

2013 Implementation Strategy Report: UC Irvine Health; A valuable asset to Orange County

UC (University of California) Health is the fourth largest health system in California, and includes the UC Irvine Medical Center, a fully accredited general acute care hospital, the faculty practice organization UC Irvine Physicians & Surgeons, and the UC Irvine School of Medicine. Through the combined and coordinated efforts of these clinical and academic components, UC Irvine Health strives to achieve its mission and vision.

UC Irvine Medical Center is a government hospital. The California Department of Public Health license to operate and maintain UC Irvine Medical Center as a general acute care hospital is issued to the University of California, Board of Regents.

Mission: Discover. Teach. Heal.

Vision: To be among the best (top 20) academic medical centers in the nation in research, medical education, and excellence in patient care.

In addition, UC Irvine Health is a crucial part of Orange County's healthcare safety net by providing medical care to vulnerable populations, serving patients who are uninsured, underinsured, or who participate in Orange County Medical Service Initiative (MSI), Medicare and Medi-Cal programs. Despite state and local economic challenges, UC Irvine Health remains committed to maintaining the highest quality clinical and educational programs, and to serving a diverse and growing patient population.

As Orange County's only academic medical center, UC Irvine Health offers a full range of acute and general care services, including cancer, cardiac care, neurosurgery and trauma care. These services are available to all members of our community. We educate the doctors of today and provide leading-edge research for tomorrow. We make discoveries that translate to the diagnosis and treatment of the most complex and serious conditions.

Discover

Groundbreaking research and teaching take place in all of our state-of-the-art laboratories:

- Biomedical Research Center
- Chao Family Comprehensive Cancer Center
- Beckman Laser Institute
- Institute for Clinical and Translational Science
- Susan Samueli Center for Integrative Medicine
- Sue and Bill Gross Stem Cell Research Center
- Brain Imaging Center
- Reeve-Irvine Research Center for Spinal Cord Research
- Gavin Herbert Eye Institute
- Epilepsy Research Center
- Center for Molecular & Mitochondrial Medicine and Genetics
- Center for Immunology
- Center for Virus Research

- Genetic Epidemiology Research Center,
- Center for Health Policy Research
- John Tu and Thomas Yuen Center for Functional Onco-Imaging
- Center for Occupational and Environmental Health
- Stroke and Cerebrovascular Center
- Alzheimer's Disease Research Center

Teach

The School of Medicine educates more than 400 medical students and trains more than 600 residents and fellows at UC Irvine Medical Center and affiliated institutions. The School of Medicine offers 54 Accreditation Council for Graduate Medical Education (ACGME) approved post graduate programs. Its 664 full-time faculty are involved in teaching, providing medical care, and conducting research to meet the health challenges facing the 21st century.

The School of Medicine's Program in Medical Education for the Latino Community (PRIME-LC) is a national model for meeting the healthcare needs of the growing Latino population. In response to an increasing need for highly qualified, culturally sensitive and linguistically competent physician leaders, PRIME-LC graduates will affect healthcare access and outcomes in their local communities where Latinos are becoming the largest population group in California.

The Program in Nursing Science at the UC Irvine campus graduated 46 Bachelor of Science (BS) nurses and 13 Master of Science (MS) nurses in June 2012. In fall of 2012, 34 MS (graduate) and 165 BS (undergraduate) students were enrolled. In the fall of 2013, the UC Irvine Program in Nursing Science has been approved to begin a PhD in Nursing Science program.

During 2012, UC Irvine Medical Center provided \$64.2 million to the UC Irvine School of Medicine. As our region and our nation face significant projected physician shortages, educating and producing the physicians that will care for us and future generations is of vital importance to our health system and the community we serve. The UC Irvine Medical Center plans to continue its support for the UC Irvine School of Medicine.

Heal

Orange County's only university hospital, UC Irvine Medical Center in Orange, is a 411-bed acute care hospital that provides a range of services including tertiary and quaternary care, ambulatory and specialty medical clinics, behavioral health, and rehabilitation. It features Orange County's only, high-risk perinatal/neonatal program, high-risk maternal-fetal transport serving the region's community hospitals, Level I trauma center and Level II pediatric trauma center, and American College of Surgeons-verified Burn Center. UC Irvine's Chao Family Comprehensive Cancer Center is one of 41 National Cancer Institute-designated comprehensive cancer centers in the United States and the only one in Orange County. UC Irvine Health serves a region of more than 3 million people in Orange County, western Riverside County and southeast Los Angeles County.

Additional designations and recognitions include:

- *U.S. News and World Report* has recognized UC Irvine Medical Center as one of [America's Best Hospitals](#) for 12 consecutive years, ranking its program in Geriatrics among the best in the country
- More than 90 physicians listed as Best Doctors in America by Best Doctors Inc.
- Designated a Stroke-Neurology Receiving Center system
- Joint Commission accreditation

- Joint Commission disease-specific certification for UC Irvine’s Heart Failure Program and Stroke & Cerebrovascular Center
- UC Irvine Breast Health Center holds top accreditation by American College of Surgeons
- American College of Surgeons-designated Level 1 Bariatric Center
- UC Irvine surgeons performed the first robot-assisted spine surgery on the West Coast and the first robotic removal of a thyroid gland without creating a neck scar (transaxillary approach)

These are vital services to the community we serve. Preserving access to members of our community is extremely important. As Orange County’s only academic health center, UC Irvine Medical Center in some cases is the only provider of such services. UC Irvine Medical Center will maintain its commitment to provide access to tertiary level specialty care in Orange County.

By the Numbers

411 licensed hospital beds at UC Irvine Medical Center, comprising 6.32 percent of the 6,518 licensed hospital beds in Orange County

107,732 days of acute inpatient hospital care provided annually - accounting for 8.6 percent of all hospital days in Orange County’s 29 acute care hospitals

519,145 outpatient visits, 16.4 percent of all hospital outpatient visits in Orange County (outpatient visit figures are adjusted to reflect the “point of service 11” visits provided by UC Irvine Health)

(Note: UC Irvine Medical Center licensed bed total is from current California Department of Public Health Hospital license. Other figures based on OSHPD data for year ending June 30, 2012)

Trauma Center/Emergency Medicine

UC Irvine Medical Center serves as the backbone of Orange County’s emergency medicine system. It annually handles 50 percent of the county’s trauma cases (3,700 patients in 2012) and a majority of serious burns. UC Irvine physicians led the effort to create Southern California’s only Stroke-Neurology Receiving Center system to improve treatment of Orange County’s stroke victims. UC Irvine Medical Center has one of only nine designated “Comprehensive Emergency Departments” in the state and supports more than 39,200 visits each year.

UC Irvine Medical Center is very proud of its Emergency Department and Trauma Center. Through these programs, the highest level of emergency and trauma care are made available to our community 24 hours a day, seven days a week, 365 days per year. UC Irvine Medical Center is the only Level 1 designated Trauma Center serving Orange County.

UC Irvine Medical Center is committed to continuing to provide access to the highest level emergency and trauma care to the Orange County community.

Safety Net

Charity and discounted care

UC Irvine Medical Center maintains an uninsured discount policy to provide discounted pricing to any medical center patient who does not have coverage from any health plan, health insurance or government program. There are no associated financial qualification criteria. A charity care policy is

also maintained to assist and provide care at no cost to eligible persons with no public or private health coverage and with income at or below 200 percent of the Federal Poverty Level (FPL), and discounted costs for such uninsured persons with incomes over 200 percent FPL and up to 350 percent FPL.

The uninsured discount policy and the charity care policy demonstrate the medical center's commitment to our mission and vision by helping to meet the needs of the low income, uninsured, and underinsured patients in our community.

For the annual period ending June 30, 2012, charity care provided by UC Irvine Medical Center totaled \$77.4 million, 24.3 percent of all the charity care provided by all Orange County hospitals (\$318.9 million). This does not count the contributions made by UC Irvine Health physicians providing their talents and expertise without compensation.

In addition, UC Irvine Health also operates the UC Irvine Family Health Center, a Federally Qualified Health Center with locations in Santa Ana and Anaheim. In 2012, 7,858 uninsured patients received medical care at the two locations. A total of 70,397 patient visits were provided.

During 2012, UC Irvine Medical Center provided \$ 6.1 million in support of the operations for the UC Irvine Family Health Centers located in Santa Ana and Anaheim.

County of Orange Medical Services Initiative

The County of Orange does not operate a hospital or healthcare system. Instead, its Medical Services Initiative (MSI) arranges for medical services for approximately 57,000 persons it deems eligible for such support. These persons are between ages of 19 and 64, have incomes at or below 200 percent of FPL, are legal Orange County residents, have no other health coverage, and do not qualify for Medi-Cal or any other public healthcare program. This population is commonly referred to as "medically indigent adults" or sometimes as the "working poor".

UC Irvine Health is working collaboratively with the Orange County Health Care Agency as a significant participating provider in the MSI program, now one of California's local Low Income Health Programs (LIHP). A major goal is to provide for a smooth transition for much of the MSI eligible population to Medi-Cal coverage in January, 2014. This is discussed in further detail below.

UC Irvine Medical Center provides more hospital care to this medically indigent population than any other hospital in Orange County. The Orange County Health Care Agency indicates that during the 2011-2012 MSI program period, UC Irvine provided approximately 21 percent of the hospital services utilized by Orange County MSI program beneficiaries. FY 11/12 payments by the County for hospital services provided by UC Irvine Medical Center will cover only 31 percent of the cost of care provided. In effect, UC Irvine Medical Center will contribute the unfunded 69 percent of costs (approximately \$27.3 million) from university resources in support of this community need.

Additionally, the UC Irvine Family Health Center, with locations in Santa Ana and Anaheim, serves as medical home for approximately 2,000 Orange County MSI patients. The County of Orange Health Care Agency estimates that the UC Irvine Family Health Centers will provide approximately 20 percent of primary care clinic services to be provided to MSI patients during the 11/12 program period.

(Note: MSI program data derived from OC Health Care Agency MSI Final Settlement Report for 2011-2012, March 27, 2013)

2014 Medicaid Expansion under ACA

Under the Affordable Care Act (ACA), Medicaid expansion is to begin January 1, 2014. It is estimated that 75% of the MSI population described above will be transitioned to coverage through Medi-Cal. It is likely the Medi-Cal coverage will be provided through CalOptima here in Orange County. Collaborative efforts involving the Orange County Health Care Agency, CalOptima, health care providers and other stakeholders are well underway. Decisions by the California Legislature that will define the actual structures and guidelines for the Medicaid expansion in California are expected very soon.

CalOptima is expecting there will be approximately 80,000 persons that will become Medicaid eligible through the expansion to occur on January 1, 2014. Over half of this population will be comprised of persons transitioning from the Orange County MSI program. It is estimated that approximately 75% of persons eligible for MSI will transition to Medi-Cal coverage (an estimated 45,000 persons)

The remaining 25% will be either required to acquire significantly subsidized health coverage through Covered California (California's State Health Exchange) or will be eligible to receive coverage through one of the "Basic Health Plan" options being considered at the state level. Even with significant subsidies, Covered California health coverage may still present challenging affordability issues for this population that will be in the 133% - 200% Federal Poverty Level range. If California is able to successfully develop a Basic Health Plan or a "Basic Health Plan - like" option that may be available through Covered California and offered through CalOptima both affordability issues and "churning issues" with member of this population moving in and out of Medicaid may be addressed.

Despite the expansion of Medicaid and access to new subsidized health coverage through Covered California or other options currently under consideration and to be implemented January 1, 2014, it is anticipated that a significant population of persons without health coverage will remain in Orange County. The "Orange County 2013 Community Indicators" report estimates the uninsured population during 2011 to approximate 536,000 persons. After considering portions of this population that will become eligible for Medicaid or will have options to obtain health coverage through Covered California, local estimates are that this remaining uninsured population could approximate 370,000 people. This remaining population will continue to be very dependent on Orange County's health care safety net, which includes UC Irvine Medical Center, for necessary medical care.

It is anticipated that the County of Orange will continue to have responsibility for a subset of the remaining uninsured that are legal residents. This obligation is established in California Welfare and Institutions Code Section 17000. Current rough County estimates are that the size of this population may approximate 10,000 persons.

UC Irvine Health will continue as a provider to CalOptima members, including those added to the program in January, 2014. Discussions are underway with the County of Orange and health providers, including UC Irvine Health, to determine the structure and provider arrangements that will constitute the County's indigent health care program to be effective January, 2014.

Medi-Cal and CalOptima

UC Irvine Health participates in and supports California's Medi-Cal program through the provision of medical care to patients enrolled in the Medi-Cal State fee for service program as a Designated Public Hospital. It also participates in the CalOptima Medi-Cal program (Orange County's Medi-Cal Managed Care program) contracting with CalOptima for both hospital services and physician services. Beneficiaries of other Medi-Cal managed care programs are also cared for by UC Irvine Health for emergency services, post-stabilization services, and through the acceptance of elective referrals.

Total Medi-Cal utilization in Orange County/percentage provided by UC Irvine Medical Center (annual period ending June 30, 2012):

- Total Medi-Cal hospital days - 296,864/13.4 percent provided at UC Irvine Medical Center (39,633 days)
- Total Medi-Cal outpatient visits - 445,372/20.8 percent provided at UC Irvine Medical Center (92,824 visits)

Overall, UC Irvine Medical Center provides the largest volume of Medi-Cal inpatient care and the second largest volume of Medi-Cal outpatient care in Orange County. Children's Hospital of Orange County provides the largest volume of outpatient care.

(Figures based on OSHPD data, year ending June 30, 2012; figures are inclusive of services provided under State Medi-Cal Fee for Service program and CalOptima/other Medi-Cal managed care plans.)

During 2012, UC Irvine Medical Center has provided a total of \$39.9 million of unreimbursed cost of care for Medi-Cal patients and \$22.7 million of unfunded cost of care for the Managed Medi-Cal (mostly Cal-Optima) patients.

In addition to the above, the UC Irvine Family Health Centers also provided medical care to 9,044 Medi-Cal patients during calendar year 2012.

Access to appropriate health care continues to be a significant community need, whether a member of community has health coverage, is reliant on a government sponsored program for support, or is uninsured with no other means of support. UC Irvine Medical Center strives to be in a position to provide access to clinically needed health care regardless of a patient's economic status and continue its commitment as a significant component of Orange County's health care safety net.

Conclusion

The level of community service provided by hospitals is sure to become a more frequent discussion topic. UC Irvine Health is a public institution and we have an obligation to support our community. We embrace this obligation and have a public service record of which we can be proud. UC Irvine Health continues to serve our community 24 hours a day, 7 days a week and 365 days a year.

Significant health needs remain unmet or only partially met in the Orange County community. Listed above, are areas that demonstrate the commitment, including the commitment of resources, made by UC Irvine Medical Center to Orange County. There are other significant health needs only partially met or remaining unmet in the community. While we are willing participants in community coalitions to focus on such needs, the meeting of such needs is not within the capability, capacity or limited financial resources of UC Irvine Medical Center to meet in a meaningful fashion.

Approved by UC Irvine Medical Center Governing Body: May 20, 2013