



California Health Care Foundation

California Regional Markets: Bay Area

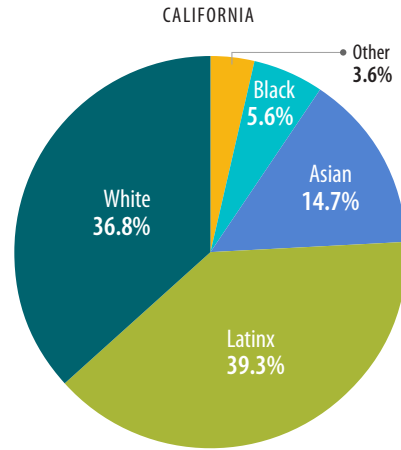
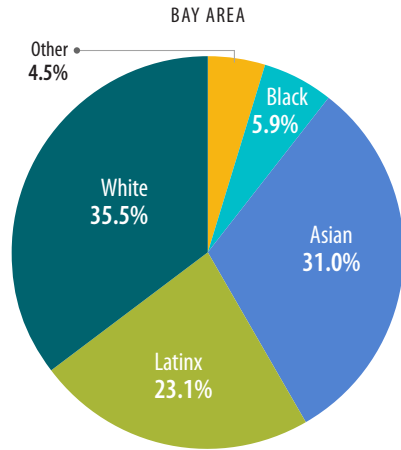
CALIFORNIA HEALTH CARE ALMANAC QUICK REFERENCE GUIDE

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Race/Ethnicity

Region vs. State Average, 2018



Population Statistics, 2018

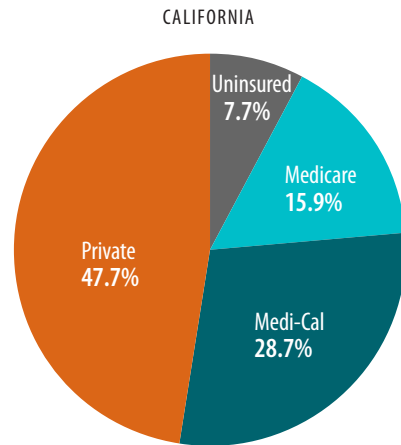
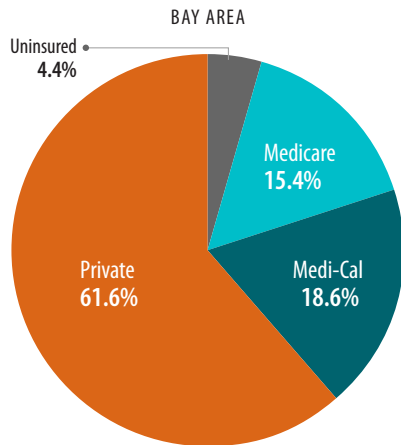
	Bay Area	California
Total population (in millions)	6.407	39.557
Five-year population growth	4.7%	3.2%

Economic Indicators, 2018

	Bay Area	California
Below 100% FPL	.81%	12.8%
100% to 199% FPL	10.1%	17.1%
Unemployment rate	2.7%	4.2%
Able to afford median-priced home	24.3%	31.0%

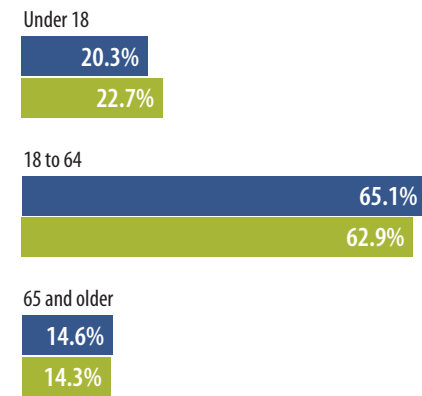
Health Insurance

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.

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California Regional Markets: Bay Area, *continued*

The San Francisco Bay Area — spanning San Francisco, Alameda, Contra Costa, San Mateo, and Santa Clara Counties — is healthier, wealthier, and has higher rates of insurance, on average, than the rest of California. The region is dominated by four health care systems: Kaiser; Sutter Health; University of California, San Francisco (UCSF) Health; and Stanford Health Care. Smaller systems, such as John Muir Health and El Camino Health, play key roles in geographic submarkets, making them attractive partners for the larger systems seeking to expand market share. Despite the region’s relative affluence, more than one in five residents are covered by Medi-Cal or uninsured. County-based safety-net health systems and Federally Qualified Health Centers (FQHCs) play critical roles in providing care for vulnerable populations.

KEY FACTORS AFFECTING THE LOCAL HEALTH CARE MARKET INCLUDE:

- ▶ **High health care costs and competition among large systems prompt interest in population health management.** Bay Area health care costs remain among the highest statewide, creating interest in the adoption of population health strategies long used by Kaiser that stress prevention and care coordination to avoid costly hospital stays.
- ▶ **More physicians align with large health systems as the independent private practice model erodes.** While physician supply in the Bay Area is strong, the share of independent physicians in private practice continues to decline. Physicians increasingly are joining medical groups affiliated with the large health systems.
- ▶ **Numerous public hospitals and local Medi-Cal health plans help to anchor the health care safety net.** The Bay Area’s public health plans cover the majority of the region’s Medi-Cal enrollees. The region’s public hospitals also play a critical safety-net role. Medi-Cal accounts for approximately two-thirds of revenue at Santa Clara Valley Medical Center, Zuckerberg San Francisco General Hospital, and Alameda Health System.
- ▶ **FQHCs play an important safety-net role.** The role of the region’s FQHCs in caring for Medi-Cal enrollees and uninsured residents is growing. Between 2014 and 2018, the number of FQHC patient visits per capita grew by 28%, and the number of clinic sites increased by 15%.
- ▶ **Access to and coordination of behavioral health care services for vulnerable populations is a challenge.** Inpatient psychiatric beds are in especially short supply, with one estimate indicating that the region needs to add thousands of beds. While the Bay Area has more psychiatrists per capita than elsewhere in California, psychiatrists to treat Medi-Cal and other safety-net patients remain scarce.
- ▶ **More people are experiencing homelessness across the region.** Along with efforts to coordinate physical and behavioral health care services and link vulnerable people to social services, local officials are leveraging federal coronavirus relief funds to add both permanent and interim housing units to address growing homelessness across the five Bay Area counties.

Hospitals (acute care), 2018

	Bay Area	California
Beds per 100,000	179	178
Operating margin	-0.2%	4.4%
Total operating expenses per adjusted patient day	\$7,172	\$4,488

Health Professionals
Per 100,000 Population, 2020

Physicians	260.3	191.0
▶ Primary care	81.8	59.7
▶ Specialists.	177.9	130.8
▶ Psychiatrists.	18.7	11.8
% of population in HPSA.	4.5%	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 Francisco Bay Area: Regional Health Systems Vie for Market Share* by Caroline Davis of Davis Health Strategies and Katrina Connolly of Blue Sky Consulting Group.