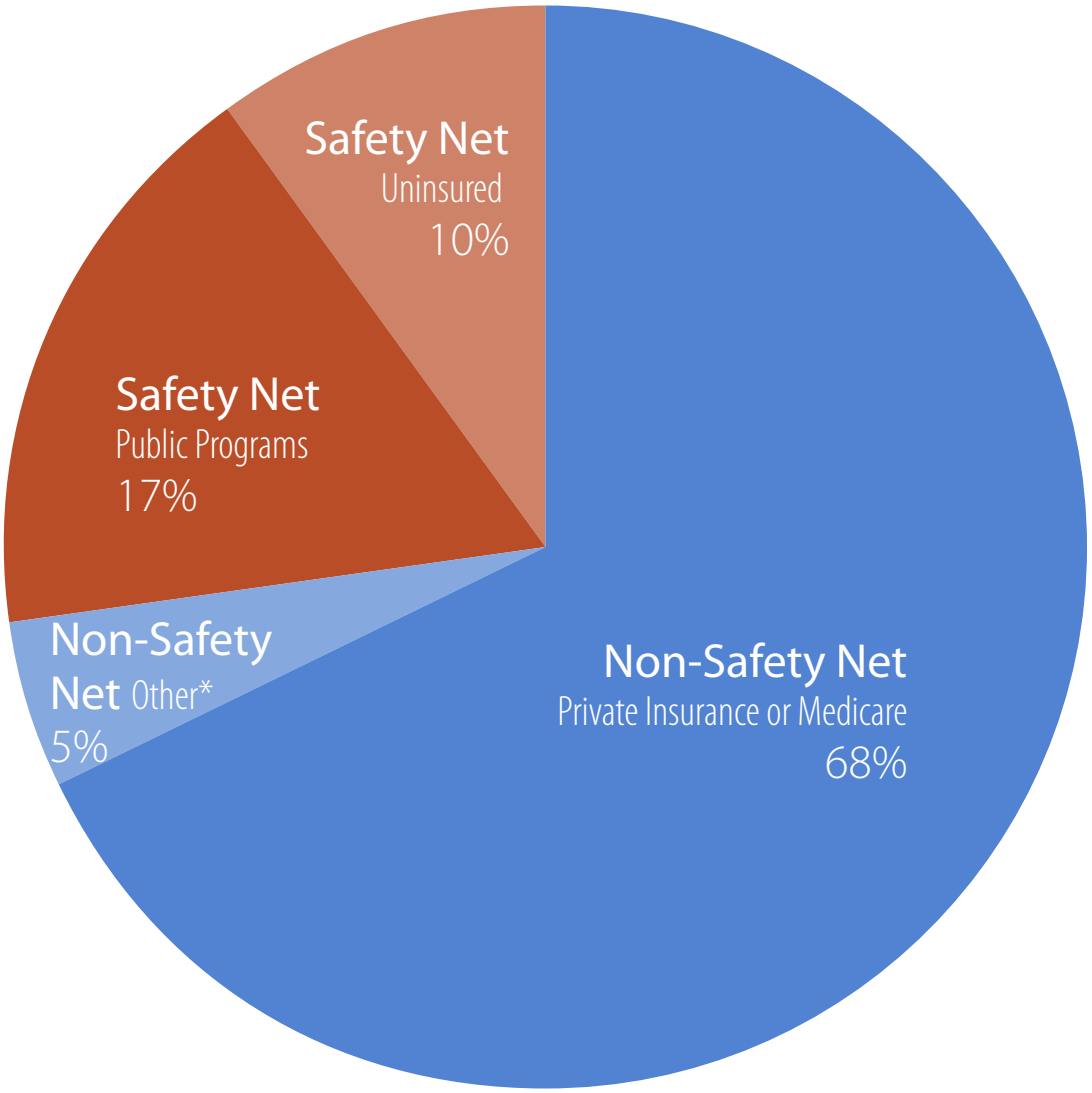
Non-Safety-Net Population

- Privately insured and earning less than 300 percent FPL

  or
- Income of at least 300 percent FPL (insured and uninsured)

In 2007, 300 percent of the FPL was $61,950 for a family of four, or $30,630 for an individual.

Safety-Net vs. Non-Safety-Net Population, 2007



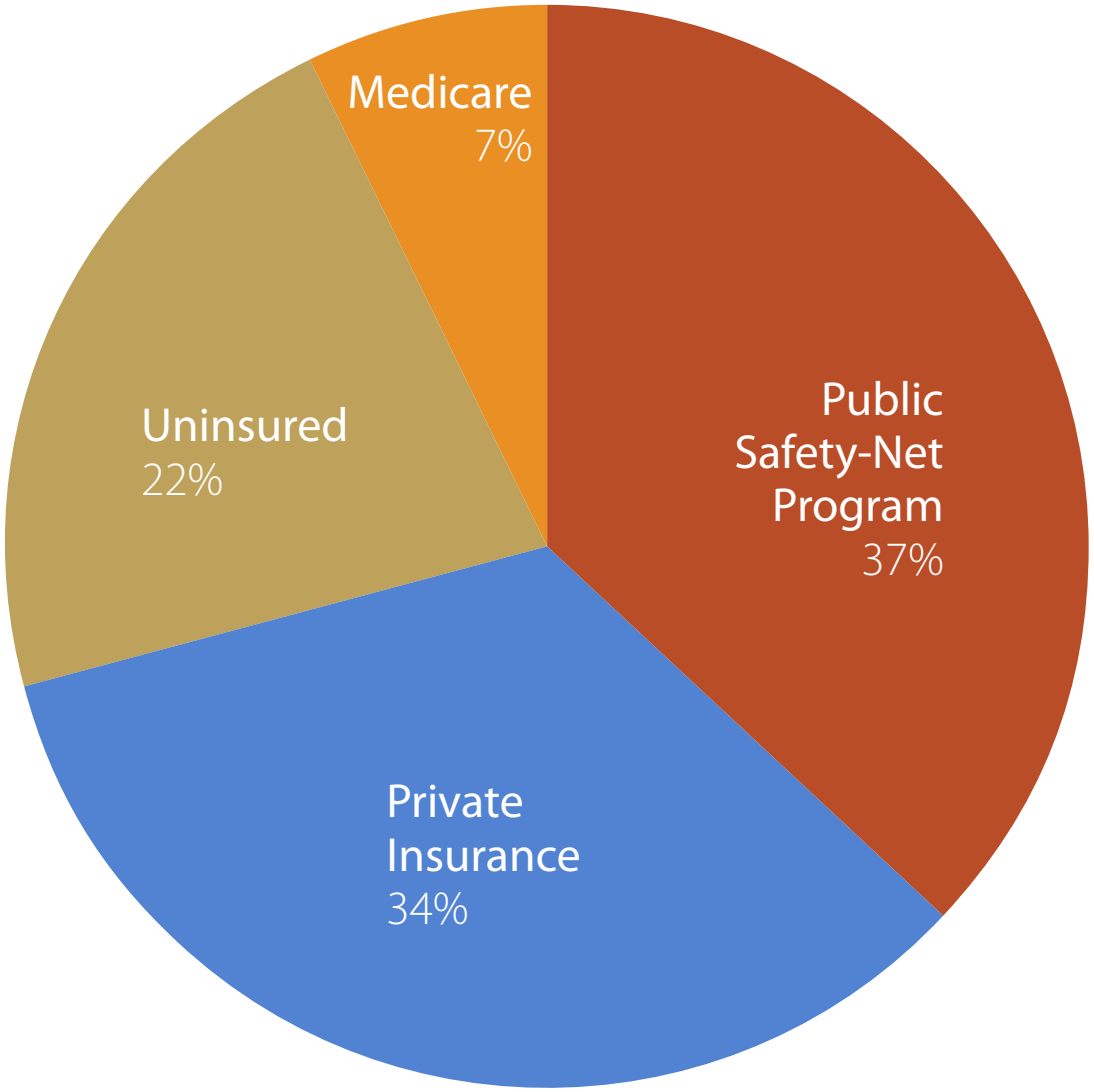
*Individuals that are uninsured or enrolled in public programs but make at least 300 percent FPL.

Notes: Public programs reported and used are Medi-Cal, Healthy Families, Medicare and Medi-Cal dual eligibles, and "other" public programs.

Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

In 2007, 27 percent of Californians were in the safety-net population because they earned under 300 percent of the federal poverty level ($61,950 for a family of four in 2007) and were uninsured or enrolled in Medi-Cal, Healthy Families, or another safety-net program.

Insurance Status of Low-Income Californians, 2007

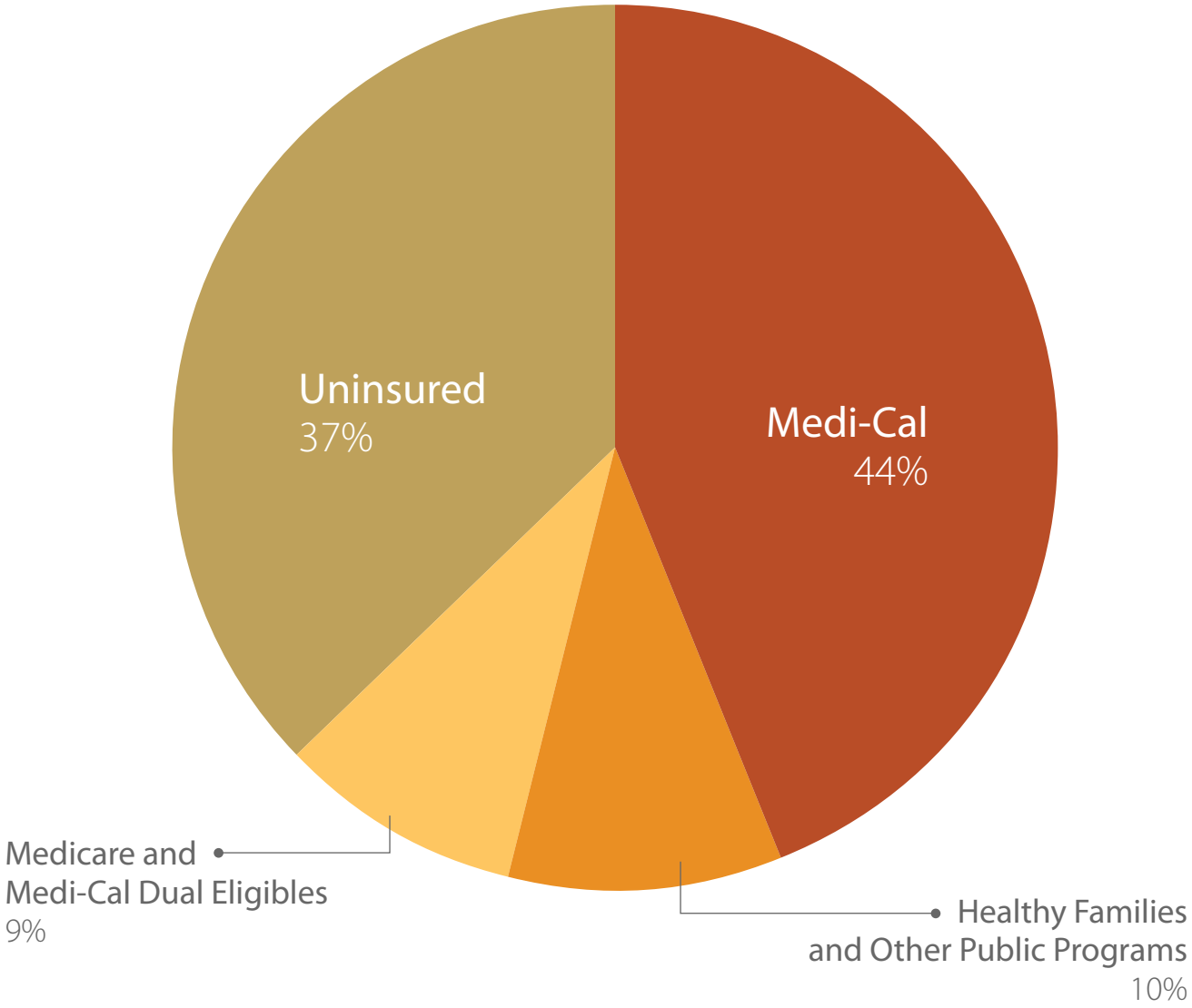


Among Californians with incomes below 300 percent of the federal poverty level, one in three participate in a safety-net program. One in five is uninsured.

Note: Public programs reported and used are Medi-Cal, Healthy Families, Medicare and Medi-Cal dual eligibles, and "other" public programs.

Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

Safety-Net Population Enrolled in Public Programs, 2007

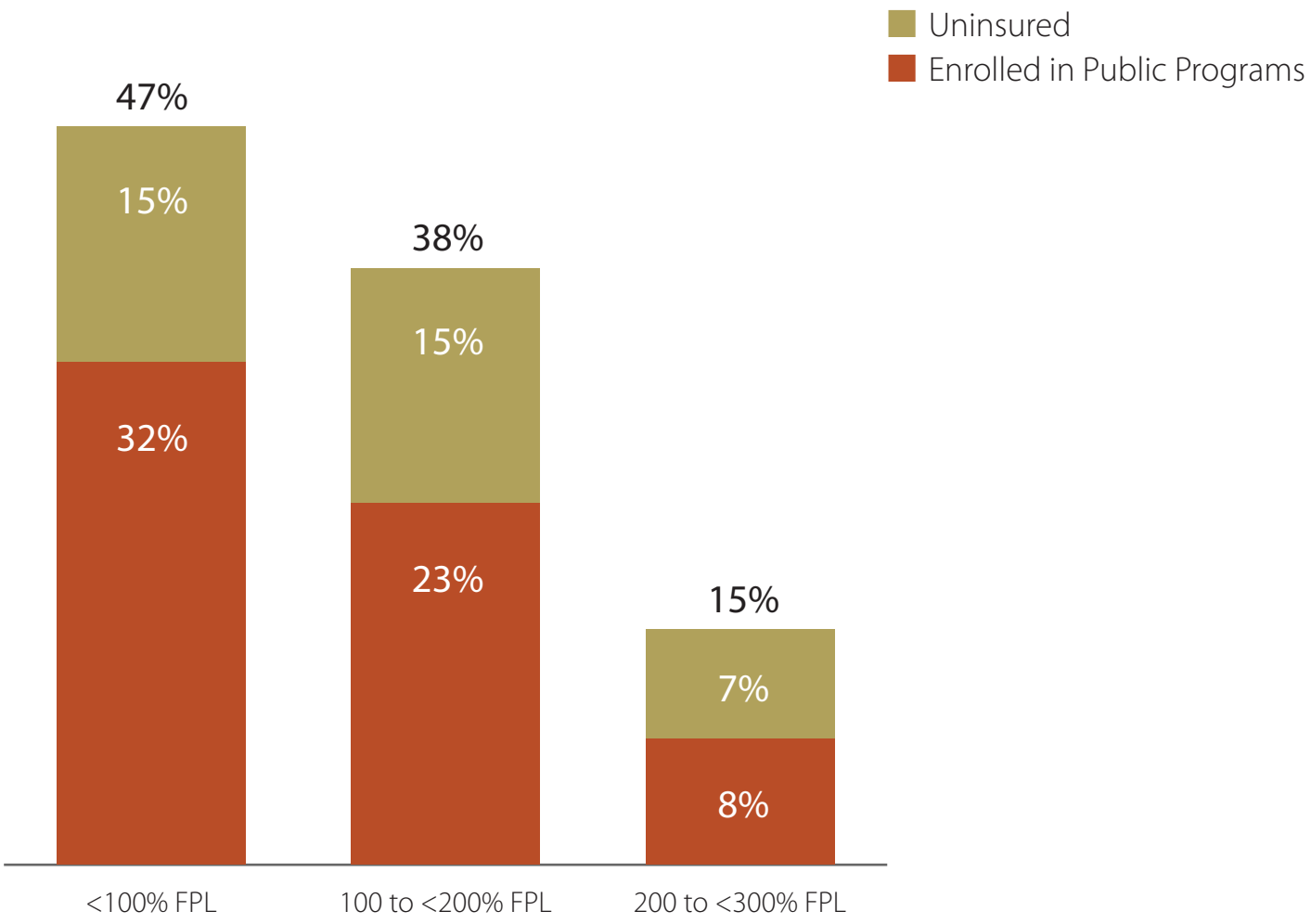


Medi-Cal enrollees are the largest group within the safety-net population at 44 percent. The uninsured are the next largest group at 37 percent.

Notes: Medicare recipients are excluded unless they are dual-eligibles for Medi-Cal. Adults being served by County MIA programs are likely captured as uninsured in this data.

Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

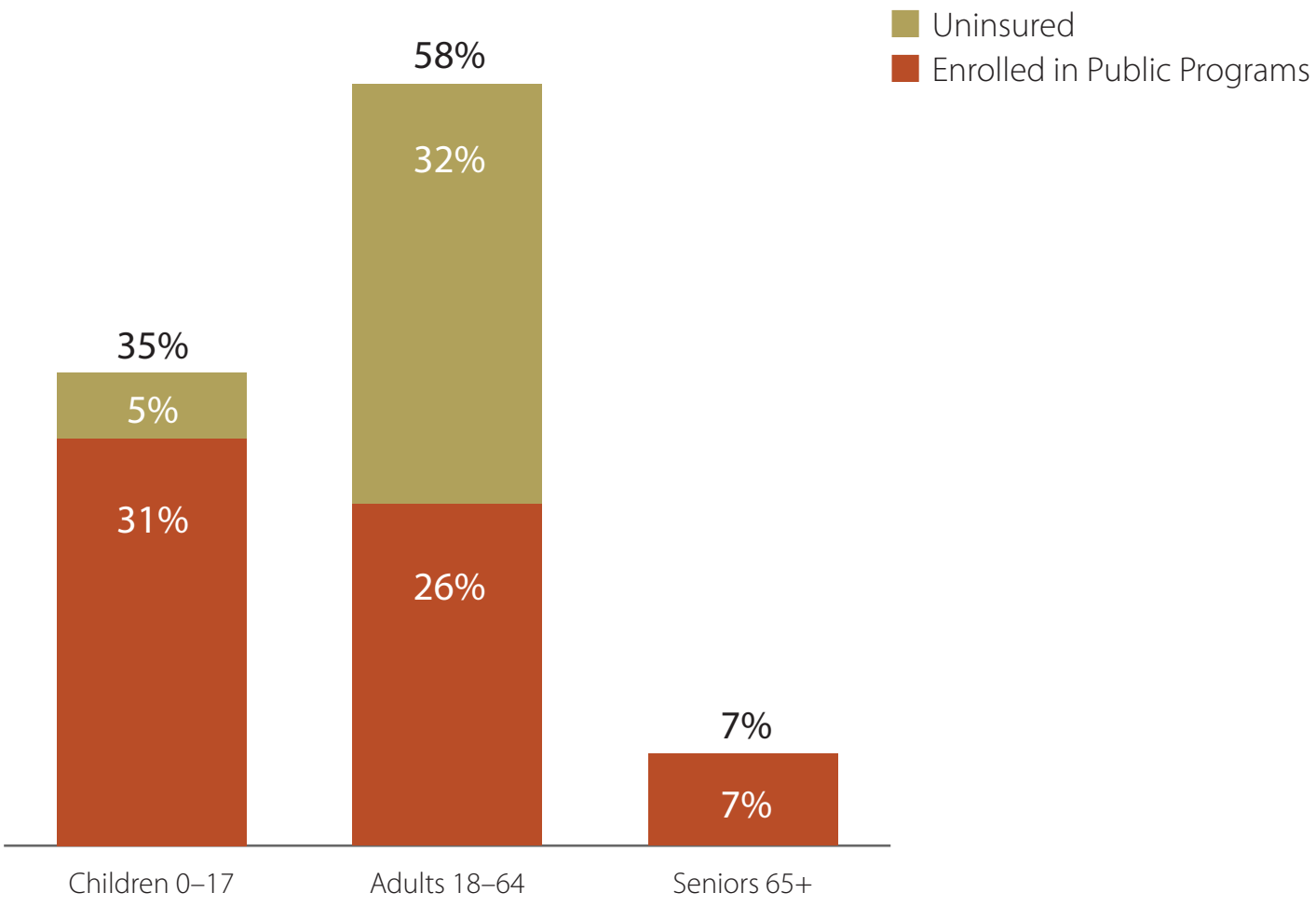
Poverty Level and Insurance Status,
Safety-Net Population, 2007



Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

The safety-net population is primarily made up of Californians with the lowest incomes. Almost half are in families earning less than the federal poverty level. As income increases, participation in safety-net programs decreases.

Age Group and Insurance Status,
Safety-Net Population, 2007

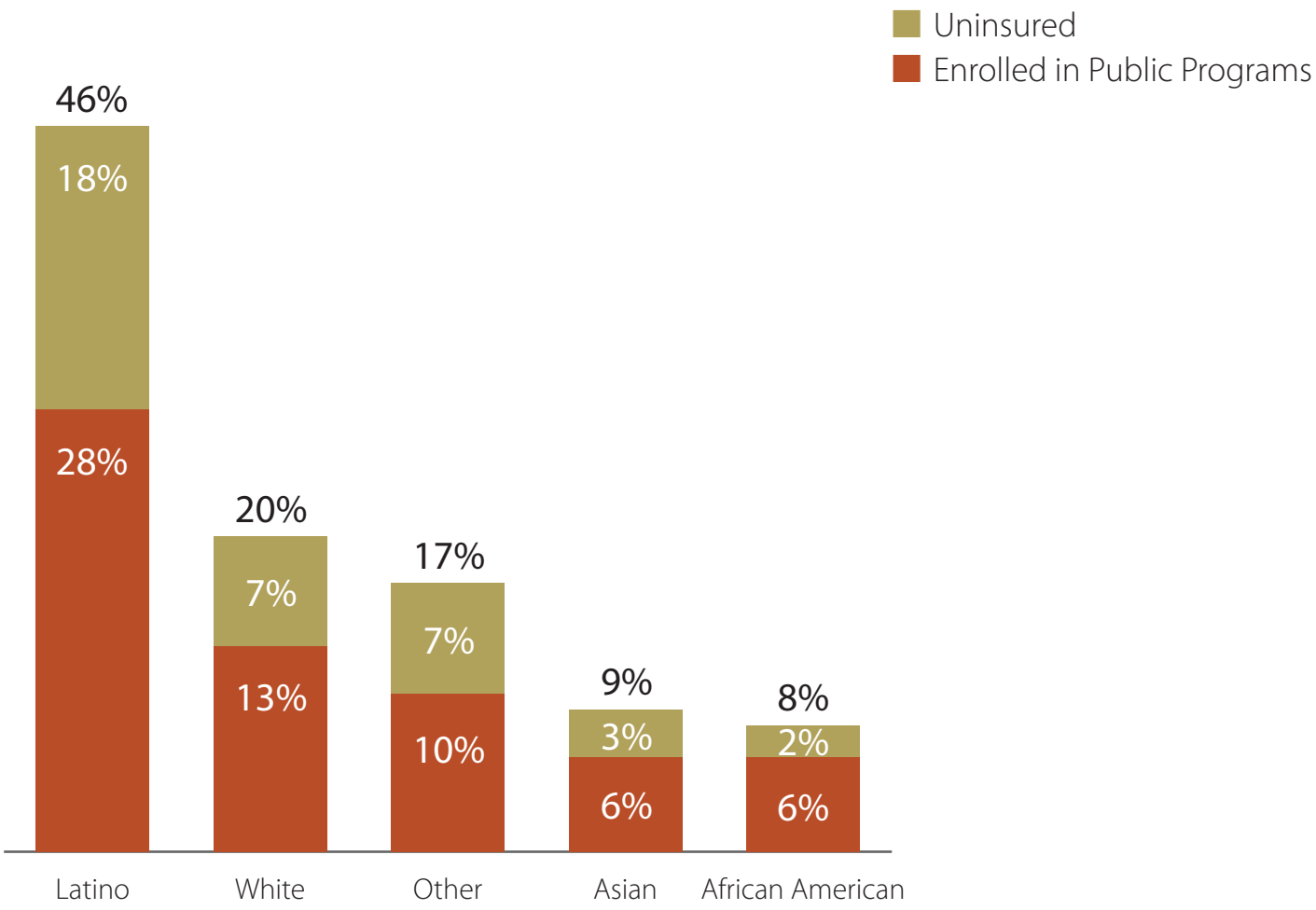


Note: Totals may not equal segments due to rounding.

Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

Fifty-eight percent of California's safety-net population are adults, 35 percent children, and 7 percent elderly. However, adults are much more likely to be uninsured than enrolled in a public program. For example, 31 percent of the safety-net population consists of children enrolled in public programs while 26 percent are adults in public programs.

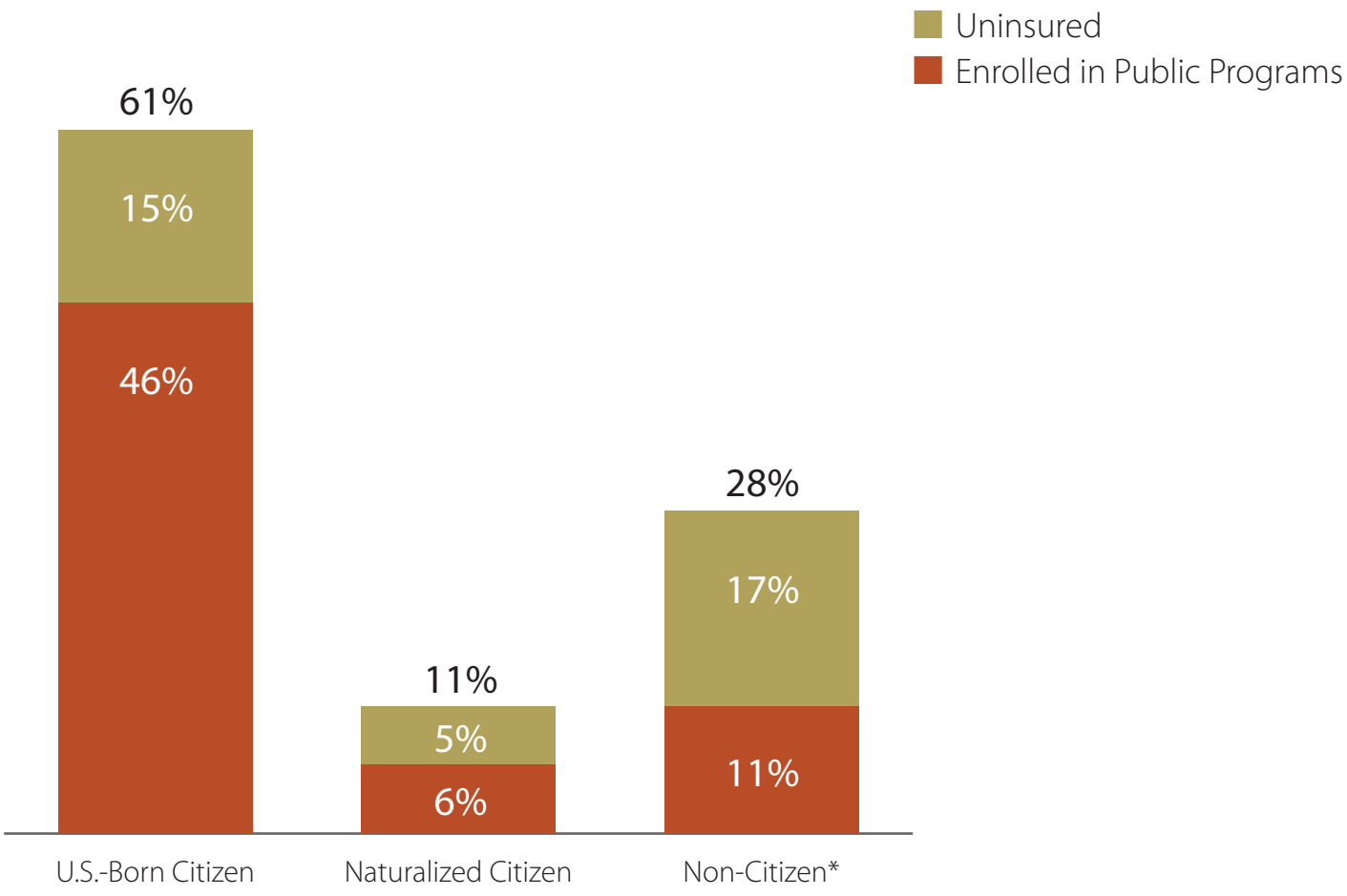
Race/Ethnicity and Insurance Status,
Safety-Net Population, 2007



Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

Latinos make up the largest proportion of the safety-net population at 46 percent, while whites are next at 20 percent.

Citizenship Status and Insurance Status,
Safety-Net Population, 2007



*Includes legal and undocumented immigrants.

Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

U.S.-born citizens make up 61 percent of the safety-net population, while non-citizens make up 28 percent. However, non-citizens are much less likely to be enrolled in public safety-net programs than U.S.-born citizens.

Safety-Net Population, by County, 2007

	TOTAL	UNINSURED	PUBLIC PROGRAM
Placer	**9%**	4%	5%
San Mateo	**11%**	4%	7%
El Dorado	**13%**	4%	9%
Marin	**14%**	7%	7%
San Luis Obispo	**16%**	8%	8%
Yolo	**17%**	8%	9%
Napa	**17%**	6%	11%
San Francisco	**17%**	6%	12%
Tuolumne, Calaveras, Amador, Inyo, Mariposa, Mono, Alpine	**18%**	8%	10%
Nevada	**18%**	11%	7%
Contra Costa	**18%**	8%	10%
Santa Clara	**19%**	7%	11%
Sonoma	**19%**	5%	15%
Alameda	**19%**	4%	15%
San Diego	**21%**	8%	12%
Orange	**22%**	10%	13%
Ventura	**23%**	8%	15%
Solano	**23%**	7%	16%
Sacramento	**23%**	7%	16%
San Benito	**24%**	12%	12%
Santa Barbara	**25%**	8%	17%
Humboldt	**27%**	7%	20%
Riverside	**28%**	13%	15%
San Bernardino	**28%**	11%	17%
Santa Cruz	**29%**	11%	19%
San Joaquin	**30%**	12%	19%
Sutter	**30%**	8%	23%
Stanislaus	**31%**	11%	20%
Del Norte, Siskiyou, Lassen, Trinity, Modoc, Plumas, Sierra	**33%**	10%	22%
Butte	**33%**	9%	23%
Los Angeles	**35%**	13%	22%
Shasta	**36%**	16%	20%
Mendocino	**36%**	8%	28%
Lake	**37%**	13%	24%
Fresno	**38%**	12%	27%
Yuba	**39%**	10%	29%
Kern	**39%**	14%	25%
Kings	**40%**	13%	27%
Monterey	**41%**	16%	25%
Merced	**41%**	13%	28%
Tehama, Glenn, Colusa	**42%**	14%	28%
Madera	**44%**	17%	27%
Imperial	**45%**	16%	29%
Tulare	**47%**	14%	33%

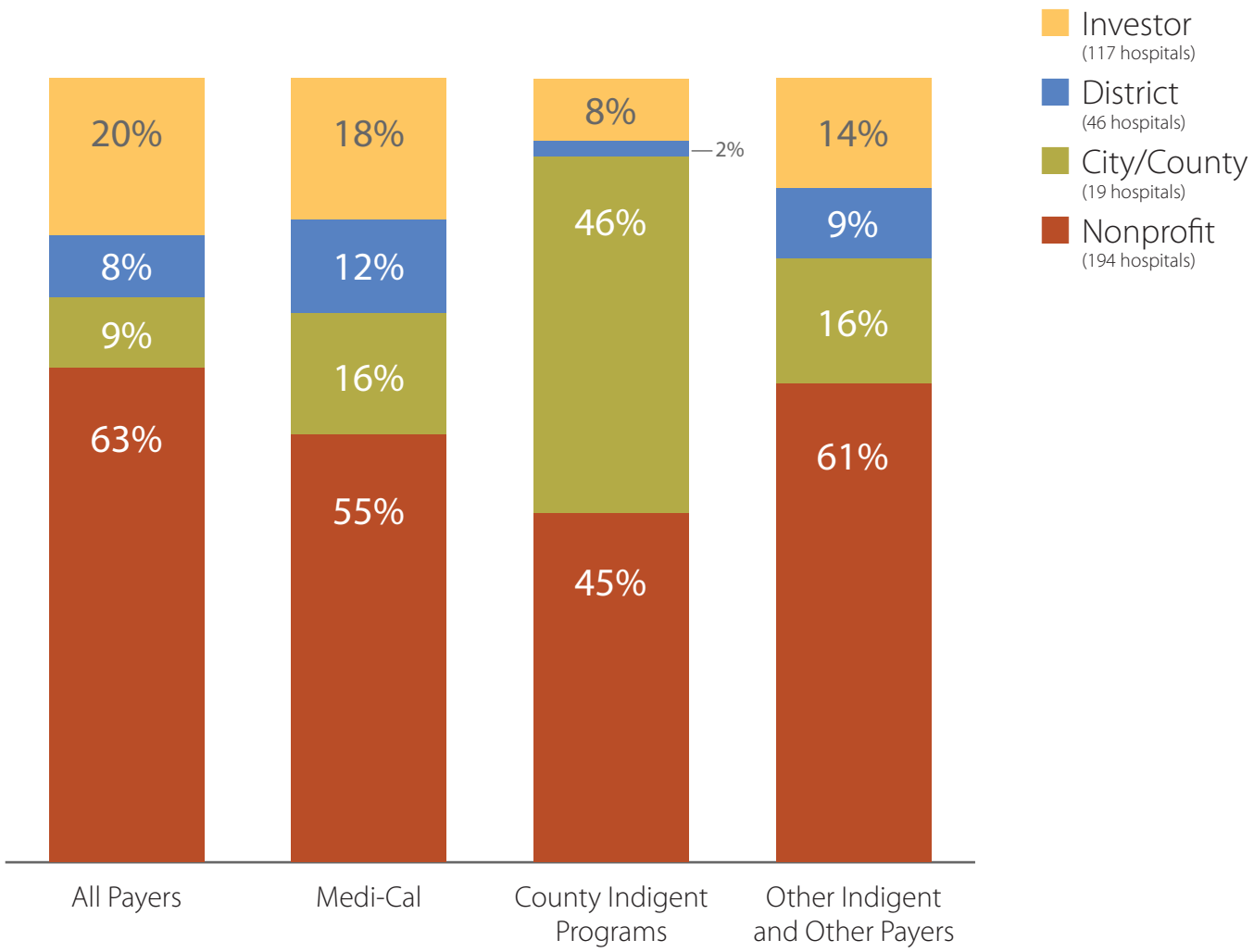
Note: Public programs reported and used are Medi-Cal, Healthy Families, Medicare and Medi-Cal dual eligibles, and "other" public programs.

Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

The proportion of low-income residents that are uninsured or enrolled in public safety-net programs varies widely by county. The low-income uninsured can range from 4 to 17 percent and public enrollment can range from 5 to 33 percent. When combined, counties have safety-net populations that range from 9 to 47 percent of their total population. Note that these 2007 figures predate the nationwide recession.

Inpatient Hospital Days,
by Hospital Ownership Type and Payer, 2008

PERCENT OF TOTAL INPATIENT DAYS



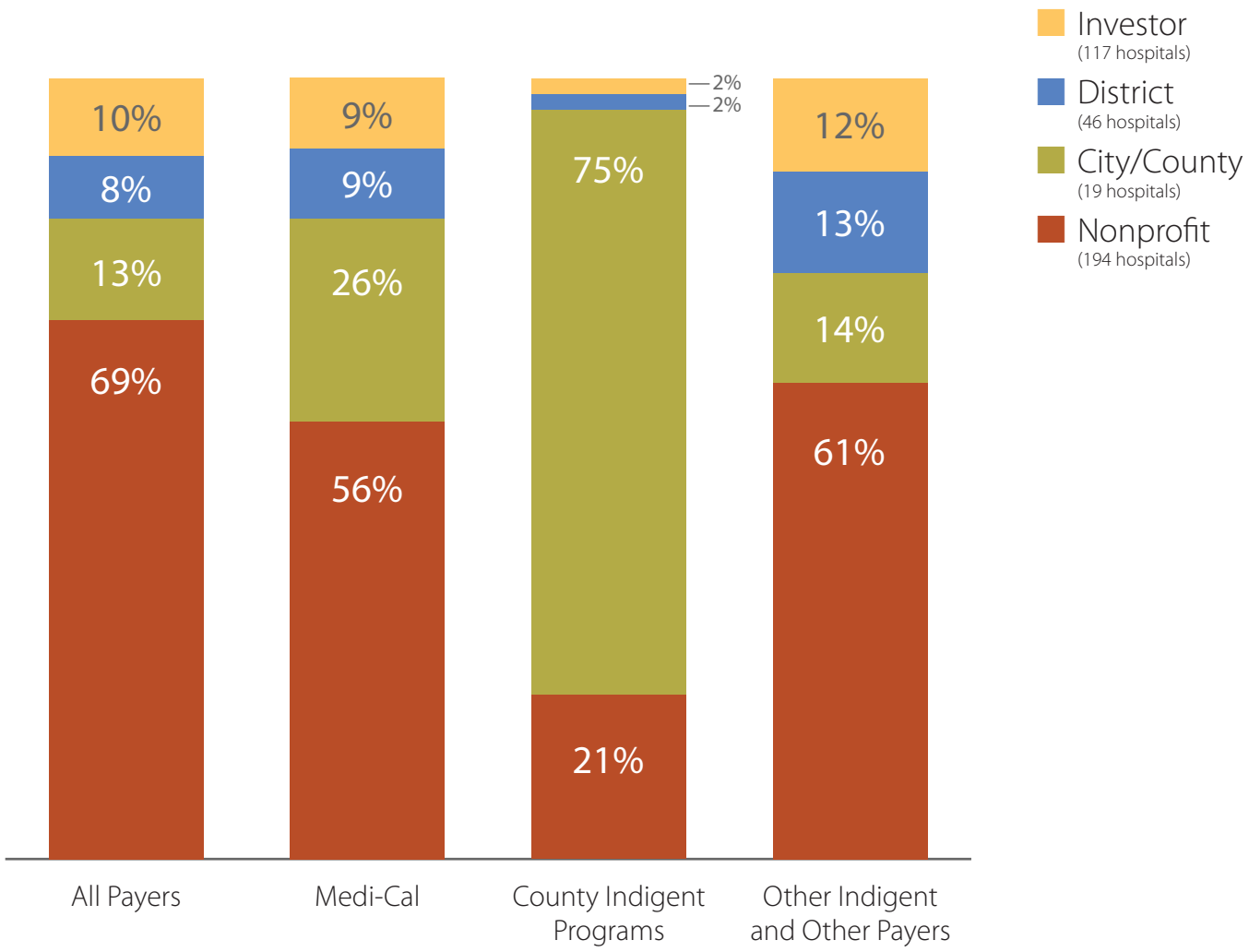
Notes: Data is only on hospitals classified as "comparable" and thus does not include state-run and Kaiser hospitals nor facilities classified as psychiatric or long term care. Segments may not add to 100 percent due to rounding.

Source: Blue Sky Consulting Group analysis of 2008 Office of Statewide Health Planning and Development (OSHPD) Hospital Annual Financial Pivot Tables.

Nonprofit hospitals are responsible for the most inpatient care, providing 63 percent of all inpatient days for all payers combined. Nonprofit hospitals also provide the most inpatient care to Medi-Cal patients, at 55 percent of inpatient days. At 46 percent of the total, city/county hospitals provide the most care to county indigent program patients.

Outpatient Hospital Visits,
by Hospital Ownership Type and Payer, 2008

PERCENT OF TOTAL OUTPATIENT VISITS



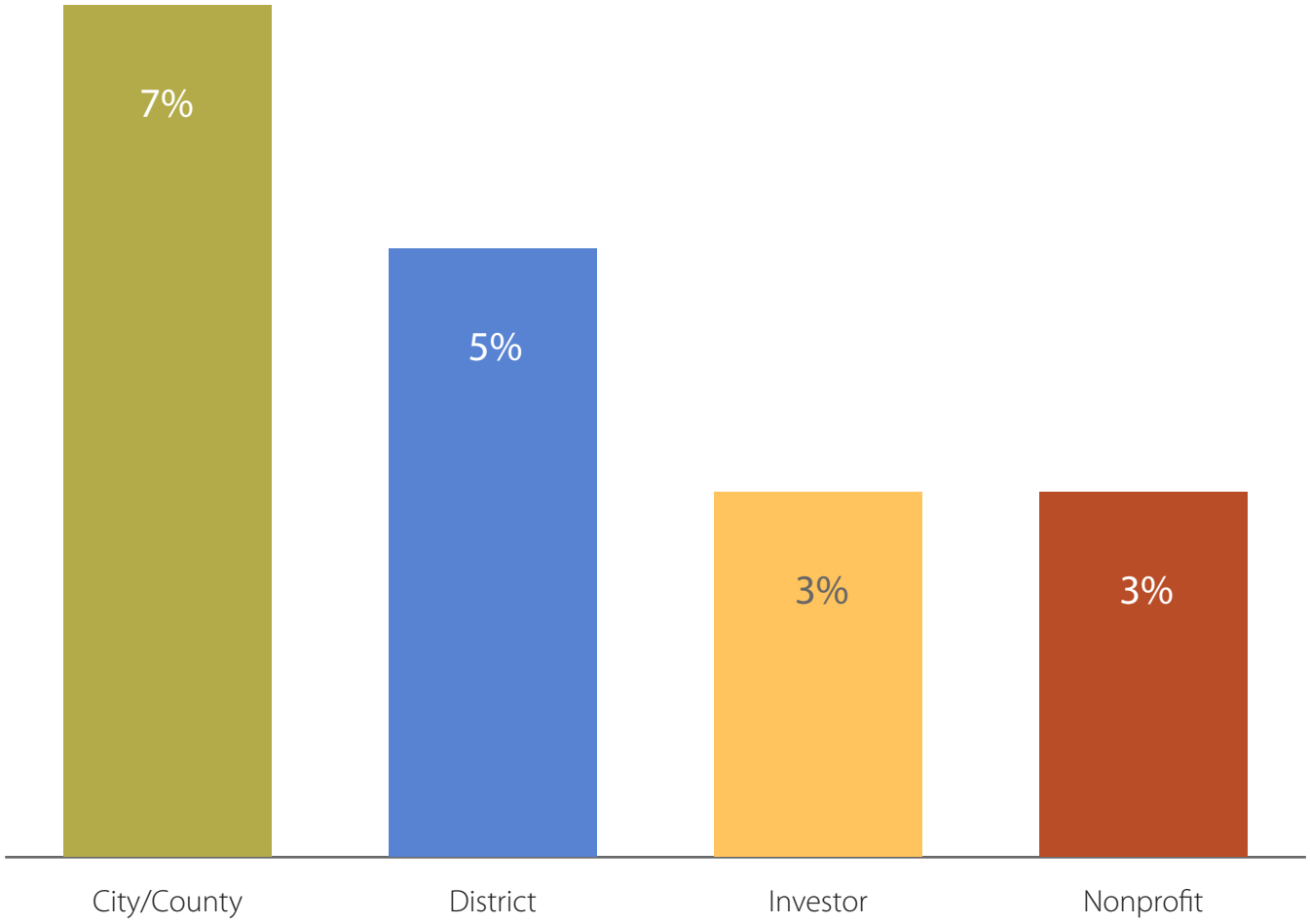
Note: Data is only on hospitals classified as "comparable" and thus does not include state-run and Kaiser hospitals nor facilities typified as psychiatric or long-term care.

Source: Blue Sky Consulting Group analysis of 2008 Office of Statewide Health Planning and Development (OSHPD) Hospital Annual Financial Pivot Tables.

Nonprofit hospitals are responsible for the most outpatient hospital care, providing 69 percent of all outpatient visits for all payers combined. Nonprofit hospitals also provide the most outpatient hospital care to Medi-Cal patients at 56 percent of outpatient visits. At 75 percent of the total, city/county hospitals provide the most outpatient care to county indigent program patients.

Uncompensated Care,
by Hospital Ownership Type, 2008

COST-ADJUSTED UNCOMPENSATED CARE AS A PERCENT OF OPERATING EXPENSES

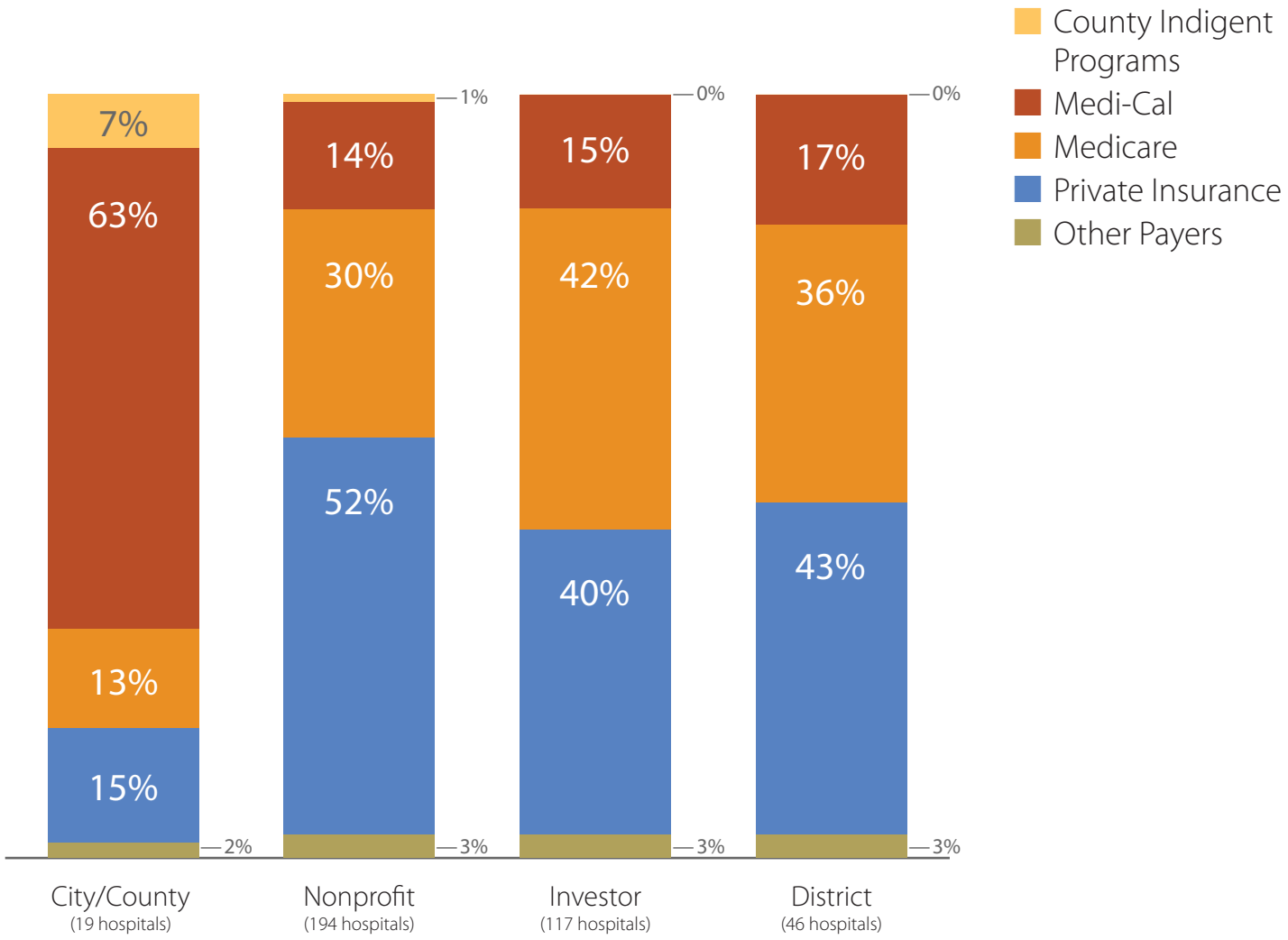


Notes: Uncompensated care is the sum of charity care and bad debt. Charity care is the difference between the amount charged and amount paid on behalf of a charity care patient. Bad debt is the amount uncollectible due to the patient's unwillingness/inability to pay and it will include some non-safety-net patients. Both of these figures are cost-adjusted by the hospital cost to charge ratio. Safety-net patients provided for on an indigent program contracted basis are not included.

Source: Blue Sky Consulting Group analysis of 2008 Office of Statewide Health Planning and Development (OSHPD) Hospital Annual Financial Pivot Tables.

Patients ineligible for Medi-Cal or indigent care programs incur hospital bills they often can't pay. Hospitals write off these costs as either charity care or bad debt, collectively referred to as "uncompensated care." Public hospitals, both city/county and district, provide the largest share of uncompensated care (as a percent of operating expenses) to the uninsured.

Net Patient Revenue,
by Hospital Ownership Type and Payer, 2008

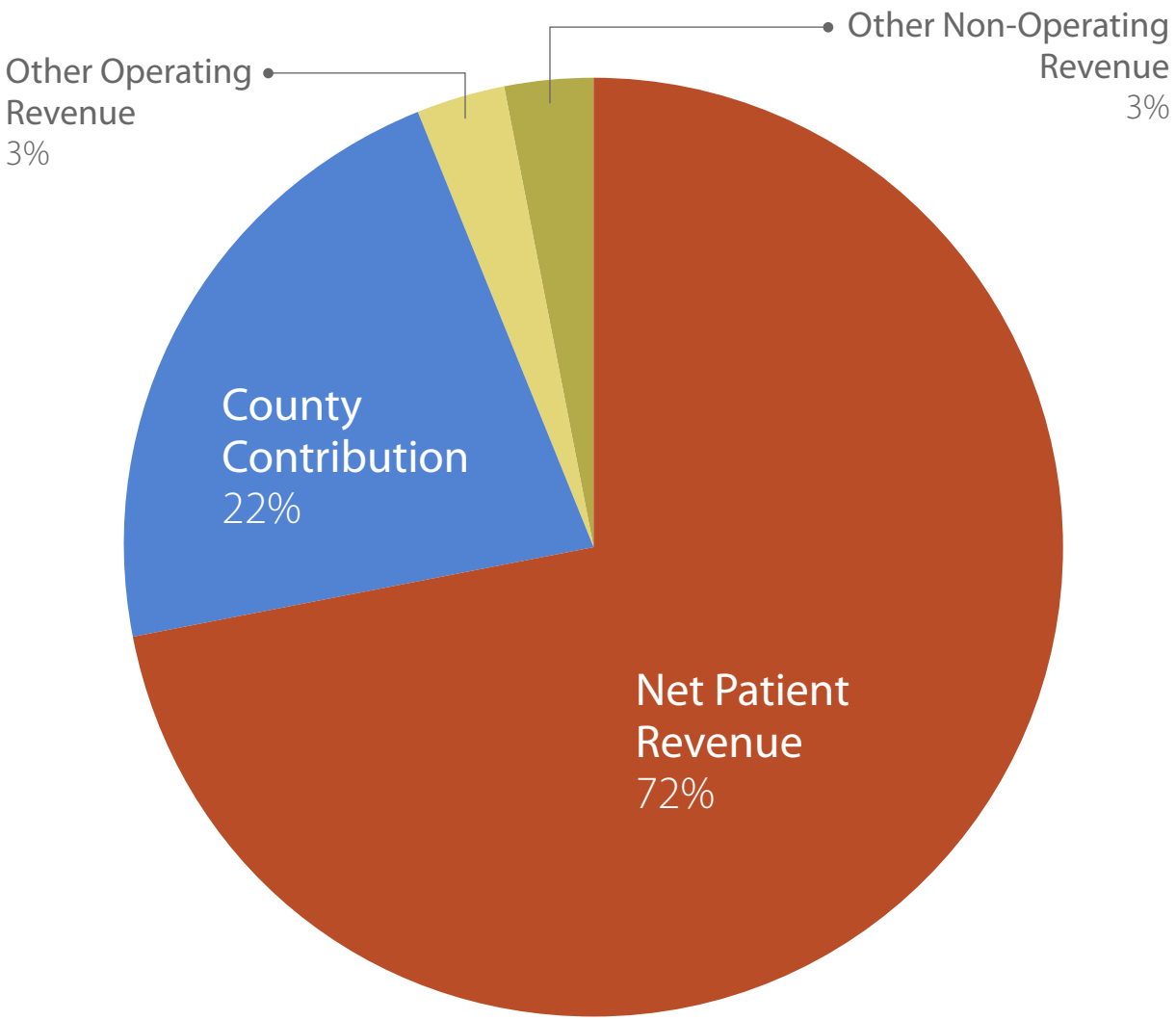


Note: Medi-Cal revenue includes Disproportionate Share Hospital funds, net of transfers. These funds may also be used to pay for indigent patients.

Source: Blue Sky Consulting Group analysis of 2008 Office of Statewide Health Planning and Development (OSHPD) Hospital Annual Financial Pivot Tables.

Unlike other hospitals, which do not rely heavily on safety-net programs for revenue, city/county hospitals receive 70 percent of their net patient revenue from Medi-Cal and county indigent programs, with the bulk of this revenue coming from Medi-Cal.

Total Revenue Sources,
City/County Hospitals, 2008

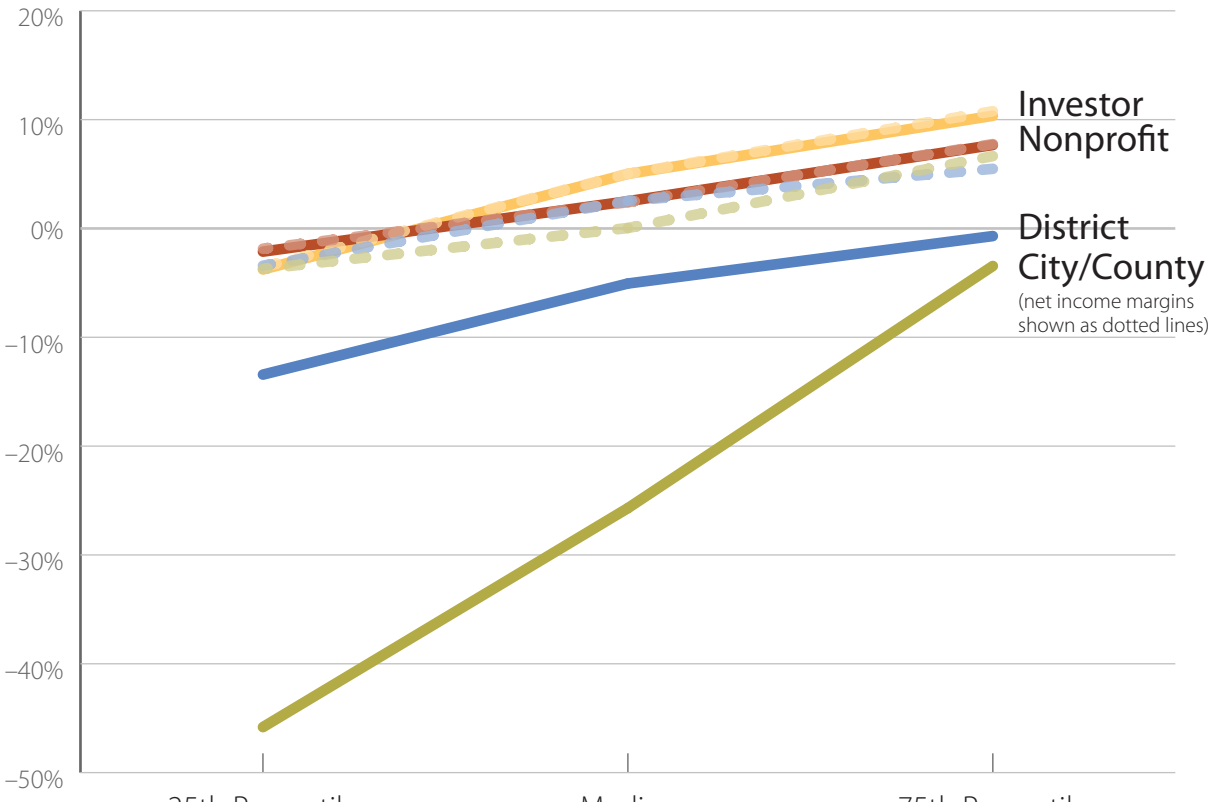


Note: Net patient revenue includes Medi-Cal Disproportionate Share Hospital funds, net of transfers.

Source: Blue Sky Consulting Group analysis of 2008 Office of Statewide Health Planning and Development (OSHPD) Hospital Annual Financial Pivot Tables.

County funds are an important source of revenue for city/county hospitals, providing 22 percent of total revenue.

Hospital Operating and Net Income Margins,
by Quartiles and Hospital Ownership Type, 2008



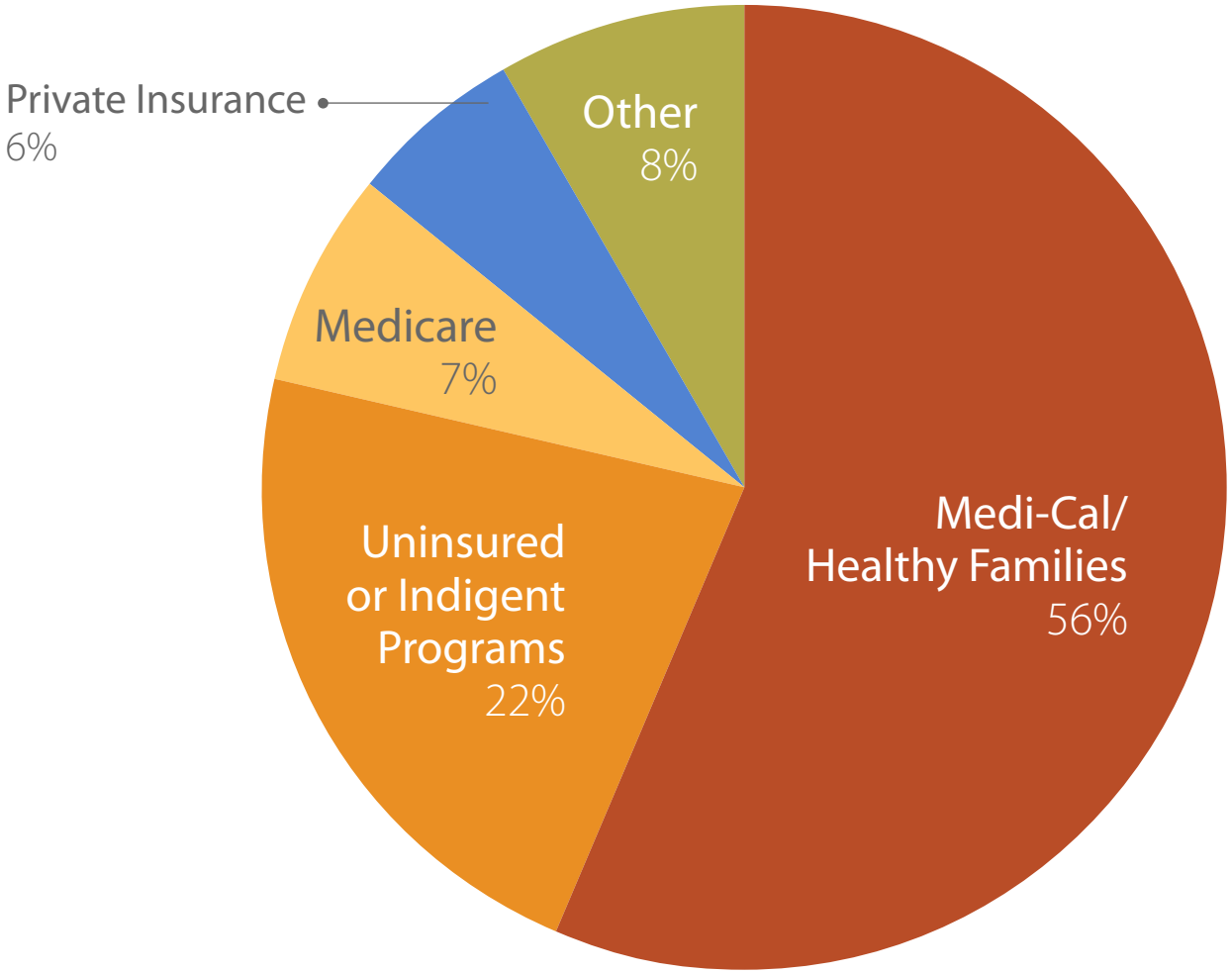
	25th Percentile OPERATING MARGIN	25th Percentile NET INCOME MARGIN	Median OPERATING MARGIN	Median NET INCOME MARGIN	75th Percentile OPERATING MARGIN	75th Percentile NET INCOME MARGIN	NUMBER OF HOSPITALS
Investor	–3.77%	–3.55%	5.01%	5.03%	10.35%	10.77%	117
Nonprofit	–2.13%	–1.86%	2.50%	2.41%	7.67%	7.75%	194
District	–13.43%	–3.42%	–5.06%	2.53%	–0.70%	5.48%	46
City/County	–45.82%	–3.72%	–25.70%	0.04%	–3.45%	6.65%	19

Notes: Operating margin is net income from operations divided by total operating revenue (net patient revenue plus other operating revenue). This ratio indicates the percentage of net patient revenue which remains as income after operating expenses have been deducted. The net income margin is calculated as net income divided by the sum of net patient revenue, other operating revenue, and non-operating revenue. Margin calculations include disproportionate share hospital funds. Hospital data is only on hospitals classified as comparable and thus does not include state-run and Kaiser hospitals, nor facilities typified as psychiatric or long term care.

Source: Blue Sky Consulting Group analysis of 2008 Office of Statewide Health Planning and Development (OSHPD) Hospital Annual Financial Pivot Tables.

Most public hospitals — whether city/county or district — struggle to operate profitably. When additional revenues such as government transfers are taken into account, their financial picture improves.

Primary Care Community Clinic Visits, by Payer, 2008



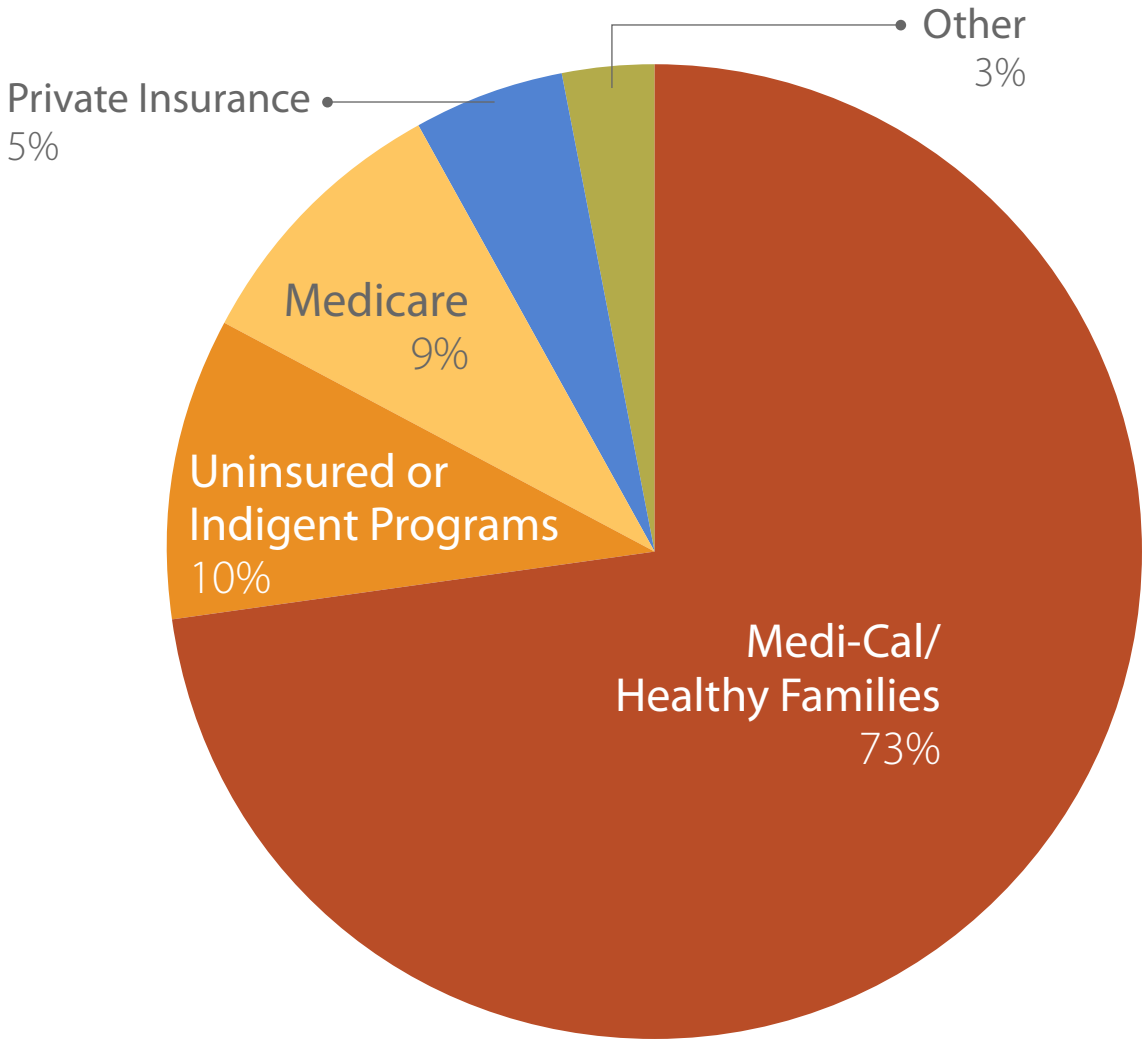
Notes: Medi-Cal episodic care programs — BCCCP, CHDP, and Family PACT — are included in Medi-Cal total. Uninsured and indigent coverage are combined due to data reporting inconsistencies, but includes self-pay/sliding scale, free, and county indigent program patients. However, they play an important role in providing care to the uninsured; 18 out of 24 counties that run their own medically indigent programs rely on county clinics to provide services to indigent patients. Of these, more than half rely exclusively on their county clinics. The remaining counties rely on their own clinics and contract with select community clinics. May not total 100 percent due to rounding.

Sources: Blue Sky Consulting Group analysis of 2008 Office of Statewide Health Planning and Development (OSHPD) Primary Clinic Annual Utilization Data from California HealthCare Foundation, *Financial Profile of California Community Clinics,* March 2010 and *County Programs for the Medically Indigent in California,* September 2009.

Community clinics are an important source of care for safety-net patients. More than half of clinic visits were made by Medi-Cal and Healthy Families enrollees and 22 percent by uninsured or county indigent patients.

Note: County-run clinics do no report data to the state with the other community clinics, and so are not included in the data presented.

Primary Care Community Clinic Net Patient Revenue, by Payer, 2008



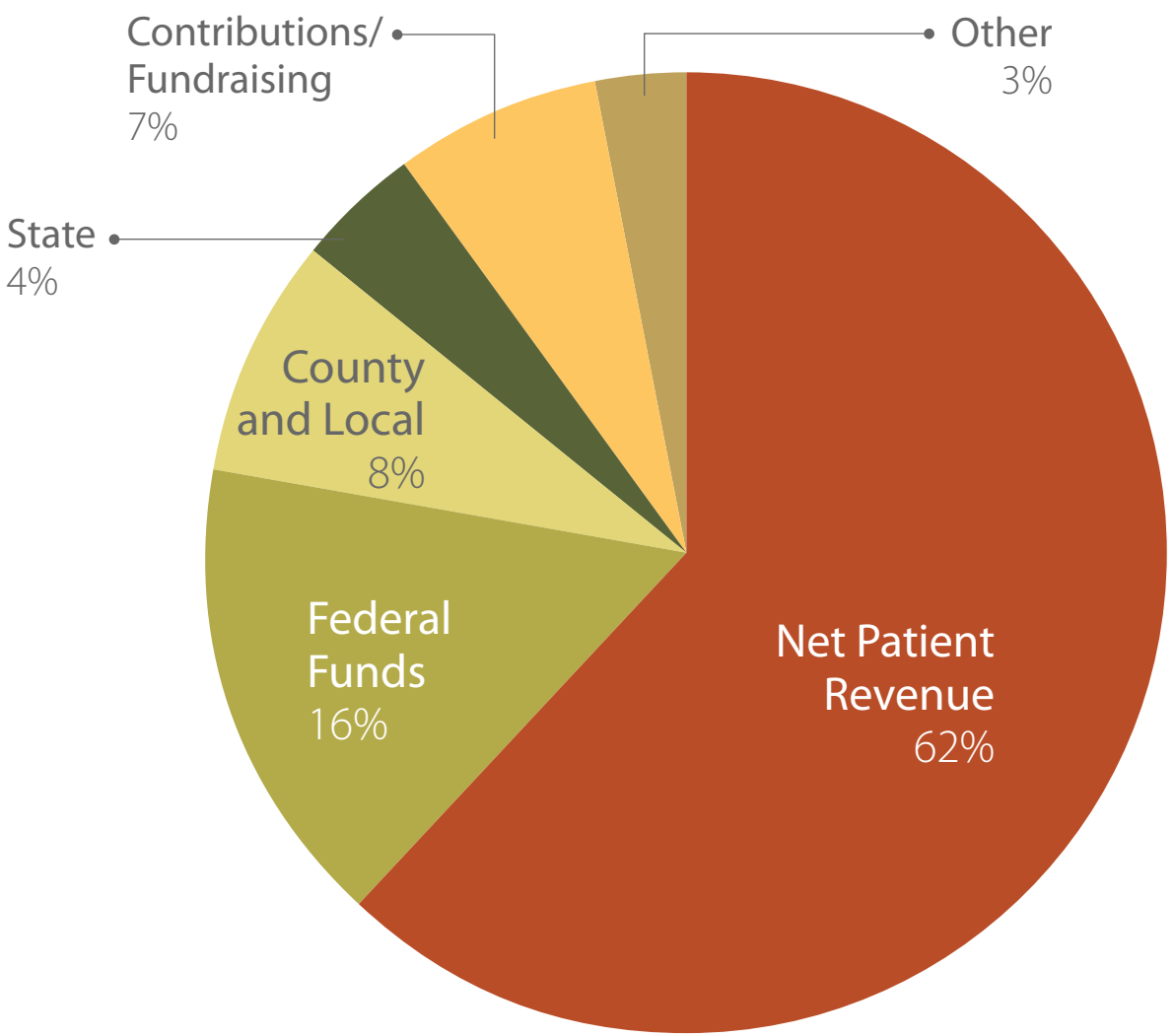
Note: Medi-Cal episodic care programs — BCCCP, CHDP, and Family PACT — are included in Medi-Cal total. Uninsured and indigent coverage are combined due to data reporting inconsistencies, but includes self-pay/sliding scale, free, and county indigent program patients. Other Payers include EAPC, San Diego County Medical Plan, Alameda Alliance for Health, Other County Programs, and All Other Payers.

Sources: Blue Sky Consulting Group analysis of 2008 Office of Statewide Health Planning and Development (OSHPD). Primary Clinic Annual Utilization Data from California HealthCare Foundation, *Financial Profile of California Community Clinics,* March 2010.

Community clinics earn more than 80 percent of their net patient revenue from Medi-Cal and programs for the indigent, with the bulk of this revenue coming from Medi-Cal.

Note: County-run clinics do no report data to the state with the other community clinics, and so are not included in the data presented.

Primary Care Community Clinic Total Revenue Sources, 2008

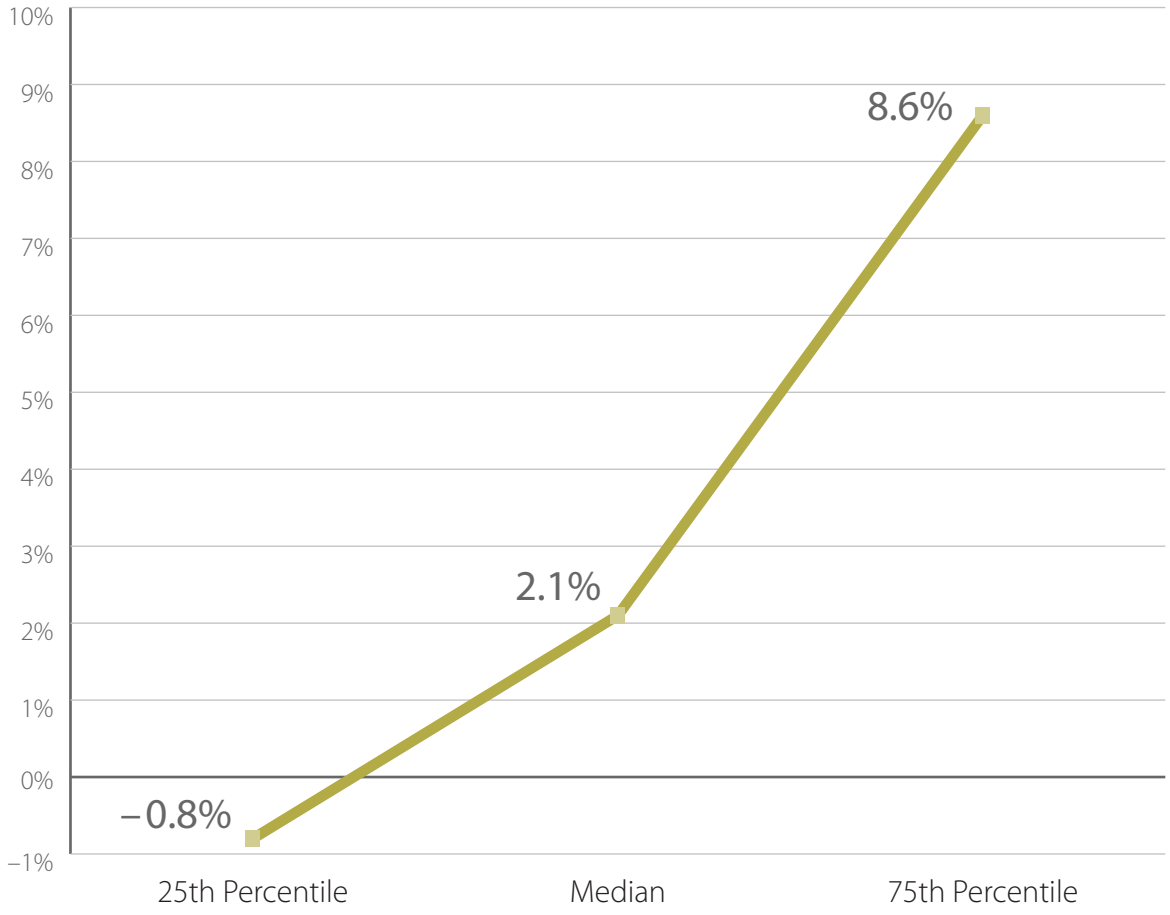


In addition to net patient revenue, community clinics rely on funds from government sources; 28 percent of total revenue is from the federal, state, county, and local governments.

Sources: Blue Sky Consulting Group analysis of 2008 Office of Statewide Health Planning and Development (OSHPD). Primary Clinic Annual Utilization Data from California HealthCare Foundation, *Financial Profile of California Community Clinics,* March 2010.

Note: County-run clinics do no report data to the state with the other community clinics, and so are not included in the data presented.

Primary Care Community Clinic Operating Margins, by Quartiles, 2008

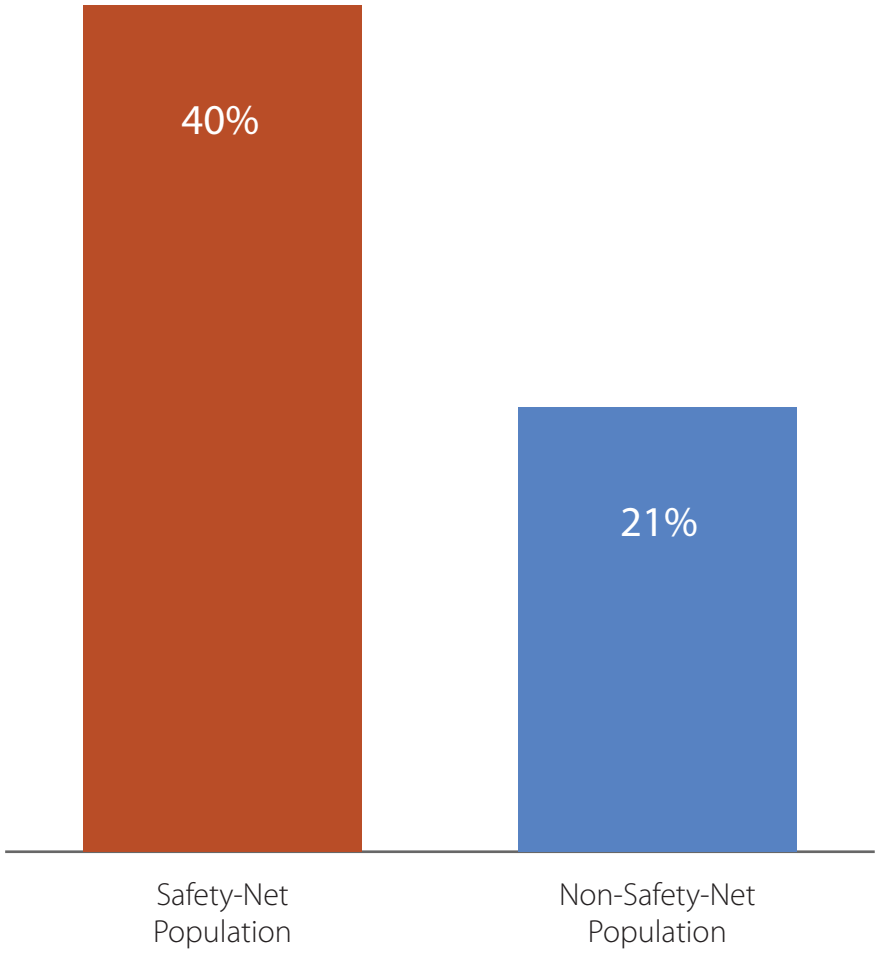


At least 25 percent of clinics were operating in the red in 2008.

Sources: Blue Sky Consulting Group analysis of 2008 Office of Statewide Health Planning and Development (OSHPD). Primary Clinic Annual Utilization Data from California HealthCare Foundation, *Financial Profile of California Community Clinics,* March 2010.

Note: County-run clinics do no report data to the state with the other community clinics, and so are not included in the data presented.

Lack of a Usual Source of Care,
Safety-Net vs. Non-Safety-Net Population, 2007

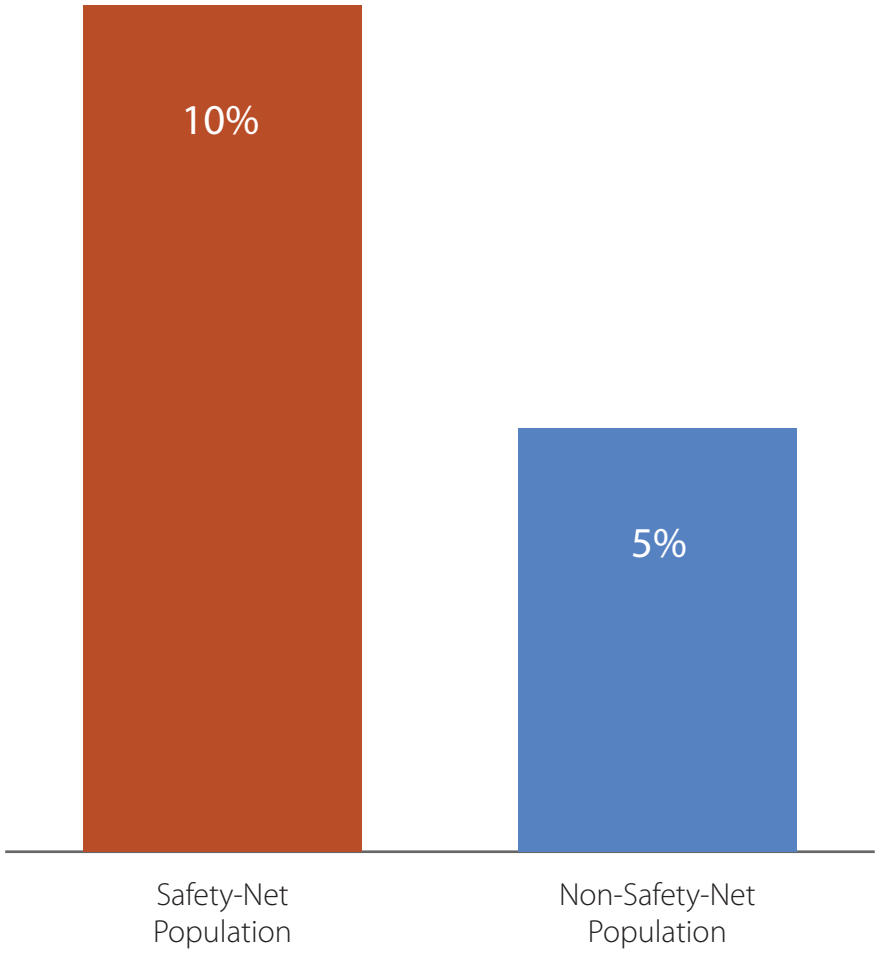


Notes: Medicare recipients are excluded from both populations unless they are dual-eligibles for Medi-Cal.

Source: Blue Sky Consulting Group analysis of the 2007 Medical Expenditure Panel Survey data.

Forty percent of people in the safety-net population reported that they lacked a usual source of care in 2007, compared to 21 percent of higher-income Californians.

Delay of Needed Care Due to Cost or No Insurance,
Safety-Net vs. Non-Safety-Net Population, 2007

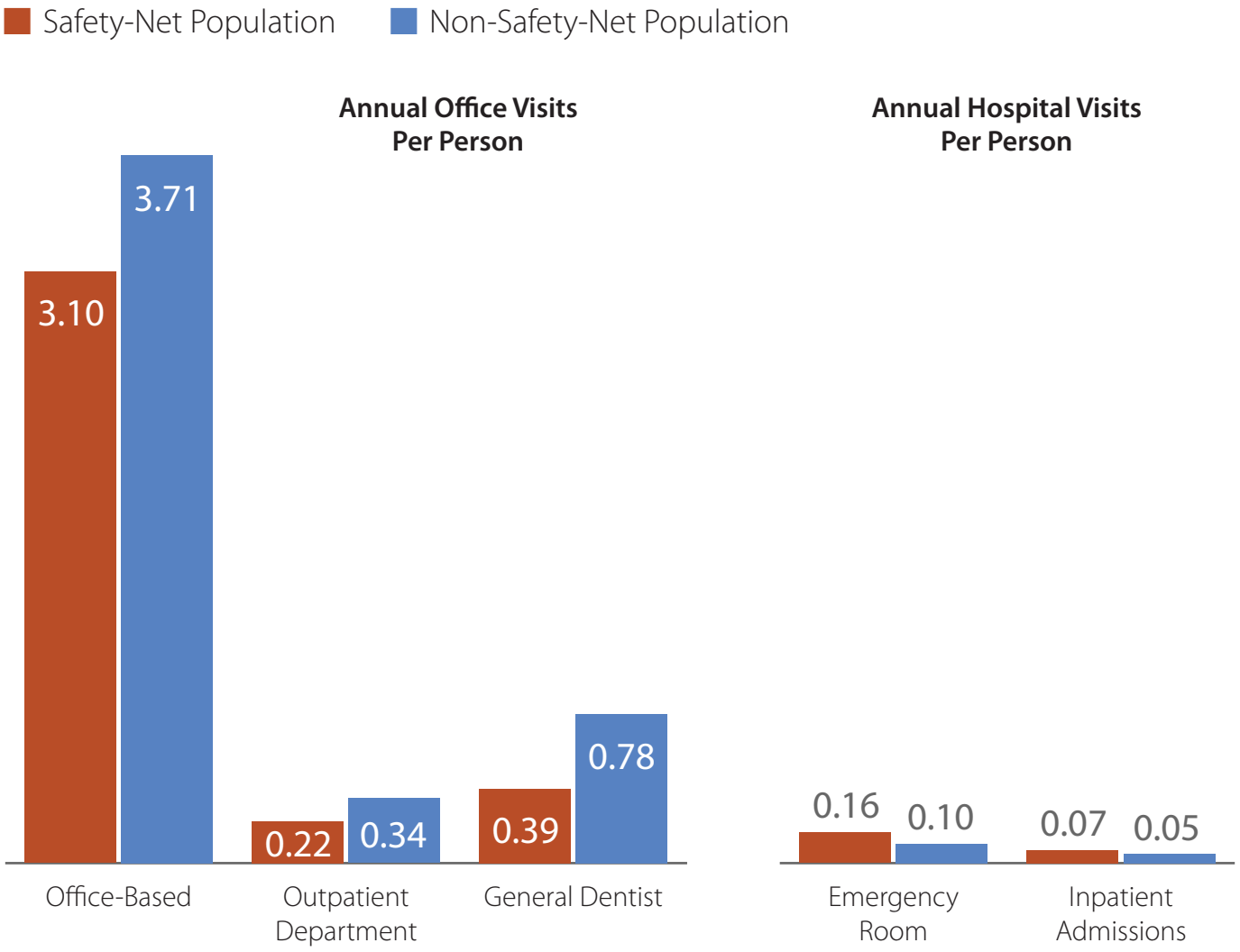


Notes: Medicare recipients are excluded from both populations unless they are dual-eligibles for Medi-Cal.

Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

Californians in the safety-net population were twice as likely to report delaying care because they could not afford it or had no insurance; 10 percent of the safety-net population reported delaying needed medical for this reason, compared to 5 percent of the non-safety-net population.

Annual Office Visits and Hospital Visits Per Person,
Safety-Net vs. Non-Safety-Net Population, 2007

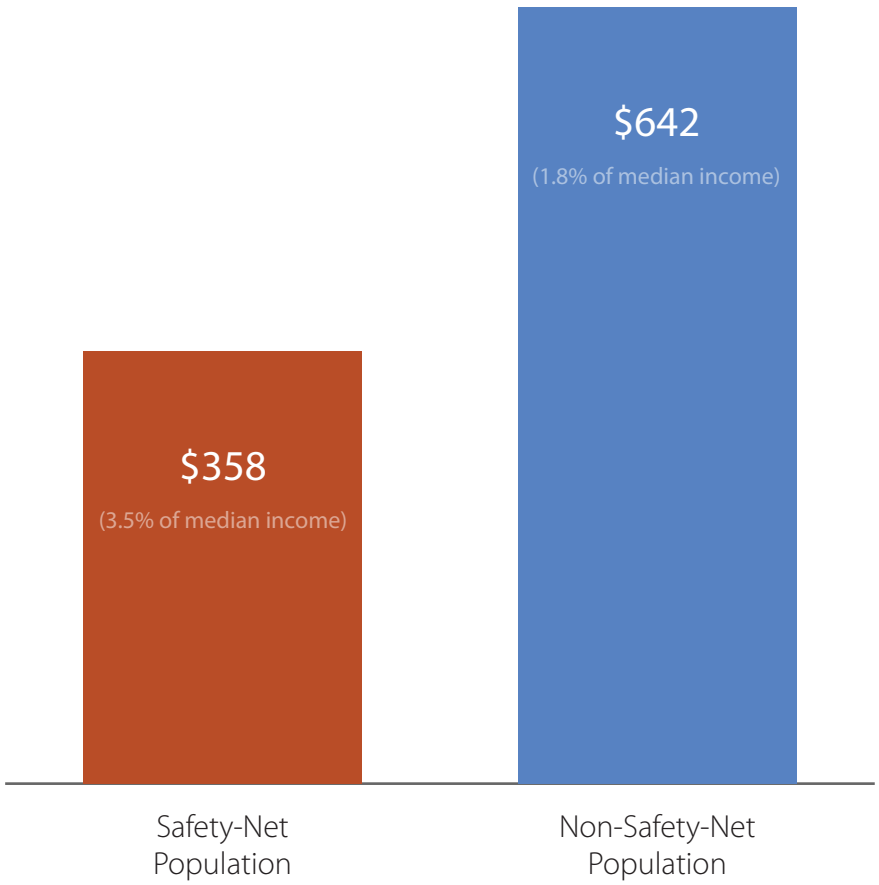


Notes: Scale is smaller for Hospital Visits graph to better show the difference in the two populations. Medicare recipients are excluded from both populations unless they are dual-eligibles for Medi-Cal.

Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

Compared to higher-income Californians, people in the safety-net population had fewer visits to the doctor's office, outpatient department, and dentist. Conversely, the safety-net population had more visits to the emergency room and hospital inpatient department.

Out-of-Pocket Expenses Per Patient,
Safety-Net vs. Non-Safety-Net Population, 2007

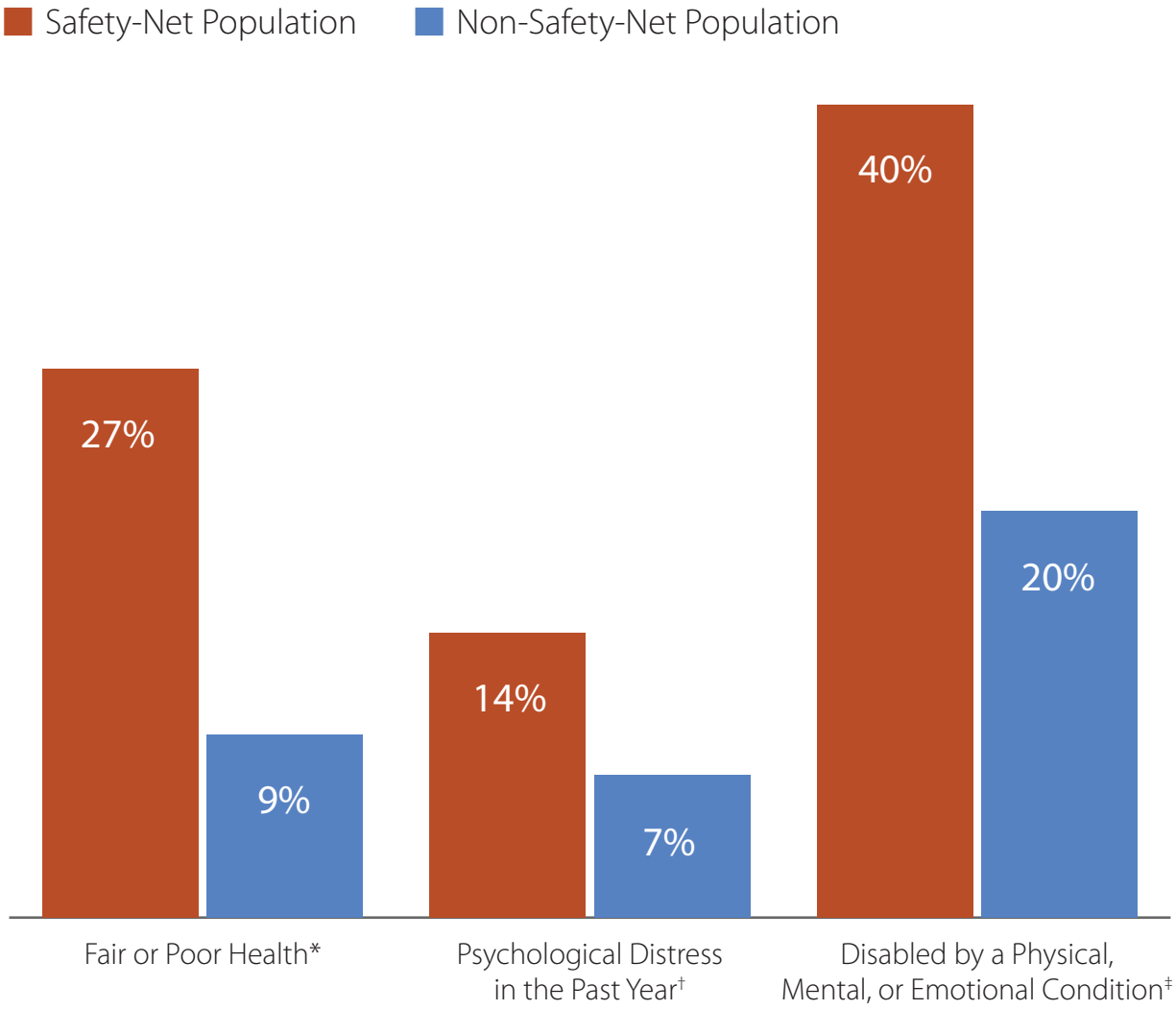


Over the course of one year, safety-net population patients spent an average of $358 in out-of-pocket expenses for medical care. As a percentage of median income, the safety-net population is spending 3.5 percent of their income and the non-safety-net population is spending 1.8 percent.

Notes: Out-of-pocket expenses include payments made by the person for medical care and prescriptions, but does not include insurance premium payments. Medicare recipients are excluded from both populations unless they are dual-eligibles for Medi-Cal.

Source: Blue Sky Consulting Group analysis of the 2007 Medical Expenditure Panel Survey data.

Self-Reported Poor Health,
Safety-Net vs. Non-Safety-Net Population, 2007



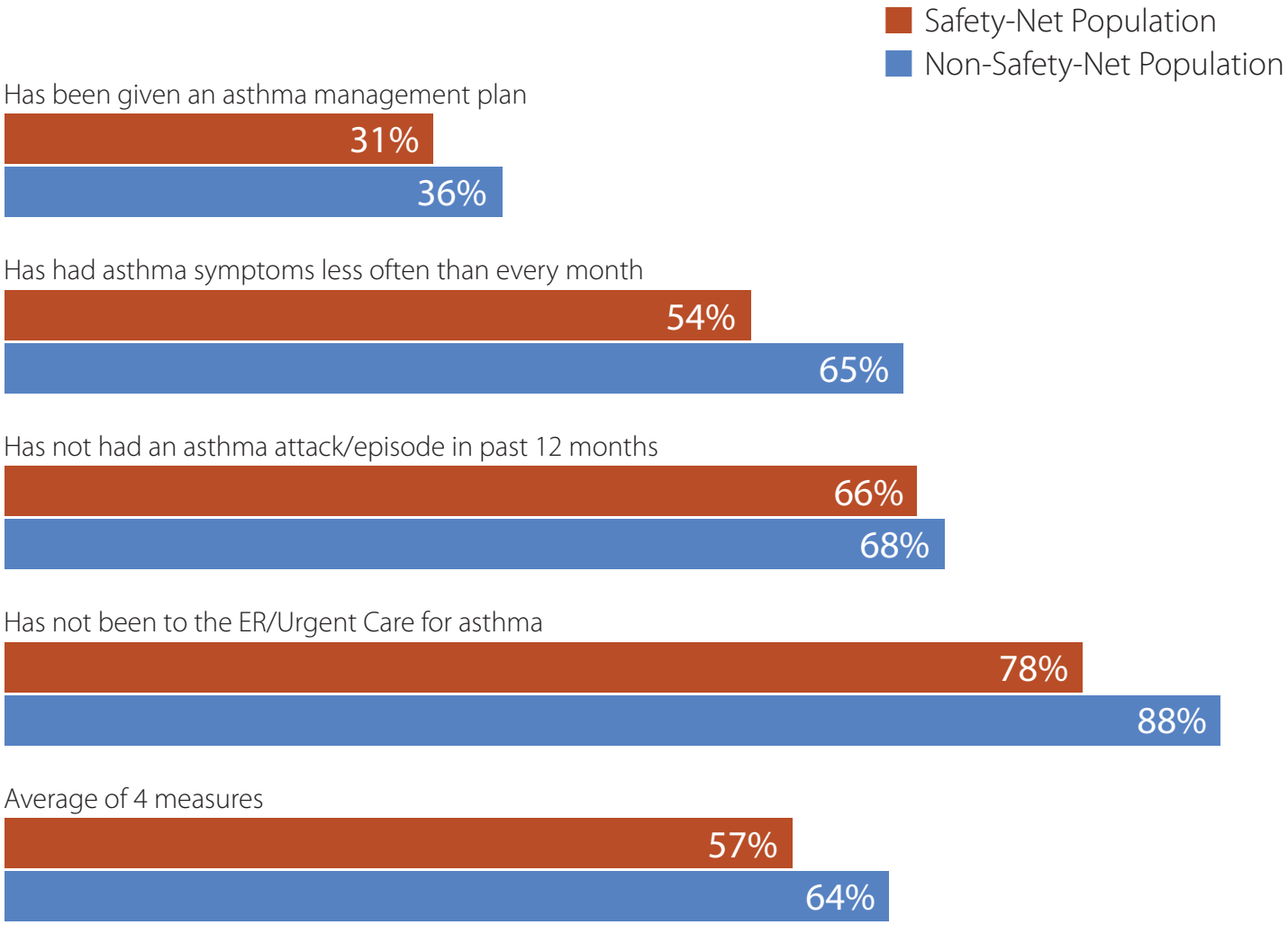
*Includes children, teens, and adults.
†Includes teens and adults.
‡Adults only. Disability status measures difficulty in daily life activities, not receipt of disability benefits.

Notes: Medicare recipients are excluded from both populations unless they are dual-eligibles for Medi-Cal.

Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

Individuals in the safety-net population during 2007 were more likely to report being affected by poor physical and mental health relative to other Californians.

Asthma Care Measures,
Safety-Net vs. Non-Safety-Net Population, 2007

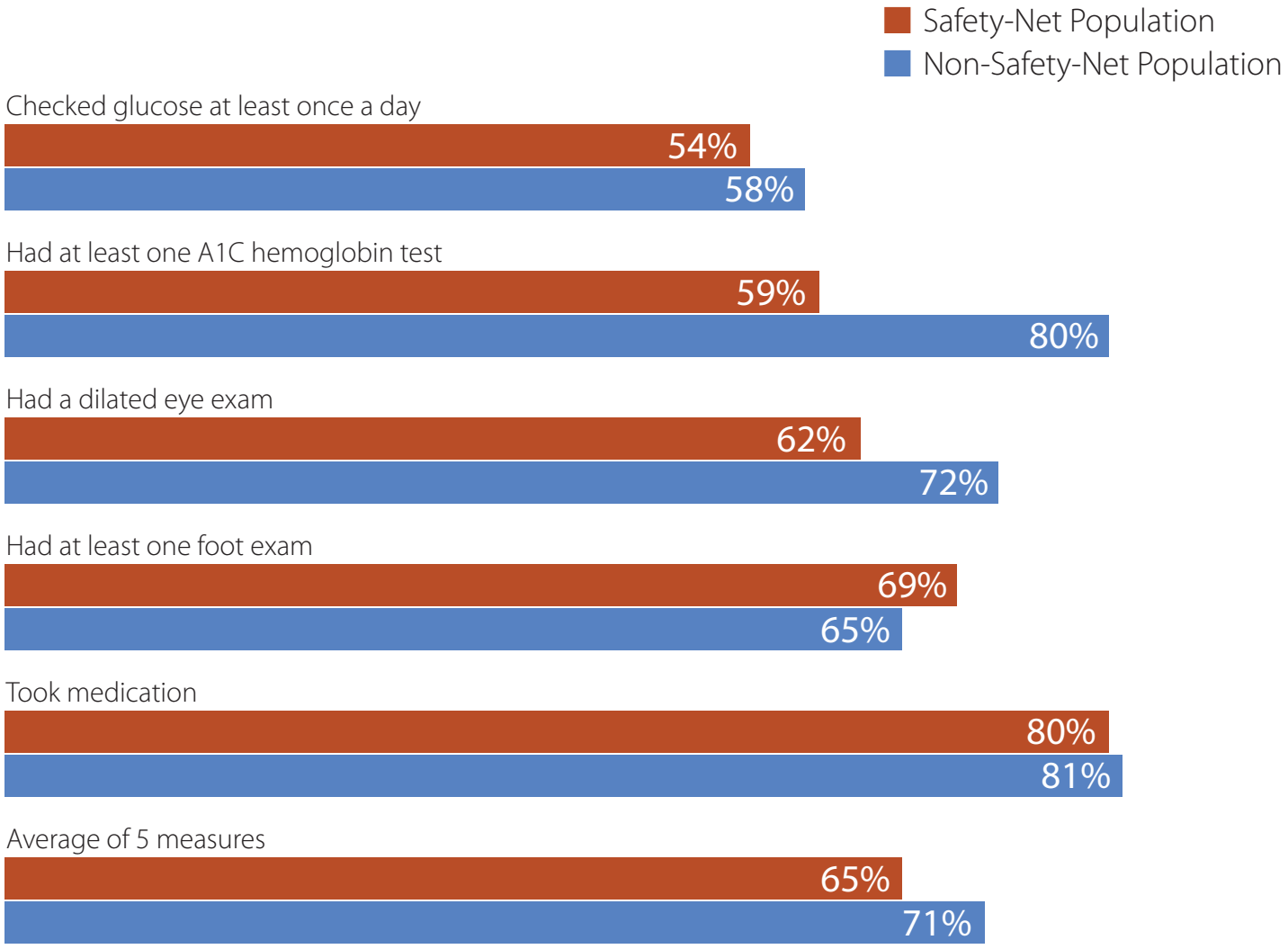


Notes: Children and teens are only asked about asthma. Only current asthmatics are included in the asthma symptoms and ER/Urgent care responses. Symptom Medicare recipients are excluded from both populations unless they are dual-eligibles for Medi-Cal.

Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

In general, the safety-net population fared worse on four asthma care measures. The average score was 57 percent for the safety-net population and 64 percent for higher-income Californians. In particular, the non-safety-net population was much less likely to report going to the emergency room or urgent care for their asthma.

Diabetes Care Measures,
Safety-Net vs. Non-Safety-Net Population, 2007

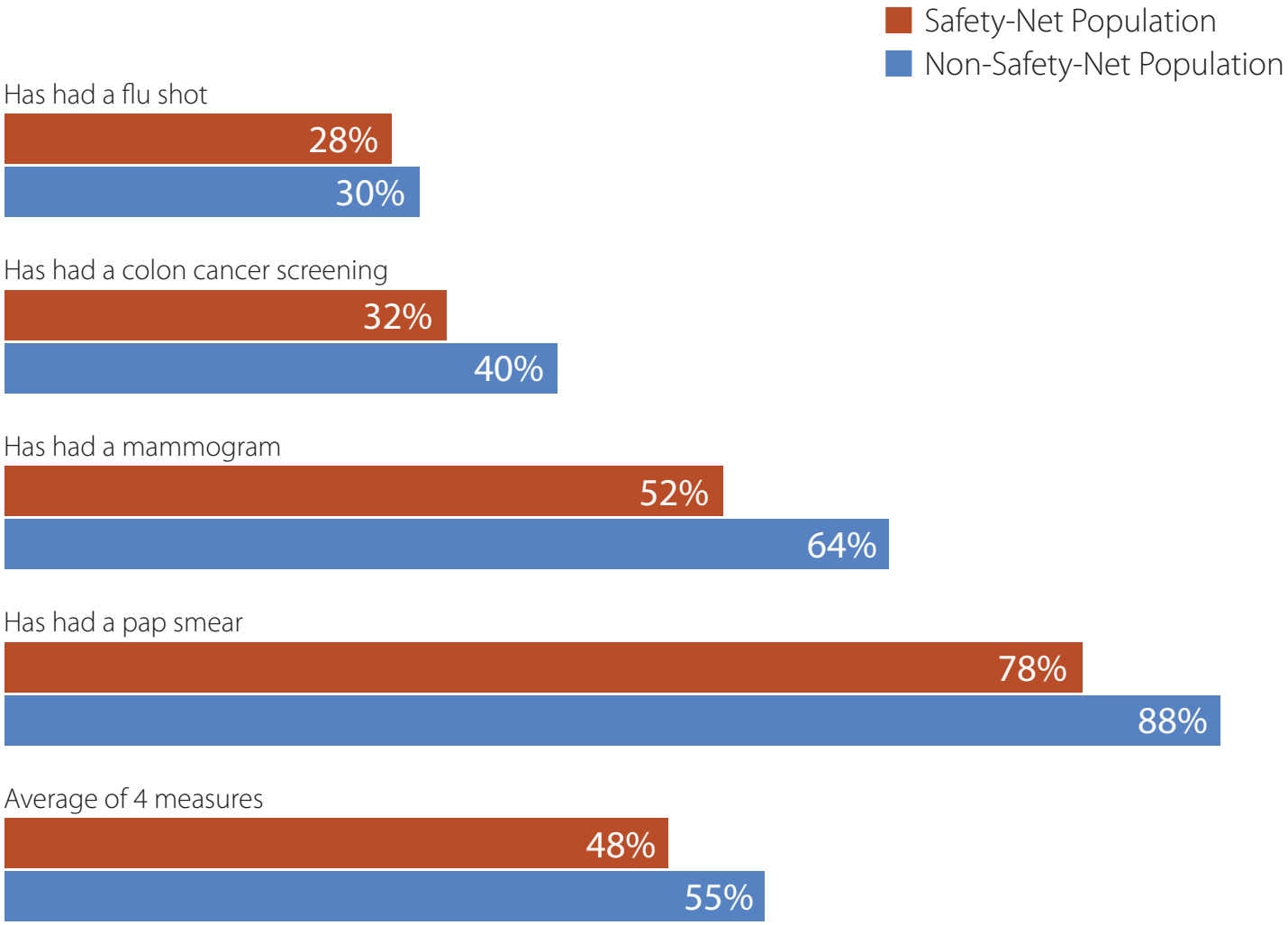


Notes: Adults only. Medicare recipients are excluded from both populations unless they are dual-eligibles for Medi-Cal.

Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

Based on the average of five diabetes care measures, the safety-net population average was similar to that for other Californians (65 to 71 percent), although overall the safety-net population reported faring worse. Slightly more people in the safety-net population did, however, report at least one foot exam.

Preventative Care Measures,
Safety-Net vs. Non-Safety-Net Population, 2007



Notes: Each measure was asked only of those who are gender and age-appropriate. Pap smear estimates are for those that have not had a hysterectomy. Medicare recipients are excluded from both populations unless they are dual-eligibles for Medi-Cal.

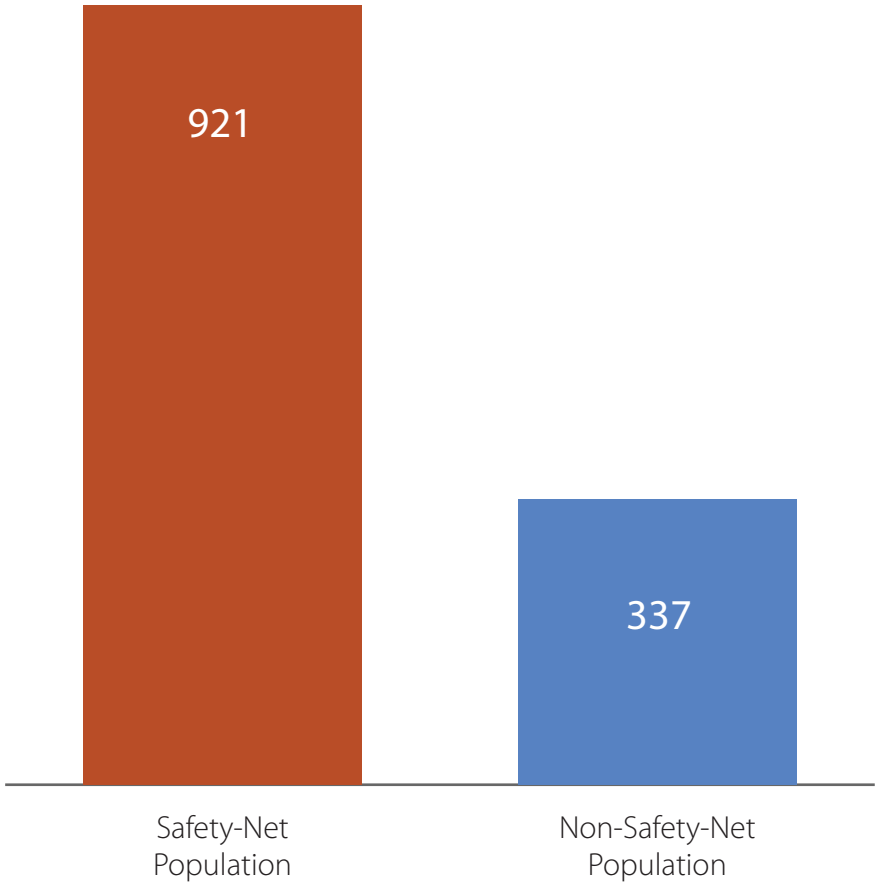
Source: Blue Sky Consulting Group analysis of the 2007 California Health Interview Survey, UCLA Center for Health Policy Research.

Based on the average of four measures, 48 percent of the safety-net population reported receiving preventive care within recommended time frames, compared to 55 percent of the non-safety-net population.

Preventable Hospitalizations Per 100,000 People,*

Safety-Net vs. Non-Safety-Net Population, 2007

OVERALL PREVENTION QUALITY INDICATORS (PQI)



In 2007, the safety-net population had more than twice as many avoidable hospitalizations per 100,000 people than other Californians for 12 ambulatory care sensitive conditions. Avoidable hospitalizations for conditions such as diabetes complications, hypertension, and adult asthma are widely used as a measure of access to good primary care.

*Number of avoidable hospitalizations were identified by payers of interest (private insurance, Medi-Cal, county indigent, other indigent, and self-pay). To calculate the overall rate, the number of hospitalizations was divided by the 18 and over population from the CHIS-identified safety-net and non-safety-net populations. Without income data, we are including some non-safety-net patients in the safety-net population and have moved all uninsured and public program enrolled into the CHIS safety-net population to compensate. Without access to age, sex, and race indicators, we could not adjust the rates according to demographics.

Source: Blue Sky Consulting Group analysis of the 2007 Office of Statewide Health Planning and Development (OSHPD) Hospital Inpatient Discharge Data using a modified AHRQ PQI module.

Data Sources

This report presents administrative data on health care providers and programs, as well as survey data on patient experiences to paint a picture of the safety net in California. This data represents the best available, but it has its limitations. For example, the provider data does not capture individual level experiences nor does it assess all providers. On the other hand, the person level survey data sometimes presents 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. Nevertheless, the data presented in this report compromise the most comprehensive look at the safety net to date.

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FOR MORE INFORMATION

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