Sutter Health
Sutter Maternity & Surgery Center of Santa Cruz

2013 – 2015 Community Benefit Plan
Responding to the 2013 Community Health Needs Assessment
Submitted to the Office of Statewide Health Planning and Development May 2014

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Note: This 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.

At Sutter Health, we believe there should be no barriers to receiving top-quality medical care. We strive to provide access to excellent health care services for Northern Californians, regardless of ability to pay. As part of our not-for-profit mission, Sutter Health invests millions of dollars back into the communities we serve – and beyond. Through these investments and community partnerships, we’re providing and preserving vital programs and services, thereby improving the health and well-being of the communities we serve.

In 2012, our network of physician organizations, hospitals and other health care providers invested $795 million (compared to $756 million in 2011) in health care services for low-income people, community health improvement services, and other community benefits.

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.
<table>
<thead>
<tr>
<th>Significant Community Health Need</th>
<th>Intends to Address</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Access to primary care</strong></td>
<td>Yes</td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td><strong>Health insurance among children</strong></td>
<td>Yes</td>
</tr>
<tr>
<td>A segment of the County’s children age 0-17 remain without healthcare insurance, at a greater rate than the state average.</td>
<td></td>
</tr>
<tr>
<td><strong>Childhood obesity</strong></td>
<td>Yes</td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td><strong>Nutrition</strong></td>
<td>No</td>
</tr>
<tr>
<td>Nutritional needs of community members vary depending on access to healthy foods and the food choices of individuals.</td>
<td></td>
</tr>
<tr>
<td><strong>Physical activity</strong></td>
<td>No</td>
</tr>
<tr>
<td>Physical activity for children in the schools is limited.</td>
<td></td>
</tr>
<tr>
<td><strong>Dental care</strong></td>
<td>No</td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td><strong>Diabetes</strong></td>
<td>No</td>
</tr>
<tr>
<td>The rate of prediabetes and diabetes in the uninsured and underinsured community members has increased.</td>
<td></td>
</tr>
<tr>
<td><strong>Alcohol and drug</strong></td>
<td>No</td>
</tr>
<tr>
<td>Support of community members with alcohol and drug abuse is limited.</td>
<td></td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th>Name of Program, Initiative or Activity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Care Expansion</td>
<td>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 Women’s Health Center, a local Federally Qualified Health Center, to allow them to expand their primary care services through physical plant expansion and physician recruitment.</td>
</tr>
</tbody>
</table>

<p>| 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 Women’s Health Center’s new Live Oak Clinic, and by assessing the community’s access to care needs in its next Community Health Needs Assessment. |</p>
<table>
<thead>
<tr>
<th>Name of Program, Initiative or Activity</th>
<th>Support for Access to Care for Underserved Children</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>SMSC’s financial commitment over the next five years to Santa Cruz Women’s Health Center 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.</td>
</tr>
<tr>
<td>Anticipated Impact and Plan to Evaluate</td>
<td>Santa Cruz Women’s Health Center’s 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.</td>
</tr>
</tbody>
</table>
### Childhood Obesity

<table>
<thead>
<tr>
<th>Name of Program, Initiative or Activity</th>
<th>PAMF Pediatric Weight Management Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>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.</td>
</tr>
<tr>
<td>Anticipated Impact and Plan to Evaluate</td>
<td>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.</td>
</tr>
</tbody>
</table>
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.
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.

<table>
<thead>
<tr>
<th>2013 Community Benefit Value</th>
<th>Mills-Peninsula Health Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services for the Poor and Underserved</td>
<td>$38,378,477</td>
</tr>
<tr>
<td>Benefits for the Broader Community</td>
<td>$1,100,894</td>
</tr>
<tr>
<td>Total Quantifiable Community Benefit</td>
<td>$39,479,371</td>
</tr>
</tbody>
</table>

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.
2013 Community Benefit Financials
Mills-Peninsula Health Services

Services for the Poor and Underserved
Traditional charity care $11,158,944
Unpaid costs of public programs:
   Medi-Cal $23,165,598
   Other public programs $722,324
Other benefits $3,331,611
Total services for the poor and underserved $38,378,477

Benefits for the Broader Community
Nonbilled services $363,720
Education and research $45,581
Cash and in-kind donations $691,029
Other community benefits $564
Total benefits for the broader community $1,100,894

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.