



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: June 10, 2013
Board Meeting Date: July 9, 2013
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Jean S. Fraser, Chief, Health System
Susan Ehrlich, MD, MPP, Chief Executive Officer, San Mateo Medical Center

Subject: Acceptance of a Grant from Sequoia Healthcare District

RECOMMENDATION:

Adopt a Resolution accepting a grant from Sequoia Healthcare District to fund the cost of health care to the uninsured/medically indigent residents of the Sequoia Healthcare District seeking care at San Mateo Medical Center's Fair Oaks and South County Clinics, for the term of July 1, 2013 through June 30, 2015, in the amount of \$2,000,000.

BACKGROUND:

The population of the North Fair Oaks neighborhood continues to increase along with the number of uninsured individuals who need medical care. During the past year, the Fair Oaks Adult and Children's Clinics provided over 34,200 outpatient visits to more than 12,000 individuals living in or near the neighborhood. Moreover, more than 18% of all visits and 38% of adult visits were for patients without insurance who are unable to pay for care and who are enrolled in San Mateo Medical Center's (SMMC) indigent care programs. As the County's safety net public hospital, SMMC has a mission to provide medical services to the uninsured throughout its system of care. Paying for the cost of delivering this care is a perpetual challenge, and this burden cannot be handled by the County alone. The Fair Oaks Clinics serve a patient population that resides primarily within the geographic boundaries of Sequoia Healthcare District (SHD). The SHD has recognized the increasing need for medical care of its uninsured and low-income residents by committing \$4.3 million toward the costs of building a new consolidated clinic in the southern part of the County, replacing the Fair Oaks Adult and Children's Clinics and the Willow Clinic. The new clinic is scheduled open in November 2013.

DISCUSSION:

On April 17, 2013, SHD's Board of Directors approved continuing its financial support of SMMC's efforts to provide care to the uninsured/medically indigent residents of the

Sequoia Healthcare District who seek care at San Mateo Medical Center's Fair Oaks Clinics and, after October 2013, at the new consolidated South County clinic. Accordingly, the SHD Board authorized a grant to the County in the amount of \$1,000,000 for FY 2013-14 and \$1,000,000 FY 2014-15 for these purposes.

County Counsel has reviewed and approved the Resolution as to form.

Acceptance of this grant contributes to the Shared Vision 2025 outcome of a Healthy Community by ensuring basic health and safety for all and providing residents access to healthcare and preventive care. It is anticipated that 18% of SMMC's patients living in the SHD will be funded by SHD.

PERFORMANCE MEASURE:

Measure	FY 2011-12 Actual	FY 2012-13 Projected
Percent of SMMC's patients living in the SHD who will be funded by SHD	18%	18%

FISCAL IMPACT:

The two-year grant is for \$2,000,000. Funds in the amount of \$1,000,000 will be included in the SMMC FY 2013-14 Recommended Budget and funds in the amount of \$1,000,000 will be included in the SMMC FY 2014-15 Recommended Budget.

Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care are covered by contributions such as this from Sequoia Healthcare District and the County's General Fund contribution to SMMC.