

Sutter Health

Sutter Maternity & Surgery Center of Santa Cruz

2014 Community Benefit Plan Update

Based on the 2013 – 2015 Community Benefit Plan

Responding to the 2013 Community Health Needs Assessment

Submitted to the Office of Statewide Health Planning and Development May 2015

2900 Chanticleer Avenue
Santa Cruz, CA 95065
www.suttersantacruz.org

This document serves as an annual update to the 2013 – 2015 community benefit plan for Sutter Maternity & Surgery Center of Santa Cruz. The update describes impact from community benefit programs/initiatives/activities conducted in the reporting year, along with the economic values of community benefits for fiscal year 2014.

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The implementation strategy is written in accordance with proposed Internal Revenue Service regulations pursuant to the Patient Protection and Affordable Care Act of 2010. This document has also been approved by OSHPD to satisfy the community benefit plan requirements for not-for-profit hospitals under California SB 697.

Introduction

This implementation strategy describes Sutter Maternity & Surgery Center of Santa Cruz, a Sutter Health affiliate, plans to address significant needs identified in the Community Health Needs Assessment (CHNA) published by the hospital October 2013. The document describes how the hospital plans to address identified needs in calendar (tax) years 2013 through 2015.

The 2013 CHNA and this implementation strategy were undertaken by the hospital to understand and address community health needs, and in accordance with proposed Internal Revenue Service (IRS) regulations pursuant to the Patient Protection and Affordable Care Act of 2010.

This implementation strategy addresses the significant community health needs described in the CHNA that the hospital plans to address in whole or in part. The hospital reserves the right to amend this implementation strategy as circumstances warrant. For example, certain needs may become more pronounced and merit enhancements to the described strategic initiatives. Alternately, other organizations in the community may decide to address certain community health needs, and the hospital may amend its strategies and refocus on other identified significant health needs. Beyond the initiatives and programs described herein, the hospital is addressing some of these needs simply by providing health care to the community, regardless of ability to pay.

About Sutter Health

Sutter Maternity & Surgery Center of Santa Cruz (SMSC) is affiliated with Sutter Health, a not-for-profit network of hospitals, physicians, employees and volunteers who care for more than 100 Northern California towns and cities. Together, we're creating a more integrated, seamless and affordable approach to caring for patients.

The hospital's mission is to enhance the well-being of people in the communities we serve through a not-for-profit commitment to compassion and excellence in health care services.

Over the past five years, Sutter Health has committed nearly \$4 billion to care for patients who couldn't afford to pay, and to support programs that improve community health. Our 2014 commitment of \$767 million includes unreimbursed costs of providing care to Medi-Cal patients, traditional charity care and investments in health education and public benefit programs. For example:

- To provide care to Medi-Cal patients in 2014, Sutter Health invested \$535 million more than the state paid. Sutter Health hospitals proudly serve more Medi-Cal patients in our Northern California service area than any other health care provider.
- In 2014, Sutter Health's commitment to delivering charity care to patients was \$91 million. Our charity care investment represented an average of nearly \$1.8 million per week.
- Throughout our health care system, we partner with and support community health centers to ensure that those in need have access to primary and specialty care. We also support children's health centers, food banks, youth education, job training programs and services that provide counseling to domestic violence victims.

Every three years, Sutter Health hospitals participate in a comprehensive and collaborative Community Health Needs Assessment, which identifies local health care priorities and guides our community benefit strategies. The assessments help ensure that we invest our community benefit dollars in a way that targets and addresses real community needs.

For more facts and information about SMSC, please visit www.suttersantacruz.org.

2013 Community Health Needs Assessment Summary

SMSC participates in a collaborative effort to conduct a countywide community assessment. This Community Assessment Project (CAP) is led by Applied Survey Research (ASR) and United Way of Santa Cruz County, and was sponsored by a number of community stakeholders including SMSC. The Santa Cruz County CAP is conducted every two years and was most recently conducted in 2012. The 2012 CAP Steering Committee actively participated in the assessment process and consisted of individuals representing the broad interests of the community, including nonprofit hospitals, County of Santa Cruz Health Services Agency and Human Services Departments, a nonprofit healthcare coalition, nonprofit healthcare and community foundations, and community clinics. The 2012 CAP utilized a number of health and wellbeing indicators collected from both primary and secondary data sources. The assessment included more than 100 indicators decided upon by technical advisory committees. SMSC's 2013 Community Health Needs Assessment report conducted by SMSC is available at <http://www.suttersantacruz.org/about/community.html>

Definition of Community Served by the Hospital

Based on analysis of patient discharge data, SMSC's service area is considered to be Santa Cruz County. Santa Cruz County sits south of San Mateo County, west of Santa Clara County, and north of Monterey County and was home to 262,382 residents in 2010, with an estimated increase to 266,776 in 2012.

While the median family income of Santa Cruz County families dropped to \$69,419 in 2010, an increase to \$74,928 was seen in 2011. This median family income is higher than the state and national median family incomes, and the increase between 2010 and 2011 in Santa Cruz County was notably greater than the increases seen at the state and national levels. In Santa Cruz County, the percentages of those living in poverty fall below those within the state and nation. Among individuals under 17 years old, 15.5% live below the poverty level, 16.0% of those ages 18-64, and 7.2% of those 65 and older. It is notable that the percentage of 18-64 year olds living below the poverty level within the county has increased 4.8% between 2005 and 2011.

Significant Health Needs Identified

The following significant health needs were identified by the 2013 CHNA.

Significant Community Health Need	Intends to Address
<p>Access to primary care A segment of the County's adults report that they have needed healthcare but have been unable to receive it. Disparities between Latino and non-Latino residents reporting a regular source of healthcare also persist.</p>	Yes
<p>Health insurance among children A segment of the County's children age 0-17 remain without healthcare insurance, at a greater rate than the state average.</p>	Yes
<p>Childhood obesity Roughly one-quarter of low-income children age 5-19 years old in Santa Cruz County are obese, an increasing trend that remains higher than the state average.</p>	Yes
<p>Nutrition Nutritional needs of community members vary depending on access to healthy foods and the food choices of individuals.</p>	No
<p>Physical activity Physical activity for children in the schools is limited.</p>	No
<p>Dental care Dental Clinics for the uninsured and underinsured is available. The need for oral health and dental care for the adults and children in the community is limited.</p>	No
<p>Diabetes The rate of prediabetes and diabetes in the uninsured and underinsured community members has increased.</p>	No
<p>Alcohol and drug Support of community members with alcohol and drug abuse is limited.</p>	No

2013 – 2015 Implementation Strategy

This implementation strategy describes how SMSC plans to address significant health needs identified in its 2013 Community Health Needs Assessment and consistent with its charitable mission. The strategy describes:

- Actions the hospital intends to take, including programs and resources it plans to commit;
- Anticipated impacts of these actions and a plan to evaluate impact; and
- Any planned collaboration between the hospital and other organizations.

Access to Primary Care

Name of Program, Initiative or Activity **Primary Care Expansion**

Description SMSC will partner with Sutter Health-aligned Palo Alto Medical Foundation to expand its own primary care physician base serving Santa Cruz County. In addition, SMSC will be donating \$1.5M over the next five years to Santa Cruz Community Health Centers, a local Federally Qualified Health Center, to allow them to expand their primary care services through physical plant expansion and physician recruitment.

Anticipated Impact and Plan to Evaluate Primary Care Expansion is anticipated to improve access to care for the uninsured and medically indigent population in Santa Cruz by adding needed primary care physicians to accommodate the increasing demand of this population. The hospital will evaluate the impacts of this initiative by annually tracking the number of people served, including the number of visits at Santa Cruz Community Health Centers' new Live Oak Clinic, and by assessing the community's access to care needs in its next Community Health Needs Assessment.

2014 Impact The new East Cliff (Live Oak) Clinic saw 1,144 patients in 2013-2014, and 4,921 unique patients in 2014-2015. Many of these are patients who did not have a medical home prior to the new clinic location opening up.

Mechanism(s) Used to Measure Impact Our agreement with Santa Cruz Community Health Centers ensures that we receive regular updates on growth and access of the clinic for our local uninsured and under-insured population.

Community Benefit Contribution/Expense \$300,000 cash contribution to Santa Cruz Community Health Centers

Program, Initiative, or Activity Refinement The partnership with Santa Cruz Community Health Centers has been a positive one that has yielded valuable improvements in primary care access. Therefore, in 2015 we will look to formalize partnerships with other Federally Qualified Health Centers in our community, such as Salud Para La Gente and Dientes Community Dental Clinic.

Health Insurance Among Children

Name of Program, Initiative or Activity	Support for Access to Care for Underserved Children
Description	SMSC's financial commitment over the next five years to Santa Cruz Community Health Centers will allow them to assume the care of over 1,500 children who have been receiving care at an existing non-FQHC pediatric safety net clinic (that has closed in end of 2013). In addition, for over a decade, SMSC has financially supported the Healthy Kids program each year. Healthy Kids enrolls children in Medi-Cal through outreach activities and covers children who are ineligible for Medi-Cal through the locally-funded Healthy Kids Health Plan.
Anticipated Impact and Plan to Evaluate	Santa Cruz Community Health Centers expansion, which is made possible through a collaborative effort between SMSC and another local hospital's financial support, will allow them to significantly improve the access to care for children who would otherwise be left without a care provider. Healthy Kids has approximately 1,000 local children enrolled, and SMSC's financial support helps the program maintain and grow. The hospital will continue to carefully evaluate the needs of the children in our community who are not eligible for coverage under the Affordable Care Act in its next Community Health Needs Assessment.
2014 Impact	The impact of our partnership with the Santa Cruz Community Health Centers is detailed on the previous page. Our partnership with the Healthy Kids program has contributed to the provision of health insurance coverage for 875 local children.
Mechanism(s) Used to Measure Impact	As part of our partnership with the Healthy Kids program, we receive reports on financial performance and enrollment in the program.
Community Benefit Contribution/Expense	\$300,000 cash contribution to Santa Cruz Community Health Centers \$100,000 cash contribution to Health Kids
Program, Initiative, or Activity Refinement	Healthy Kids will continue to need our financial support, and is planning to expand additional enrollment to 6- to 18-year-old children.

Childhood Obesity

Name of Program, Initiative or Activity

PAMF Pediatric Weight Management Program

Description

SMSC collaborates with Palo Alto Medical Foundation in the development of its Pediatric Weight Management Program. The target population of this program is children whose body mass index (BMI) is in the highest 15% of BMIs for their age group. These children, along with their parents, are enrolled in a series of educational sessions with pediatricians and nutritionists designed to teach better nutritional, physical activity, and weight management habits. PAMF offers this intensive program to its patients despite the fact it is not covered by insurance as part of its efforts to address the overall childhood obesity issue in its service area.

Anticipated Impact and Plan to Evaluate

The PAMF Pediatric Weight Management Program strives to stop or reverse the pattern of weight gain among the highest risk youth. Results from the program in 2012 showed a 5% average reduction in BMI for enrolled participants. SMSC will evaluate the enrollment numbers into this program as well as the efficacy of the program on BMI and eating habits.

2014 Impact

In a review of the last several years, 62% of participants decreased their BMI and 12% maintained their BMI since their participation in our Healthy Eating Active Lifestyles Pediatric Weight Management program. The average decrease in BMI was 6%. In 2014 we saw 22 families in our six sessions of Healthy Eating Active Lifestyles. Forty-five families attended an introductory Shared Medical Appointment.

Mechanism(s) Used to Measure Impact

BMI tracking and pre and post questionnaires.

Community Benefit Contribution/Expense

Registered Dietician (RD) and physician time and expertise for classes, individual assessments and planning. Management and support staff time to schedule patients. Facilities availability. At least 100 RD hours annually for the classes and prep, plus another 45 hours for one-on-one visits.

Program, Initiative, or Activity Refinement

To better meet families' needs, we are offering bilingual classes in 2015. We have expanded locations where we are providing classes and are now offering classes at the Main Clinic and Westside Clinic in Santa Cruz and at our Watsonville Clinic. We have shortened the series to four sessions from six to increase participation.

Needs Sutter Maternity & Surgery Center Plans Not to Address

No hospital can address all of the health needs present in its community. SMSC is committed to serving the community by adhering to its mission, using its skills and capabilities, and remaining a strong organization so that it can continue to provide a wide range of community benefits. This implementation strategy does not include specific plans to address the following significant health needs that were identified in the 2013 Community Health Needs Assessment:

Nutrition

While Nutrition is addressed with a subset of the population through the PAMF Pediatric Weight Management Program's educational component, SMSC does not have the expertise, nor does PAMF have sufficient nutritionist resources, to effectively address this need on a broader scale in the community.

Physical Activity

While Physical Activity is addressed with a subset of the population through the PAMF Pediatric Weight Management Program's educational component, SMSC does not have the expertise, nor does PAMF have sufficient physical activity resources, to effectively address this need on a broader scale in the community.

Dental Care

SMSC does not have expertise to effectively address this need, and other organizations in the community are better equipped to address this need.

Diabetes

SMSC does not have expertise to effectively address this need, and other organizations in the community are better equipped to address this need.

Alcohol and Drug

SMSC does not have expertise to effectively address this need, and other organizations in the community are better equipped to address this need.

Approval by Governing Board

This implementation strategy was approved by the Governing Board of the Peninsula Coastal Region on January 15, 2014.

This implementation strategy was approved by the Mills-Peninsula Health Services Finance and Planning Committee on January 24, 2014.

This implementation strategy was approved by the Mills-Peninsula Health Services Board on February 6, 2014.

Appendix: 2014 Community Benefit Financials

Sutter Health hospitals and many other health care systems around the country voluntarily subscribe to a common definition of community benefit developed by the Catholic Health Association. Community benefits are programs or activities that provide treatment and/or promote health and healing as a response to community needs.

The community benefit values for Mills-Peninsula Health Services are calculated in two categories: **Services for the Poor and Underserved** and **Benefits for the Broader Community**.

Services for the poor and underserved include traditional charity care which covers health care services provided to persons who meet certain criteria and cannot afford to pay, as well as the unpaid costs of public programs treating Medi-Cal and indigent beneficiaries. Costs are computed based on a relationship of costs to charges. Services for the poor and underserved also include the cost of other services provided to persons who cannot afford health care because of inadequate resources and are uninsured or underinsured, and cash donations on behalf of the poor and needy.

Benefits for the broader community includes costs of providing the following services: health screenings and other non-related services, training health professionals, educating the community with various seminars and classes, the cost of performing medical research and the costs associated with providing free clinics and community services. Benefits for the broader community also include contributions Sutter Health makes to community agencies to fund charitable activities.

2014 Community Benefit Value	Mills-Peninsula Health Services
Services for the Poor and Underserved	\$33,497,381
Benefits for the Broader Community	\$978,803
Total Quantifiable Community Benefit	\$34,476,184

This reflects the community benefit values for Mills-Peninsula Health Services (MPHS), the legal entity that includes Sutter Maternity & Surgery Center of Santa Cruz, Mills-Peninsula Health Services and Menlo Park Surgical Hospital. For details regarding the community benefit values for Sutter Maternity & Surgery Center of Santa Cruz specifically, please contact Grace-Ann Munoz at (831) 477-2293 or MunozGA@sutterhealth.org.

2014 Community Benefit Financials
Mills-Peninsula Health Services

Services for the Poor and Underserved	
Traditional charity care	\$5,343,667
Unpaid costs of public programs:	
Medi-Cal	\$24,500,111
Other public programs	\$225,964
Other benefits	\$3,427,639
Total services for the poor and underserved	\$33,497,381

Benefits for the Broader Community	
Nonbilled services	\$296,233
Education and research	\$41,561
Cash and in-kind donations	\$640,445
Other community benefits	\$564
Total benefits for the broader community	\$978,803

This reflects the community benefit values for Mills-Peninsula Health Services (MPHS), the legal entity that includes Sutter Maternity & Surgery Center of Santa Cruz, Mills-Peninsula Health Services and Menlo Park Surgical Hospital. For details regarding the community benefit values for Sutter Maternity & Surgery Center of Santa Cruz specifically, please contact Grace-Ann Munoz at (831) 477-2293 or MunozGA@sutterhealth.org.