



COUNTY OF SAN DIEGO

BOARD OF SUPERVISORS

1600 PACIFIC HIGHWAY, ROOM 335, SAN DIEGO, CALIFORNIA 92101-2470

AGENDA ITEM

DATE: December 11, 2001

TO: Board of Supervisors

SUBJECT: SUPPORTING THE HEALTHCARE SAFETY NET IN SAN DIEGO
(District: All)

SUMMARY:

Overview

San Diego County has one of the highest populations of uninsured of any county in the nation. To further add to this challenge, businesses in San Diego County are primarily small and family-owned and often not able to provide health insurance benefits to their employees. The world's most traveled international border crossing adjoins our county and this also adds unique challenges for the delivery of healthcare services to the region.

The healthcare safety net in San Diego County is a network of private sector hospitals and community clinics, rather than a County hospital. A recent change in federal policy to reduce the Medicaid Upper Payment Limit (UPL) will seriously undermine the already fragile healthcare safety net in San Diego. Hospitals have incredibly low MediCal reimbursement rates and this new policy means losses of approximately \$31 million annually to local hospitals.

These losses will impact urgent care centers, emergency department services, community-based efforts, school-based health centers, disease management programs for indigent populations and other critical safety net services for the region.

Approval of today's action will authorize the Chairman of the Board of Supervisors to send a letter to President George W. Bush and the Center for Medicare and Medicaid Services urging them to reconsider this new policy and the tremendous impacts on San Diego County and California.

Recommendation(s)

SUPERVISOR COX AND SUPERVISOR JACOB:

Direct the Chief Administrative Officer to draft a letter for the Chairman's signature to President George W. Bush and the Center for Medicare and Medicaid Services urging them to reconsider the new policy reducing the Medicaid Upper Payment Limit for

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hospitals.

Fiscal Impact

There are no fiscal impacts associated with this recommendation.

BACKGROUND:

San Diego County has one of the highest populations of uninsured of any county in the nation. To further add to this challenge, businesses in San Diego County are primarily small and family-owned and often not able to provide health insurance benefits to their employees. The world's most traveled international border crossing adjoins our County and this also adds unique challenges for the delivery of healthcare services to the region.

The healthcare safety net in San Diego County is a network of private sector hospitals and community clinics, rather than a County hospital. A recent change in federal policy to reduce the Medicaid Upper Payment Limit (UPL) will seriously undermine the already fragile healthcare safety net in San Diego. Hospitals have incredibly low MediCal reimbursement rates and this new policy means losses of approximately \$31 million annually to local hospitals.

These losses will impact urgent care centers, emergency department services, community-based efforts, school-based health centers, disease management programs for indigent populations and other critical safety net services for the region.

Approval of today's action will authorize the Chairman of the Board of Supervisors to send a letter to President George W. Bush and the Center for Medicare and Medicaid Services urging them to reconsider this new policy stressing the tremendous impacts on San Diego's healthcare safety net.

The attacks of September 11th and ongoing concerns of bioterrorism are clear reminders of the crucial role that the public healthcare safety net plays in a time of crisis. As the front lines of response in a major medical emergency or disaster, our already underfunded safety net hospitals cannot sustain another cut to funding without seriously impacting services.

We urge your support!

Respectfully submitted,

GREG COX
Supervisor, First District

DIANNE JACOB
Supervisor, Second District

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AGENDA ITEM INFORMATION SHEET

CONCURRENCE(S)

COUNTY COUNSEL REVIEW	<input type="checkbox"/> Yes	
Written Disclosure per County Charter Section 1000.1 Required	<input type="checkbox"/> Yes	<input type="checkbox"/> No
GROUP/AGENCY FINANCE DIRECTOR	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
CHIEF FINANCIAL OFFICER	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
Requires Four Votes	<input type="checkbox"/> Yes	<input type="checkbox"/> No
GROUP/AGENCY INFORMATION TECHNOLOGY DIRECTOR	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
COUNTY TECHNOLOGY OFFICE	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
DEPARTMENT OF HUMAN RESOURCES	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A

Other Concurrence(s):

ORIGINATING DEPARTMENT: First Supervisorial District, Second Supervisorial District

CONTACT PERSON(S):

<u>Patty Kay Danon</u>	<u>Alan Pentico</u>
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(619) 531-5511	
Phone	Phone
Fax	Fax
Mail Station	Mail Station
E-mail	E-mail

AUTHORIZED REPRESENTATIVE: _____

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AGENDA ITEM INFORMATION SHEET
(continued)

PREVIOUS RELEVANT BOARD ACTIONS:

BOARD POLICIES APPLICABLE:

BOARD POLICY STATEMENTS:

CONTRACT NUMBER(S):

SUBJECT: SUPPORTING THE HEALTHCARE SAFETY NET IN SAN DIEGO (District: All)

FISCAL IMPACT STATEMENT

DEPARTMENT:

PROGRAM:

PROPOSAL:

	(a)	(b)	(c)	FUTURE YEARS ESTIMATED BUDGET OF PROPOSAL IF ADOPTED	
	Budgeted Amount For Proposal	Proposed Change in Budgeted Amount	Proposed Revised Current Year Budget (a+b)	(d) 1st Subsequent Year	(e) 2nd Subsequent Year
Direct Cost					
Revenue/Other Offset					
NET GENERAL FUND COST					
Staff Years					

Sources of Revenue/Other Offset for Proposed Change and Subsequent Years:

Space-Related Impacts: Will this proposal result in any additional space requirements? Yes N/A

Support/Other Departmental Impacts: Yes N/A

Remarks: Yes N/A