

Healthy San Francisco

Purpose and Overview

The purpose of Healthy San Francisco is to provide universal healthcare access to the estimated 82,000 San Francisco adult residents who are not eligible for existing public health insurance. Healthy San Francisco is not insurance -- instead, it is a model of providing participants access to primary and preventive healthcare, as well as specialty care and other types of healthcare services. Participants are assigned a "Medical Home" and a primary care physician.

Eligibility

- Available to all San Francisco residents, regardless of immigration status, employment status, or pre-existing medical conditions and who are between the ages of 18-64 and are not eligible for public health insurance. Combined family income must be at or below 300 percent of the federal poverty level.

Access to Healthcare Services

- Participants must receive services in San Francisco.
- Services do include preventive and routine care, specialty care, urgent and emergent care, ambulance services, hospital care, mental healthcare, laboratory services, alcohol & drug abuse care, prescription medicine
- Healthy San Francisco does not include vision, dental, gastric by-pass surgery or services, infertility, long-term care, non-emergency transportation as well as several other types of services.
- Healthy San Francisco is not health insurance, therefore, services provided outside the city and county of San Francisco will not be provided or paid. Services must be provided by a Healthy San Francisco provider. If a patient arrives at the wrong clinic, they are directed to the proper clinic or have the option of paying for the visit.

Healthcare Providers

- Program participants are assigned a Medical Home, including a specific physician to oversee a participant's care. Specialist care is provided. Providers include 14 public health clinics operated by the City and 8 private non-profit clinics. If a

participant goes to the emergency department for non-urgent care, they will be assessed a fee of \$25 to \$50, depending on income level.

- Per Dr. Katz, principal architect of the Healthy San Francisco project, private providers are given a grant based on an estimate of how many people they will serve in that year with assurances that the grant will increase if additional patients are seen.
- Currently, participants must receive hospital care at San Francisco General Hospital, which is owned and operated by the City and County of San Francisco, Department of Public Health. Healthy San Francisco does not pay for services at any other hospital. It appears that negotiations with other hospitals took place in the implementation phase of the project but the public hospital, San Francisco General Hospital, is the only hospital in the plan at this point. According to the Status Report on the Implementation in January 2007, provider interest was to be based on reimbursement rates, method of reimbursement, and risk (i.e., expected utilization compared with adequacy of reimbursement.)

Employer Participation

- San Francisco employers are required to spend a minimum amount per hour on healthcare for employees who work 10 or more hours per week in San Francisco. (A lawsuit is pending regarding the Employer Spending Requirement.)
- Employers may:
 - purchase employee health insurance,
 - contribute to Healthy San Francisco for its San Francisco employees,
 - contribute to individual Medical Reimbursement Accounts for employees' out-of-pocket medical expenses,
 - reimburse employees for healthcare expenses, or
 - pay employees' healthcare providers directly.
- If employees are San Francisco residents and the employees meet the eligibility requirements, employer payments to the Healthy San Francisco program will reduce the program fee for the employees. If the employees do not live in San Francisco or do not meet the eligibility criteria, the employer must allocate to the employees' Medical Reimbursement Account or purchase medical insurance. Many employers indicated that they would be more willing to contribute to Healthy San Francisco if it benefited more than just its San Francisco resident employees.
- Employers can obtain waiver forms from employees who receive health coverage through another employer.

- Employers with 50 or more employees were required to make health expenditures by April 30, 2008. Employers with 20-49 employees must make expenditures by July 30, 2008. Nonprofit employers with less than 50 employees or small employers with less than 20 employees are exempt.

Financing

- Healthy San Francisco is a "shared responsibility" plan, and is financed through contributions from employers, sliding scale fees from participants, the City and County of San Francisco, and other public funding such as federal start-up funding. Per Dr. Katz, the funding to-date is as follows:
 - the City of San Francisco pays \$123 million by redirecting existing uninsured funds,
 - federal healthcare expansion award totaling \$24 million,
 - employer contributions of \$7.4 million from 700 businesses so far, (estimated to reach \$15 million),
 - individual contributions of \$6 million, and
 - additional federal and state contributions of \$14 million.
- It is too soon to determine the full cost to implement Healthy San Francisco although the cost to fully enroll 60,000 individuals is estimated at \$171 million.

Status

- As of August 26, 2008, program enrollment totals 28,319. The program began in September 2007.

Sources:

- Healthy San Francisco website (www.healthysanfrancisco.org)
- Status Report on the Implementation of the San Francisco Health Care Security Ordinance, January and July 2007

CONSIDERATIONS:

Advantages:

- Expanded access at a more appropriate setting; eases emergency department use for non-emergent issues, especially in light of the 37 percent increase in Connecticut emergency department visits from 1997 to 2007. (According to the Connecticut Hospital Association, ED visits in 1997 were 1,111,992; in 2007 ED visits totaled 1,522,330.)
- “Medical home” for each participant helping to ensure continuity of care.
- Program/access available, regardless of immigration status
- “Shared responsibility” by federal/state/county government, employers, individuals

Disadvantages:

- Medical services can only be accessed in San Francisco
- Participants are restricted to one public hospital
- Unclear as to why other hospitals have not joined yet – it could be the reimbursement rates, the method of reimbursement, and/or the high utilization with the low rates
- Benefits do not include dental, vision, comprehensive reproductive services, and some other types of services. Benefits also do not include long-term care services which will become more important as the population ages.
- Employers must differentiate between San Francisco resident employees and employees who live in other areas
- Unclear as to total program cost – too soon to tell. Specific details are also needed concerning provider agreements.

Considerations for Connecticut:

- Healthy San Francisco covers family income at or below 300 percent of the federal poverty level. Due to financial constraints, Connecticut may need to lower the eligibility level.
- Employer mandate
- Connecticut has a much different environment than San Francisco -- for example, Connecticut has only one public hospital (Dempsey). Rates paid and reimbursement methods would need to be analyzed and, most likely, rates increased to attract other hospitals.
- If the San Francisco model was implemented in Connecticut, coverage would not be provided for individuals who leave the state. Coverage would also be difficult for those individuals who live close to the Connecticut borders.
- Connecticut does not have a mass transportation system throughout the state that would support distant medical homes. Assignment of medical homes might also be difficult for those who work in other states. Connecticut employees who live in other states would not be covered under this model.
- Unclear as to the additional cost to the State
- The Healthy San Francisco model brings to light the larger issue for discussion by the HealthFirst Connecticut Authority -- universal access or universal health insurance?