



California Regional Markets: San Diego

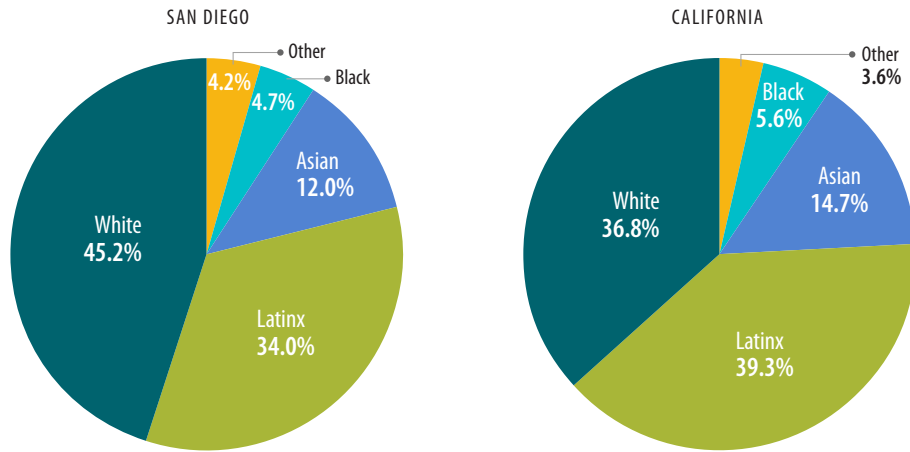
CALIFORNIA HEALTH CARE ALMANAC QUICK REFERENCE GUIDE

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Race/Ethnicity

Region vs. State Average, 2018



Population Statistics, 2018

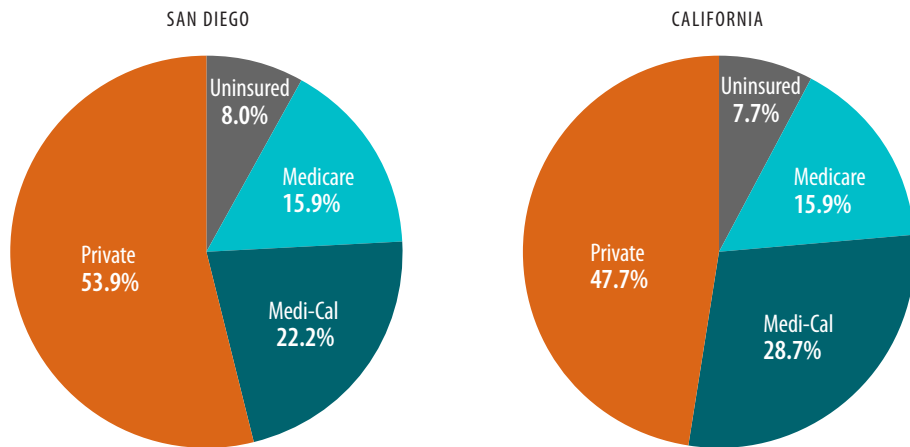
	San Diego	California
Total population (in millions)	3.343	39.557
Five-year population growth	4.1%	3.2%

Economic Indicators, 2018

	San Diego	California
Below 100% FPL	11.4%	12.8%
100% to 199% FPL	15.9%	17.1%
Unemployment rate	3.3%	4.2%
Able to afford median-priced home	28.0%	31.0%

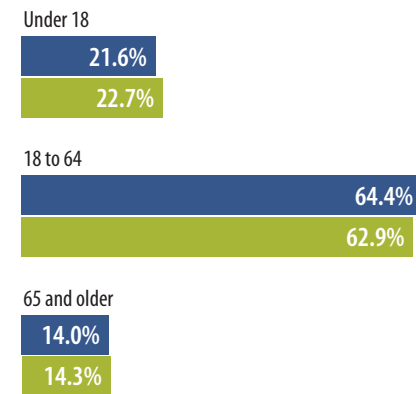
Health Insurance

Region vs. State Average, 2019



Age of Population

Region vs. State Average, 2018



Notes: *Private* includes any other insurance coverage (excluding Medicare and Medi-Cal). *Medicare* includes dual-eligible enrollees. *Asian*, *Black*, *White*, and *Other* categories are non-Latinx. Charts may not total 100% due to rounding.

Sources: "County Population by Characteristics: 2010–2019," US Census Bureau, last accessed June 1, 2020; "2018: ACS Supplemental Estimates Detailed Tables — Ratio of Income to Poverty Level in the Past 12 Months," US Census Bureau; "Employment by Industry Data: Historical Annual Average Data" (as of August 2020), Employment Development Dept., n.d.; "Housing Affordability Index - Traditional," California Association of Realtors; "Medi-Cal Certified Eligibles Tables, by County from 2010 to Most Recent Reportable Month," CHHS Open Data Portal; "Medicare Enrollment Dashboard," Centers for Medicare & Medicaid Services; "2019: ACS 1-Year Estimates Detailed Tables — Age by Disability Status by Health Insurance Coverage Status," US Census Bureau. All websites accessed June 1, 2020.

California Regional Markets: San Diego, *continued*

The San Diego health care market has long been dominated by four health systems: Kaiser Permanente; Sharp HealthCare; Scripps Health; and University of California, San Diego (UCSD) Health. Both Kaiser and Sharp historically have embraced capitated (fixed per-member, per-month) payments where they assume financial risk for patient care, a trend now taking hold at Scripps and UCSD. While they compete for patients and market share, providers in the region also collaborate on community-wide issues, including access to care and more recently the COVID-19 pandemic. Despite significant gains in health coverage, access to care for lower-income people, especially for behavioral health services, remains a challenge.

KEY FACTORS AFFECTING THE LOCAL HEALTH CARE MARKET INCLUDE:

- ▶ **Health care coverage expansion continues.** The 2014 Medi-Cal expansion under the federal Affordable Care Act and the strong (pre-pandemic) economy helped increase the share of San Diegans with health insurance. More than half of residents have private insurance coverage, and Medi-Cal now covers almost a quarter of the population. Kaiser remains the dominant insurer in the region, reportedly covering 20% of the population.
- ▶ **Hospital sector remains stable and consolidated.** Overall, the region's hospital sector remains stable, with no changes in ownership in recent years. Both UCSD Health and Kaiser opened new hospitals in 2016 and 2017, respectively, and Kaiser announced plans in early 2020 to build a third hospital in the northern part of the county.
- ▶ **Medical groups focus on growth.** As health systems expand population health strategies, they have increased affiliations with medical groups and independent practice associations. Medical groups also have grown as new physicians and independent physicians nearing retirement opt for employment instead of running their own practices.
- ▶ **Federally Qualified Health Centers (FQHCs) thrive.** San Diego's 14 FQHCs provide critical access to safety-net services across more than 100 sites in the region. Following the 2014 Medi-Cal eligibility expansion, patient visits per capita increased 40%. Looking to the future, two FQHCs have developed Programs of All-Inclusive Care for the Elderly to serve their patients with complex needs as they become eligible for Medicare.
- ▶ **County moves to improve access to mental health and substance use disorder services.** Access to behavioral health care is a critical need in the region. The county has launched an initiative to create a behavioral health "hub-and-network" system to connect individuals with community-based care and care coordinators following hospital discharge to reduce readmissions.
- ▶ **Regional health information exchange (HIE) is at a crossroads.** San Diego's regional HIE serves providers in both San Diego and Imperial Counties. While the region has invested significant resources in the HIE, and it enjoys strong support, the system does not have the functionality many participants would like and remains underused.

Hospitals (acute care), 2018	San Diego	California
Beds per 100,000	180	178
Operating margin	10.2%	4.4%
Total operating expenses per adjusted patient day	\$3,667	\$4,488

Health Professionals Per 100,000 Population, 2020	San Diego	California
Physicians	211.2	191.0
▶ Primary care	62.4	59.7
▶ Specialists.	148.4	130.8
▶ Psychiatrists.	13.6	11.8
% of population in HPSA.	15.1%	28.4%

Note: HPSA is health professional shortage area.

Sources: "Hospital Annual Financial Data - Selected Data & Pivot Tables," California Office of Statewide Health Planning and Development, accessed June 1, 2020; Healthforce Center at UCSF analysis of Survey of Licensees (private tabulation), Medical Board of California, January 2020; and Health Professional Shortage Area (HPSA) data from *Shortchanged: Health Workforce Gaps in California*, California Health Care Foundation, July 15, 2020.

ABOUT THE REGIONAL MARKETS SERIES

This quick reference guide is based on the full report *San Diego: Competing, Collaborating, and Forging Ahead with Population Health* by Caroline Davis of Davis Health Strategies LLC and Katrina Connolly of Blue Sky Consulting Group.