



Proposition Q

UCSF Health Acquisition of Dignity Hospitals and Associated Clinics

Presentation to the San Francisco Health Commission

- February 20, 2024 -



Prop Q – Overview & Application

- Proposition Q (1988) requires private hospitals in San Francisco to provide public notice prior to:
 - closing a hospital inpatient or outpatient facility,
 - eliminating or reducing the level of services provided, or
 - **prior to the leasing, selling or transfer of management.**
- The Role of the Health Commission
 - whether the proposed action **will or will not have a detrimental impact** on health care services in the San Francisco community.
 - The Health Commission **does not** have the authority to change the outcome of the proposed action.

November 28



Public Notice

February 20



HC Hearing
#1

March 5

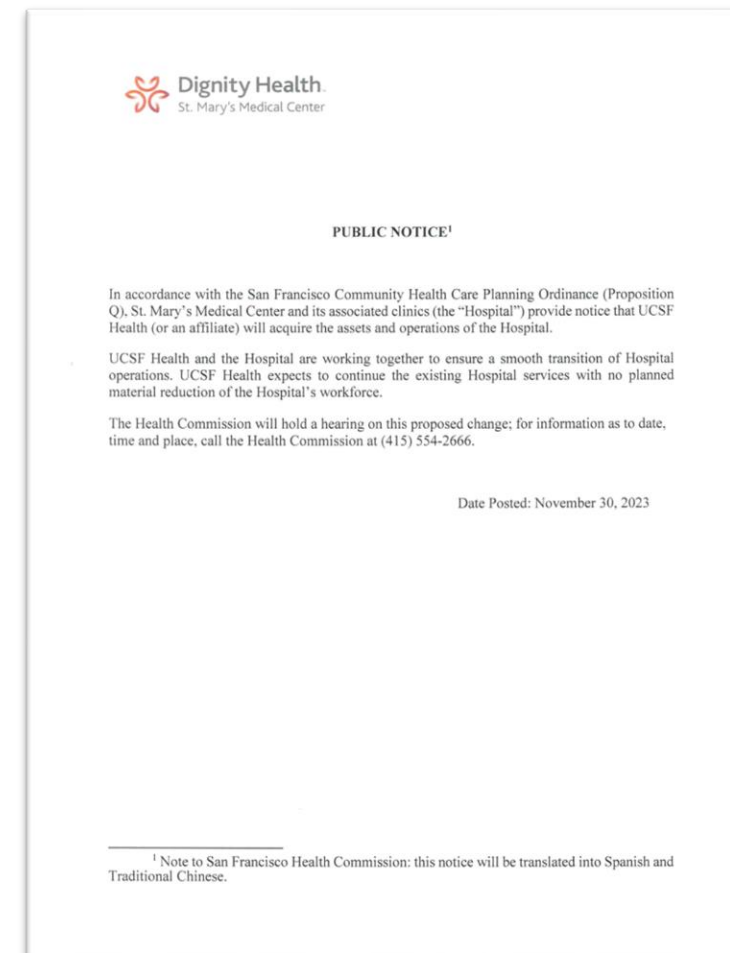


HC Hearing
#2

Spring 2024



Acquisition
Complete



Acquisition Overview

UCSF Health (UCSFH) and Dignity Health have finalized the terms of an agreement in which UCSFH would acquire:



Two (2) Community Hospitals

St. Mary's Medical Center (SMMC)
Saint Francis Memorial Hospital (SFMH)



Associated Hospital Outpatient Clinics

St. Mary's Medical Center



Existing Hospital Services

- McAuley adolescent inpatient psychiatric services
- McAuley Counseling Enriched Education Program (CEEP)
- Sister Mary Philippa Health Center
- Acute Rehabilitation
- Cancer Center
- Cardiac Care – Cardiology Services
- Diabetes Services
- Gastroenterology Services
- Imaging and Radiology
- Laboratory services – diagnostics
- Orthopedics
- Outpatient Therapies clinic – rehab services
- Stroke Center
- Surgical Services
- Women's Health Center

Co-Located on St. Mary's Hospital Campus

- Crestwood Mental Health Rehabilitation Center (MHRC)
- Kentfield Hospital (LTACH)

License Types: **General Acute care & Distinct Part Acute Psychiatric Hospital**

Principal Type of Licensed Service: **General Medical/Surgical**

Licensed Bed Size: **275 beds**

Intensive Care Beds: **37 beds**

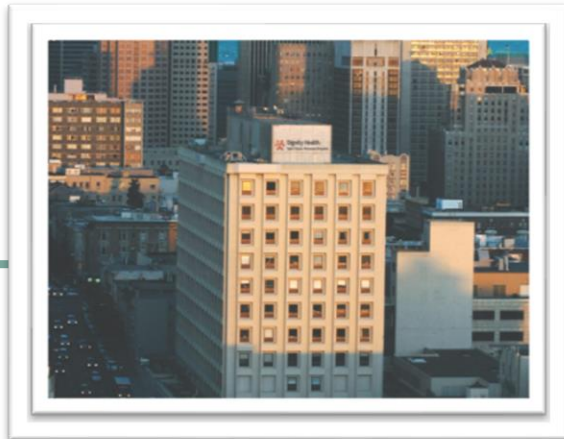
Rehabilitation Beds: **36 beds**

General Acute Care Beds: **240 beds**

Acute Psychiatric Beds: **35 beds**

Emergency Department

Saint Francis Memorial Hospital



Existing Hospital Services

- Bothin Burn Center
- Adult Inpatient Mental Health
- The Gender Institute
- Acute Rehabilitation
- Cancer Center
- Cardiac and Neurologic Diagnostics
- Center for Advanced Gynecology and Minimally Invasive surgery
- Foot and Ankle care
- Gastroenterology Services
- Hyperbaric Oxygen Therapy
- Imaging/radiology
- Japanese Medical Services
- Occupational Health
- Orthopedic and Sports Medicine
- Outpatient Rehab and Therapy Services
- Center for Pain Management
- Palliative Care
- Pulmonary Function and Rehab
- Stroke Center

License Type: **General Acute care & Distinct Part Acute Psychiatric Hospital**

Principal Type of Licensed Service: **General Medical/Surgical**

Licensed Bed Size: **294**

Intensive Care Beds: **10 beds**

Coronary Care: **8 beds**

Burn Center: **16 beds**

Rehabilitation Beds: **20 beds**

General Acute Care Beds: **259 beds**

Acute Psychiatric Beds: **35 beds**

Emergency Department

Specialty & Emergency Services

Dignity Health hospitals provide important behavioral health, emergency and critical services in the City of San Francisco

Behavioral Health



- San Francisco Healing Center, operated by Crestwood Behavioral Health
- McAuley Adolescent Inpatient Unit (SMMC)
- McAuley Counseling Enriched Education Program (SMMC)
- Adult Inpatient Mental Health Services (SFMH)

Emergency



- Emergency Departments at St. Mary's Medical Center and Saint Francis Memorial Hospital

Other Critical Hospital Services



- Bothin Burn Center (SFMH)
- Sister Mary Philippa Health Center (SMMC)
- The Gender Institute (SFMH)
- Women's Health Center (SMMC)
- Kentfield Hospital, located on St. Mary's campus



Summary of UCSFH Acquisition

Services

- Maintain existing services
- Invest in programs and infrastructure
- Facilities no longer subject to policy-based restrictions on care

Staffing

- committed to retaining all employees of both Saint Francis and St. Mary's hospitals
 - Staffing increases as UCSFH anticipates serving more patients
- Dignity Health Medical Group offered employment by UCSF medical group

Patients

- Continue shared commitment to caring for all patients, regardless of their ability to pay
- Honor all insurance arrangements that are presently available at Saint Francis and St. Mary's

Community

- Continued outreach to groups as the process to integrate the organizations moves forward



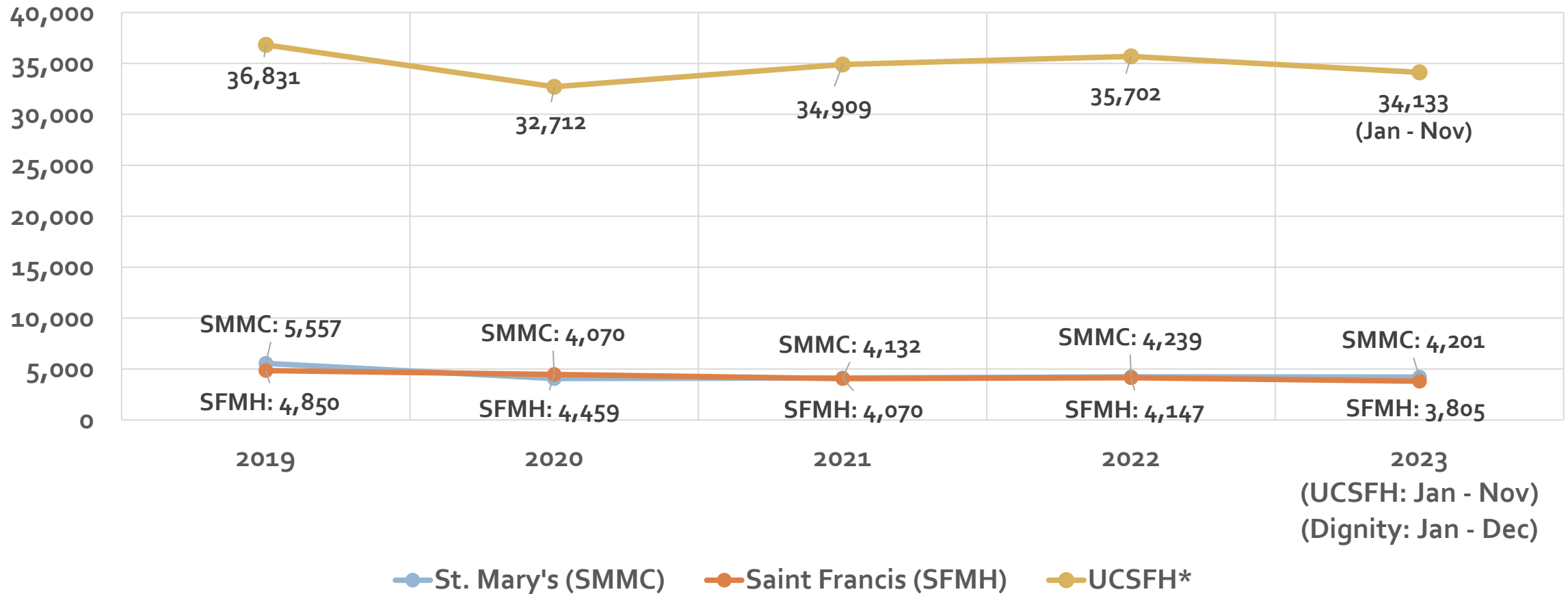
Utilization & Patient Profile

St. Mary's, Saint Francis & UCSFH Hospitals



Inpatient Discharges by Hospital

2019 – 2023 | Data provided by Dignity & UCSFH

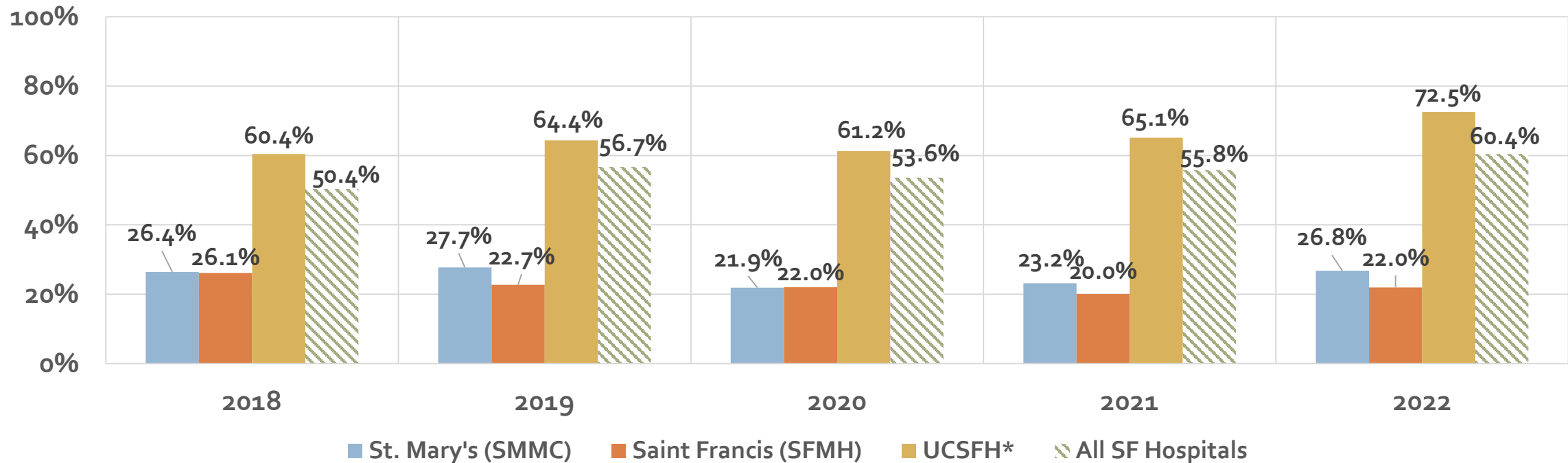


***Note:** UCSFH data represents information from UCSF Health’s Parnassus, Mt. Zion, Langley Porter, and Mission Bay campuses, and includes data from January – November 2023



General Acute Care Bed Occupancy Rate (%)

2018 – 2022 | Annual Utilization Report of Hospitals Database, California Department of Healthcare Access and Information (HCAI)



***Note:** UCSFH data represents information from UCSF Health's Parnassus, Mt. Zion, and Mission Bay campuses

General acute care beds include licensed beds that are classified/designated as (1) Medical/Surgical Acute (includes GYN/DOU), (2) Perinatal (includes LDRP, excludes nursery), (3) Pediatric Acute, (4) Intensive Care, (5) Coronary Care, (6) Acute Respiratory Care, (7) Burn Center, (8) Intensive Care Newborn Nursery, (9) Rehabilitation Center beds. Hospitals do not have beds licensed in every general acute care classification.



Patient Profile Highlights

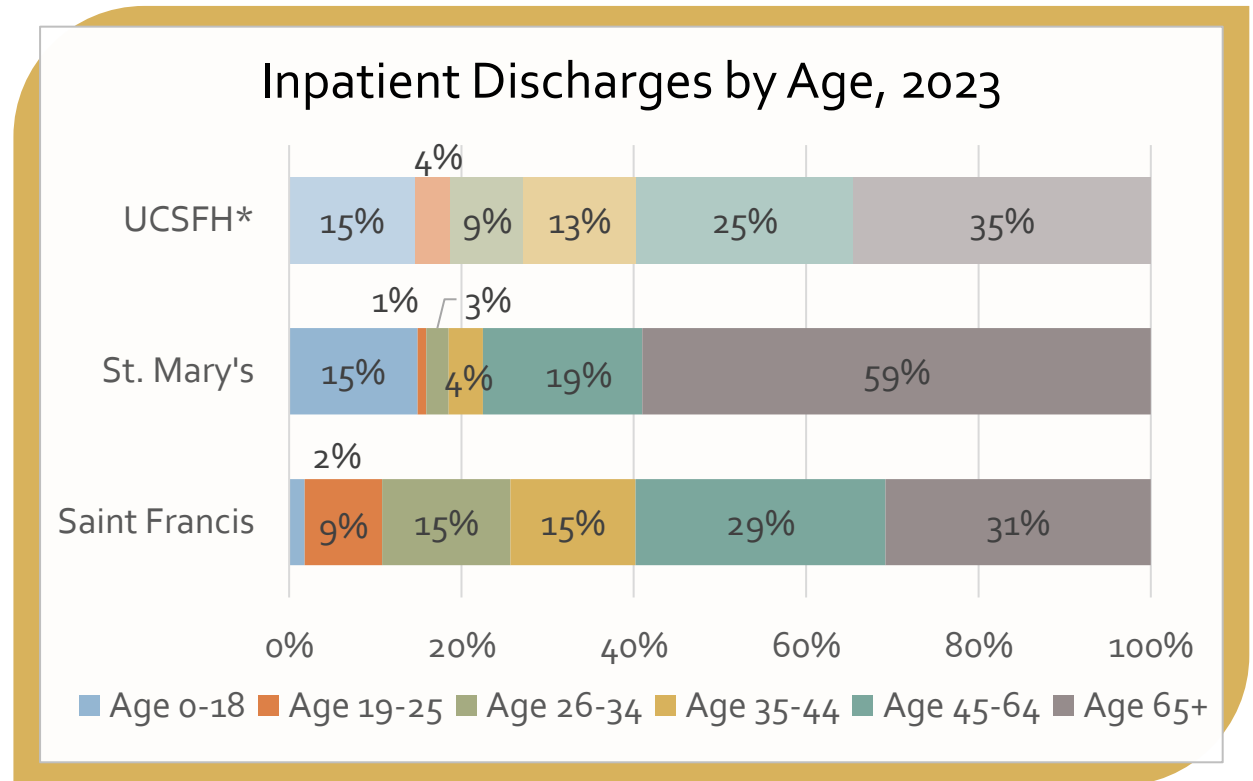
2023 | Inpatient Discharges by Age data provided by Dignity & UCSFH (Percentages with decimals have been rounded to whole numbers)

Saint Francis Memorial Hospital and St. Mary's Medical Center serve distinct patient populations at their hospitals.

Highlights from Demographic Data (2023 data)

- More than 50% of St. Mary's inpatient encounters were adults over age 65.
- More than half of St. Mary's inpatient discharges identified as non-white or multiracial; 45% of Saint Francis inpatient discharges identified as non-white or multiracial.
- A greater proportion of patients at Saint Francis and St. Mary's have public insurance (Medi-Cal and Medicare) or are uninsured compared to UCSF across inpatient, emergency, and outpatient care.

***Note:** UCSFH data represents information from UCSF Health's Parnassus, Mt. Zion, Langley Porter, and Mission Bay campuses, and includes data from January – November 2023.

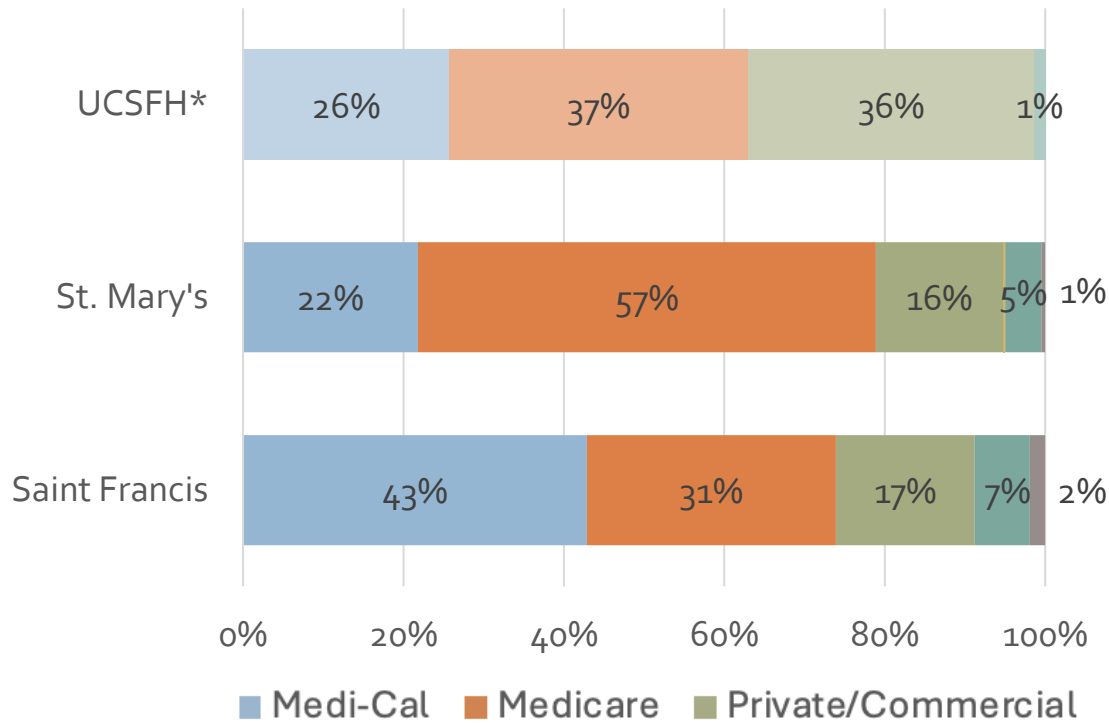




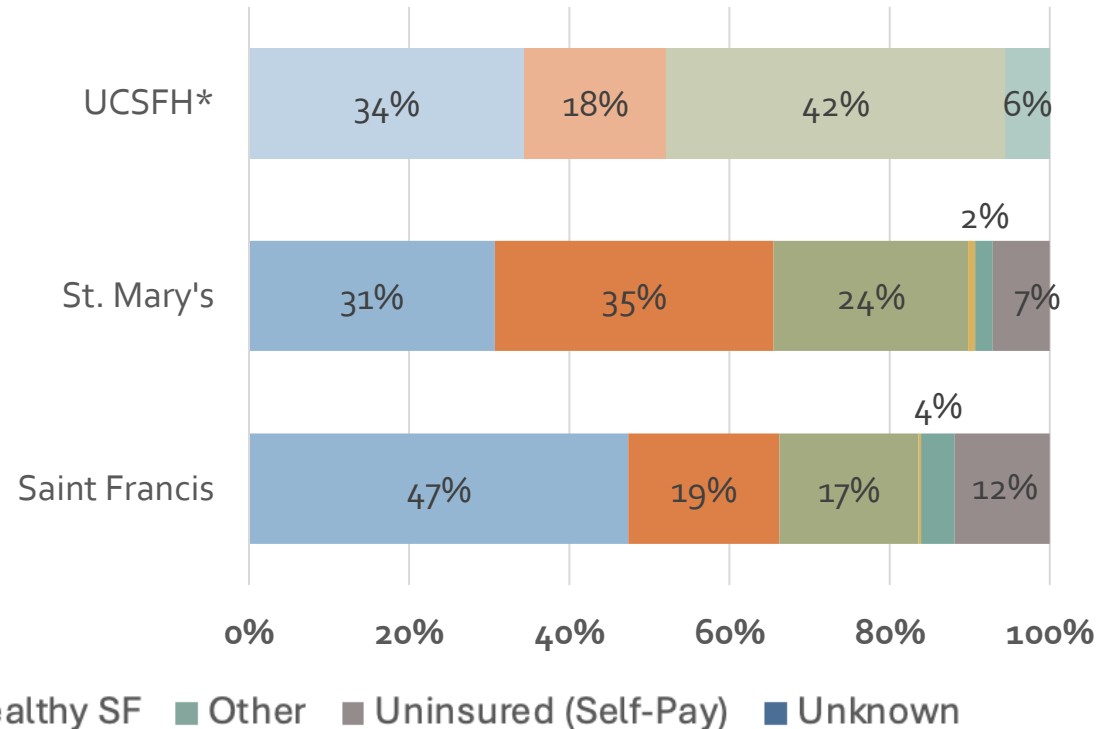
Encounters by Payor Type (%)

2023 | Data provided by Dignity & UCSFH (Percentages with decimals have been rounded to whole numbers)

Inpatient Encounters by Payor (%), 2023



Emergency Encounters by Payor (%), 2023

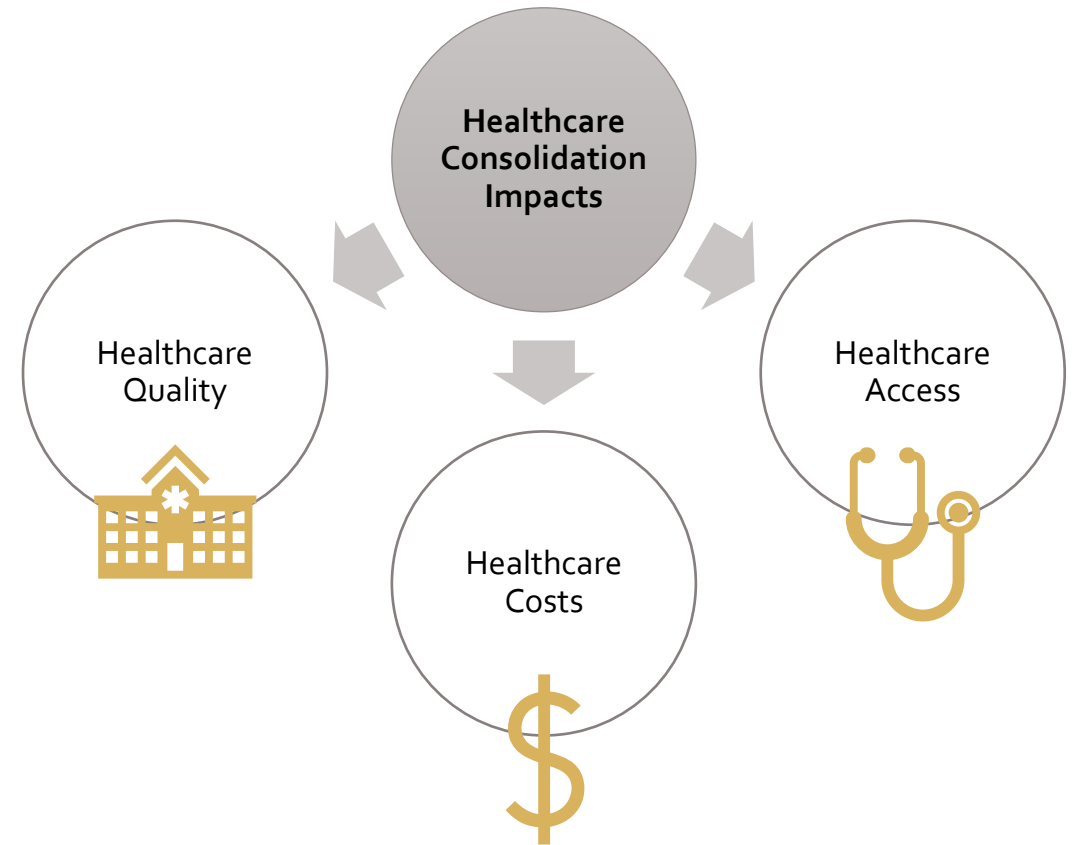
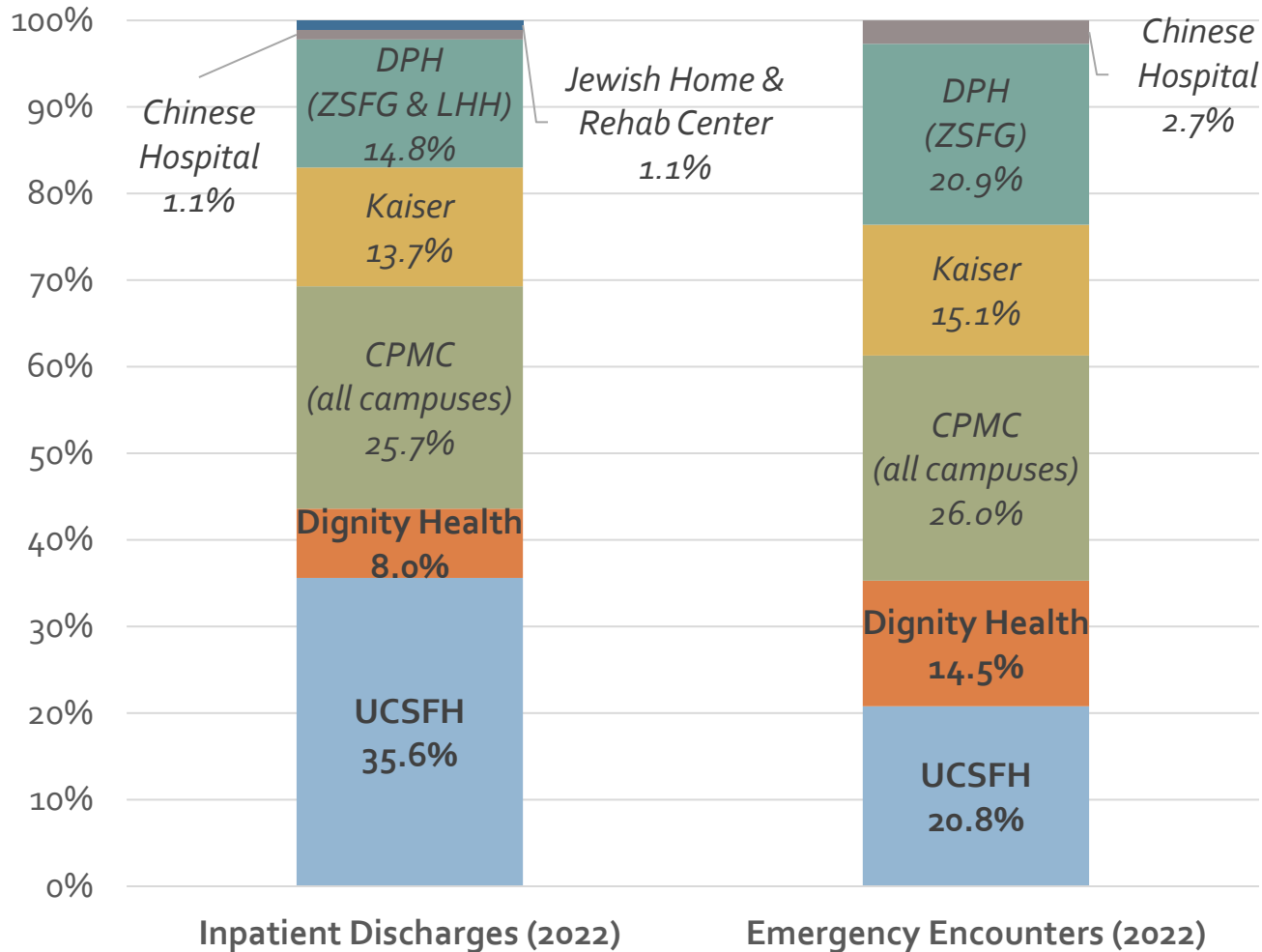


***Note:** UCSFH data represents information from UCSF Health’s Parnassus, Mt. Zion, Langlely Porter, and Mission Bay; UCSFH Medi-Cal category includes patients with Healthy SF; UCSF Other category includes patients who are uninsured and self-pay; UCSFH includes data from January – November 2023.



San Francisco's Hospital Utilization Landscape

2022 | California Patient Origin/Market Share (Pivot Profile)–Inpatient Discharges and Emergency Encounters





Prop Q – Conclusion

- UCSFH has committed to **maintaining both Saint Francis and St. Mary's hospitals as full-service community hospitals and to maintaining the existing services** that both hospitals provide to the San Francisco community.
- UCSFH has committed to **maintaining the capacity and services provided at each hospital's associated outpatient clinics.**
- UCSFH has committed to **retaining the employees of both Saint Francis and St. Mary's hospitals.**
- UCSFH has committed to **maintaining essential behavioral health and emergency services for San Francisco**, including inpatient adolescent mental health services at McAuley, the McAuley Counseling Enriched Education Program, inpatient adult mental health services at Saint Francis, and the emergency departments at both Saint Francis and St. Mary's.
- UCSFH has confirmed its shared commitment to caring for all patients, regardless of their ability to pay. UCSFH has publicly stated that they will **continue to honor all insurance arrangements that are presently available at Saint Francis and St. Mary's.**

Prop Q – Conclusion

DPH Recommendation:

UCSFH acquisition of the assets and operations of Dignity Health St. Mary's Medical Center, Saint Francis Memorial Hospital, their associated outpatient clinics **will not** have a detrimental impact on the healthcare services in the community, **contingent upon UCSFH:**

1. Maintaining agreements with all existing payors and organizations covering services at St. Mary's and Saint Francis hospitals and clinics;
2. Maintaining or expanding services provided at each of the hospitals and clinics; and
3. Maintaining or increasing staffing to support operations of the hospitals and clinics.



DPH recommends that the Health Commission receive periodic updates from UCSFH regarding the acquisition and hospital integration process.



Thank you