

OVERVIEW OF THE UNINSURED NAPA COUNTY 2002

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COUNTY PROFILE¹

Population²

In 2000, the population of Napa County was approximately 124,300. Since 1990, the population had increased by 12%.

Geography

Napa County is a 788 square mile county, surrounded by Sonoma, Solano, Lake and Yolo Counties. Much of Napa County is agricultural, as it is one of the world's most famous wine producing regions.

Economy³

Napa County's wine country is a popular tourist attraction and a significant component of the County's economy. Services account for the majority of employment, 28%. Retail trade and manufacturing are also significant employers, each accounting for approximately 17% of the labor force. Though agriculture is an essential component of the County's economic base, it is only the fifth largest employer, accounting for approximately 9% of employment.

Unemployment in Napa County is relatively low. The 2001 rate was 3.3%; a significant drop from 5.1% in 1997, though a slight increase of .1 percentage point since 2000. The 2001 unemployment rate of California was 5.3%.

DEMOGRAPHICS

Health Coverage Status:

- 9% are uninsured⁴
- 8% are covered by Medi-Cal⁵
- 1.4% are covered by Healthy Families^{6 7}
- .6% use County health programs⁸

¹ Numbers in this report without decimal points have been rounded to the nearest whole number.

² US Census Bureau. *Census 2000*, www.census.gov

³ State of California, *County Snapshots*, 2002, www.calmis.ca.gov/htmlfile/subject/cosnaps.htm

⁴ **Percentage taken of non-elderly population.** E.R. Brown, N. Ponce, T.Rice, S.A. Lavarreda. *The State of Health Insurance in California: Findings from the 2001 California Health Interview Survey (CHIS)*. UCLA Center of Health Policy Research, June 2002, www.healthpolicy.ucla.edu

⁵ Percentage taken of total population. Medi-Cal Policy Institute. *California County Data*, Jan. 2002, www.medi-cal.org

⁶ Percentage taken of non-elderly population. Managed Risk Medical Insurance Board. *Healthy Families Program Subscribers Enrolled By County*, February 2003, www.mrmib.ca.gov

⁷ In comparison, CHIS data reported 9.2% Medi-Cal/Healthy Families non-elderly enrollment.

⁸ Percentage taken of non-elderly population. CMSP Governing Board, 2002.

Ethnicity:⁹

The population of Napa County consists of:

- Non-Hispanic White –69%
- Hispanic –24%
- African-American –1%
- Asian & Pacific Islander –3%
- American Indian –1%
- Other –15%¹⁰

Income Breakdown:¹¹

In 2000, 23% of Napa County residents had incomes below 200% of the Federal Poverty Level (FPL):

- 8% below 100% FPL
- 15% between 100 and 200% FPL

COMMUNITY CLINICS¹²

Community clinic information was reviewed for the 2000 calendar year. In that year, community clinics in Napa County served 16,140 unduplicated patients and provided 22,900 visits. Total revenues and spending were \$2.6 million and \$2.5 million, respectively.

The uninsured accounted for the greatest shares of unduplicated patients (64%), visits (66%) and patient revenues (77%). Among the uninsured, self-paying patients accounted for the largest percentage of patients, 40%. Other state programs accounted for the greatest share of visits and patient revenues (36% and 41%, respectively).

- Napa community clinics provided 1.6 uninsured visits per uninsured county resident.

⁹ US Census Bureau. *Census 2000*, www.census.gov

¹⁰ "Other" is defined as person reporting race other than the above or multiple races. The total percentage can exceed 100% due to duplicate reporting.

¹¹ California Department of Finance, August 2002.

¹² Office of Statewide Health Planning and Development. *Annual Utilization Report of Primary Care Clinics*, 2000 www.oshpd.states.ca.gov

Clinic Utilization and Patient Revenues

| Insurance Status | Unduplicated Patients¹³ | Visits | Average Annual Visits Per Patient | Patient Revenues |
|--------------------------|---|---------------|--|-------------------------|
| Total | 16,140 | 22,900 | 1.4 | \$915,510 |
| Uninsured | 64% | 66% | 1.5 | 77% |
| Medi-Cal | 21% | 21% | 1.4 | 5% |
| Medicare | 8% | 7% | 1.3 | 7% |
| Private Insurance | 5% | 4% | 1.2 | 4% |
| Other Payer | 3% | 2% | 1.1 | 6% |

Uninsured Clinic Utilization and Patient Revenues

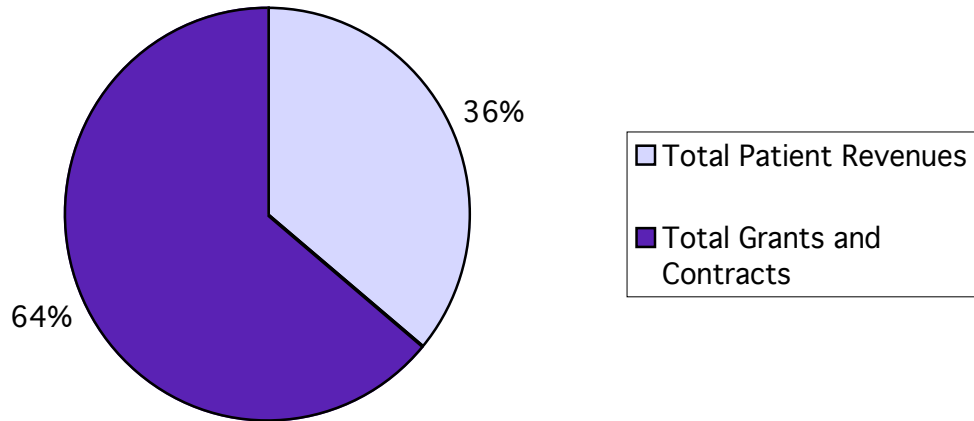
| Payer | Unduplicated Patients | Visits | Average Annual Visits Per Patient | Patient Revenues |
|-----------------------------|------------------------------|---------------|--|-------------------------|
| Total Uninsured | 10,287 | 16,064 | 1.5 | \$707,285 |
| County Programs | 18% | 16% | 1.3 | 17% |
| EAPC | 1% | 1% | 1.1 | 1% |
| CHDP | 15% | 12% | 1.1 | 12% |
| Other State Programs | 25% | 36% | 2.1 | 41% |
| Self-Pay | 40% | 35% | 1.3 | 29% |
| Non-Pay | 1% | 1% | 1.3 | 0% |

Clinic Revenue from Contracts and Grants

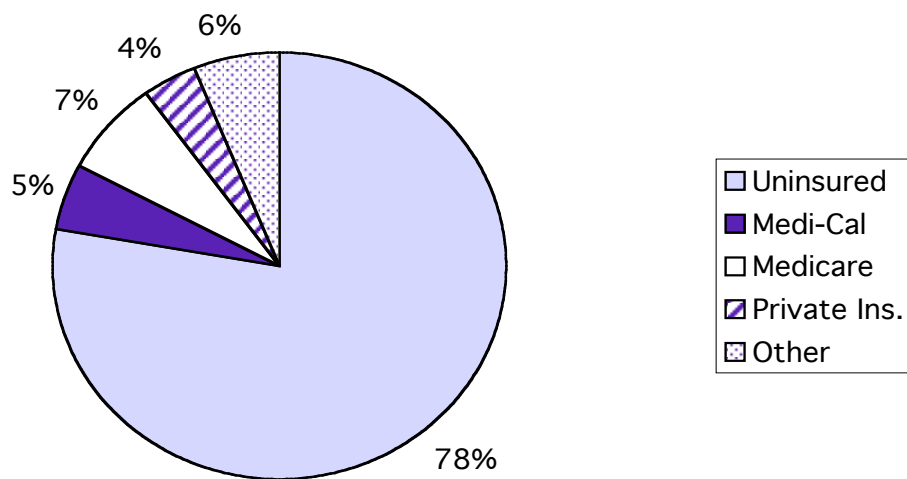
| | |
|-------------------------------------|-----------------|
| Federal Contracts and Grants | 0% (\$0) |
| State Contracts and Grants | 27% (\$699,400) |
| County & Local Contracts and Grants | 4% (\$109,900) |
| Other Contracts and Grants | 23% (\$587,500) |
| HMO Contracts and Grants | 0% (\$0) |
| Private Donations | 10% (\$265,100) |

¹³ We used “Patients by Payer” for our calculations of clinic utilization and patient revenue. “Patients by Payer” doesn’t include patient care financed by contracts and grants. Patient care financed by grants and contracts are included under “Total Unduplicated Patients.”

Total Community Clinic Revenue



Total Patient Revenue by Payer



Delivery System

There are two community clinic sites in Napa County, Community Health Clinic Ole and Planned Parenthood – Napa Center. Community Health Clinic Ole accounted for the largest share of net revenue and saw the greatest proportions of patients in all payer categories.

- 72% of net patient revenue
- 86% of uninsured patients
- 95% of Medi-Cal patients
- 100% of Medicare patients
- 100% of privately insured patients

HOSPITALS¹⁴

Hospital information was reviewed for fiscal year 2001. Hospitals in Napa County provided 74,591 inpatient days, 303,322 outpatient visits and 24,985 emergency room visits, at a cost of approximately \$162.9 million.

The county indigent accounted for very low percentages (2% each) of inpatient and outpatient services. Hospitals reported no ER care for county indigent patients. However, the county indigent, along with Medicare patients, averaged the longest length of inpatient stay, 6.5 days. Medi-Cal ER utilization rate (17%) was noticeably higher than these patients' inpatient (10%) and outpatient (9%) use.

| Insurance Status | Inpatient Days | Average Length of Stay | Outpatient Visits (Including ER) | ER Visits¹⁵ |
|--------------------------|-----------------------|-------------------------------|---|-------------------------------|
| Total | 74,591 | 5.9 | 303,322 | 24,985 |
| County Indigent | 2% | 6.5 | 2% | 0% |
| Medi-Cal | 10% | 5.3 | 9% | 17% |
| Medicare | 58% | 6.5 | 30% | 2% |
| Private Insurance | 27% | 5.1 | 54% | 79% |
| Other Indigent | 0% | 0 | 0% | 0% |
| Other Payer | 3% | 5.7 | 6% | 2% |

¹⁴ Office of Statewide Health Planning and Development. *Hospital Annual Financial Data*, 2001
www.oshpd.ca.gov

¹⁵ER data reporting cycle may differ from other OSHPD hospital data categories.

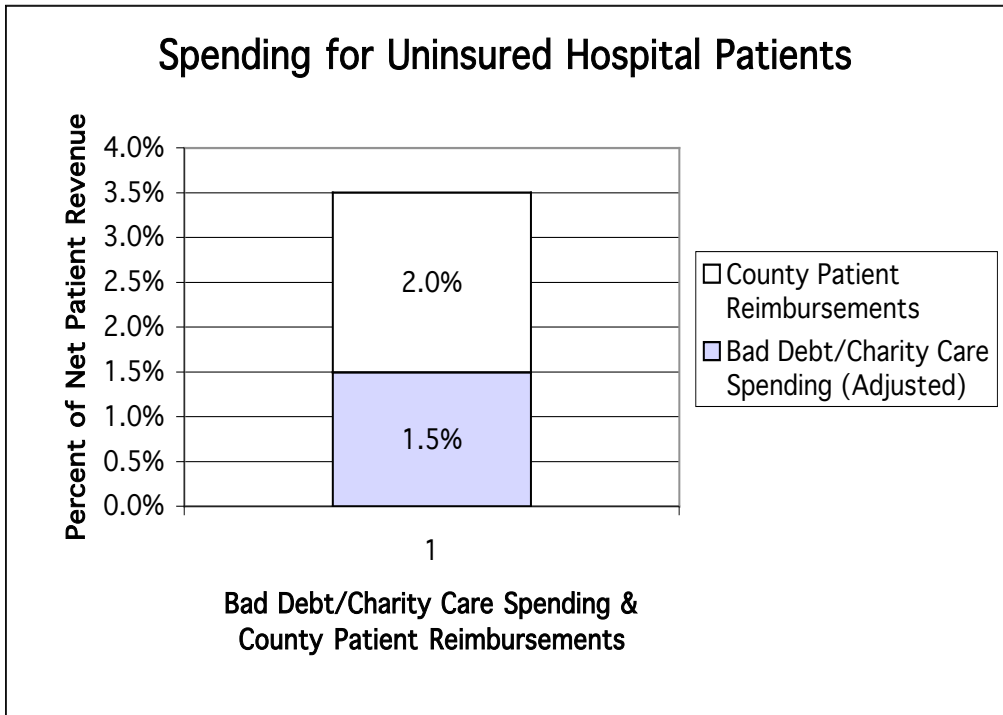
Delivery System

There are 2 hospitals in Napa County, Queen of the Valley Hospital and St. Helena Hospital. Both are comparable.¹⁶ Queen of the Valley Hospital accounted for the largest share of net patient revenue and provided the majority of bed days to patients in all payer categories.

- 66% of net patient revenue
- 73% of bed days to county indigent patients
- 58% of bed days for Medi-Cal patients
- 60% of bed days for Medicare patients
- 55% bed days for privately insured patients

Care to the County Indigent

Hospitals in Napa County reported an aggregate loss of approximately \$2.4 million in bad debt and charity care (1.5% of net patient revenues). Reported reimbursements for county indigent patients totaled \$3.3 million (2.0% of net patient revenues).



¹⁶ Comparable hospitals are acute care hospitals and do not include Prepaid Health Plan Hospitals such as Kaiser Permanente Hospitals.

Both OSHPD and CMSP report utilization and financial data for care for the county indigent. Hospitals report the services and expenses reimbursed by the county to OSHPD. The county reports the services and payments to providers to CMSP.¹⁷

| | OSHPD Data | County Health Data¹⁸ |
|--|-------------------|--|
| # Inpatient days per 1000 uninsured | 183 | 147 |
| # Outpatient visits per 1000 uninsured | 471 | 612 |
| # ER visits per 1000 uninsured | 0 | NA |
| Hospital Revenue from County¹⁹ | \$3.3M | |
| County spending | | \$4.4M |
| Gross DSH | \$0 | \$0 ²⁰ |

CMSP Data²¹

County Spending for the Uninsured

| | Number of Days or Visits | Expenditures in Dollars | Expenditure as Percentage of Total |
|---------------------------------|---------------------------------|--------------------------------|---|
| Inpatient Days | 1,377 | \$3.0M | 69% |
| Outpatient Visits | 5,714 | \$260,000 | 6% |
| Pharmacy Claims | 14,635 | \$623,000 | 14% |
| Medical/Physician Visits | 9,311 | \$495,000 | 11% |
| Total | 31,037 | \$4.4M | 100% |

Net Public Health Spending:²² NA

¹⁷ Theoretically, these reports should be identical for hospital inpatient days and emergency room visits. However, there is often considerable variation between these sources' figures. County health data on outpatient visits include hospital outpatient visits and county & community clinic and private physician visits, whereas OSHPD outpatient data accounts for hospital outpatient visits only.

¹⁸ CMSP Governing Board, 2002.

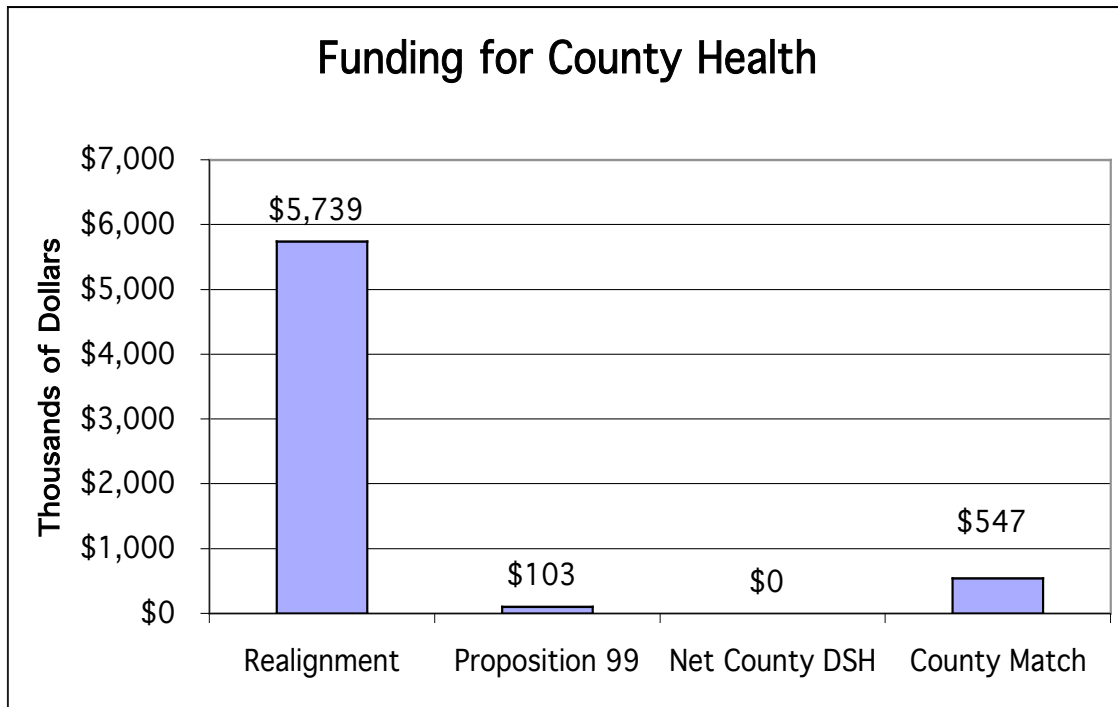
¹⁹This figure may include private donations for indigent care.

²⁰ Office of County Health Services. *SB 855 – Actual Payments and Transfers County and Non County Hospitals FY 2000-01*, Aug. 2002.

²¹ CMSP Governing Board, 2002.

²²Office of County Health Services. *Budget/Actual Data Fiscal Year 2001-02*.

FUNDING FOR COUNTY HEALTH^{23 24}



Funding Per Capita²⁵

| | Realignment | Proposition 99 | Net County DSH | County Match |
|--------------------------------------|--------------------|-----------------------|-----------------------|---------------------|
| Per County Resident | \$55 | \$1 | \$0 | \$5 |
| Per Uninsured County Resident | \$613 | \$11 | \$0 | \$59 |

DSH Distribution²⁶

Napa County hospitals did not receive DSH funding in FY 2001.

²³ Office of County Health Services. *Table of Proposition 99 and Realignment Funds and County Match, Fiscal Year 2000-01/2001-02.*

²⁴ Net County DSH Source: Office of County Health Services, Aug. 2002.

²⁵ Non-elderly population

²⁶ Office of County Health Services, Aug. 2002.

HEALTH COVERAGE AND HEALTH SERVICES UTILIZATION BY ETHNICITY

| Ethnicity | Percent of Uninsured ²⁷ | Percent of Medi-Cal Enrollment ²⁸ | Percent of Healthy Families Enrollment ²⁹ | Percent of Community Clinic Patients ³⁰ | Percent of County Indigent Patients ³¹ |
|-------------------------------------|------------------------------------|--|--|--|---|
| Non-Hispanic White | 43% | 54% | 18% | 32% | 67% |
| Hispanic | 51% | 42% | 67% | 64% | 25% |
| African-American | NA | 2% | .5% | 1% | 2% |
| Asian & Pacific Islander | NA | 1% | 3% | 1% | 5% |
| American Indian | NA | NA | .3% | .4% | 1% |
| Other³² | NA | NA | 11% | 1% | 1% |

PUBLIC MANAGED CARE

Medi-Cal Managed Care³³

- Current Enrollment: 8,345
- County Organized Health System: Partnership Health Plan of CA (100%)

Healthy Families Managed Care³⁴

- Current Enrollment: 1,468
- Community Provider Plan: Health Net HMO (40%)
- Commercial Plan: Blue Cross EPO (41%)

JOB-BASED INSURANCE³⁵

| | Napa County | California |
|---------------------------|--------------------|-------------------|
| Non-Elderly Adults | 73% | 65% |
| Children | 75% | 59% |

²⁷ California Health Interview Survey, 2001.

²⁸ Medi-Cal Policy Institute. *Medi-Cal County Data Book*, Jan. 2002.

²⁹ Managed Risk Medical Insurance Board, Feb. 2003, www.mrmib.ca.gov

³⁰ Office of Statewide Health Planning and Development, 2000, www.oshpd.states.ca.gov

³¹ CMSP Governing Board, 2002.

³² "Other" is defined differently in each data source, such as "unreported," "multiple ethnicities" or "other than listed options." Please see respective sources for further information.

³³ Medi-Cal Policy Institute. *California County Data*, Jan. 2002, www.medi-cal.org.

³⁴ Managed Risk Medical Insurance Board. *Healthy Families Program Subscribers Enrolled in Community Provider Plan by County*, Feb. 2003, www.mrmib.ca.gov

³⁵ Brown et al, 2002.

HEALTH PLANS FOR SMALL EMPLOYERS

PacAdvantage – Purchasing Pool³⁶

PacAdvantage contracts with Health Net and Kaiser Permanente in Napa County. Each of these carriers offers three HMO plans through PacAdvantage. Health Net also offers two PPOs. Benefits for the standard PacAdvantage HMO and the two PPOs are listed below.

PacAdvantage Standard HMO and PPO Benefits

| Health Plan | Patient Out-of-Pocket | | | | | | |
|-----------------------------|-------------------------------------|-----------------------------|-------------------------|--------------------------------------|-------------------------|------------------|---------------|
| | Deductible | Office Visits | Inpatient Admission | Outpatient Services | ER Visits | Brand-Name Drugs | Generic Drugs |
| Standard HMO | \$0 | \$30 co-pay | \$1,000 | Co-pays vary by service | \$100 | \$30 co-pay | \$15 co-pay |
| Health Net PPO Saver | \$500 per individual/ 2 per family | \$20 co-pay, limited visits | 20% after deduct. | Cost after deduct. varies by service | 20% after \$100 deduct. | 20% co-pay | 20% co-pay |
| Health Net PPO 30 | \$1000 per individual/ 2 per family | \$30 co-pay | 20% after \$250 deduct. | Cost after deduct. varies by service | 20% after \$100 deduct. | \$30 co-pay | \$20 co-pay |

PacAdvantage Monthly Premiums for Standard HMOs and PPOs

Premiums vary by the type of plan and employee's age and family size.

| Health Plan | 35 yr-old, Single | 50 yr-old, Single | 35 yr-old, with Spouse and Dependent Children | 50 yr-old, with Spouse and Dependent Children |
|-----------------------------|-------------------|-------------------|---|---|
| Health Net HMO | \$186 | \$310 | \$681 | \$812 |
| Kaiser HMO | \$147 | \$235 | \$502 | \$636 |
| Health Net PPO Saver | \$98 | \$168 | \$333 | 414\$ |
| Health Net PPO 30 | \$150 | \$257 | \$511 | \$634 |

³⁶ PacAdvantage. 2002 Rate Information, July 2002, www.pacadvantage.org. These figures represent group sizes of 15+ eligible employees. The cost for a group size of 2-5 employees is approximately 10% more than the cost listed above.

Other Health Insurance for Small Employers³⁷

Blue Cross, Blue Shield, Health Net, Kaiser Permanente and PacifiCare³⁸ offer health plans for small employers who do not participate in PacAdvantage in Napa County. Standard HMO options and PPOs with comparable benefits and low deductibles are listed below.

Benefits Offered by Standard HMOs and PPOs under Other Small Employer Plans

| Health Plan | Patient Out-of-Pocket | | | | | | |
|------------------------------------|------------------------------------|---------------|-------------------------|-------------------------|--------------------|--------------------------|--------------------|
| | Deductible | Office Visits | Inpatient Admission | Outpatient Services | ER Visits | Brand-Name Drugs | Generic Drugs |
| Blue Cross Saver HMO | \$1500 per member/2 member max | \$10 | No charge after deduct. | No charge after deduct. | NA□ | \$25 after \$150 deduct | \$10 |
| Blue Shield Access + HMO 15 | \$0 | \$15 | No charge | No charge | \$100 | \$25 after \$250 deduct. | \$15 |
| Health Net HMO 15 | \$0 | \$15 | No charge | No charge | \$75 | \$25 | \$15 |
| Kaiser Permanente HMO 15-N | \$0 | \$15 | No charge | NA□ | \$50 | \$20 | \$10 |
| | | | | | | | |
| Blue Cross PPO 30 | \$250 per member | \$30 | 30% after deduct. | 30% after deduct. | NA* | \$25 after \$150 deduct. | \$15 |
| Blue Shield PPO 80/60 | \$500 per member/\$1000 per family | \$35 | 20% after deduct. | 20% after deduct. | \$50 + 20% | \$25 after \$150 deduct. | \$10 |
| Health Net PPO Value 30 | \$500 per member/3 per family | \$30 | 20% after \$250 deduct. | 20% after \$250 deduct. | \$75 after deduct. | \$30 after deduct. | \$15 after deduct. |

³⁷ Blue Cross of California. *Small Group Sales and Enrollment Guide*, April 2001; Blue Cross of California. *Monthly Rates for Small Group Medical, Dental and Basic Term Life Plans*, March 2002; Blue Shield of California. *Group Health Plans - Summary of Benefits and Provisions*, April 2002; Blue Shield of California. *Group Health Plans - Monthly Rates*, May 2002; Health Net. *Plans and Rates - Small Business Group Plans*, July 2002; Health Net. *Plans and Rates-Small Business Group Rates*, July 2002; Kaiser Permanente. *Traditional Plan for Small Business - Northern California, Jan. 2002*; Kaiser Permanente. *Traditional Plan for Small Business Rates- Northern California*, July 2002.

³⁸ PacifiCare benefits and rates for small employer plans were not available to us at the time of this report.

□ Information not available

Monthly Premiums of Standard HMOs and PPOs for Other Small Employer Plans

Premiums vary by the type of plan and employee's age and family size.

| Health Plan | 35 yr-old, Single | 50 yr-old, Single | 35 yr-old, with Spouse and Dependent Children | 50 yr-old, with Spouse and Dependent Children |
|---------------------------------------|------------------------------|------------------------------|--|--|
| Blue Cross Saver HMO | \$183 | \$251 | \$553 | \$669 |
| Health Net HMO 15 | \$206 | \$345 | \$756 | \$900 |
| Kaiser Permanente HMO 15-N | \$158 | \$251 | \$537 | \$682 |
| | | | | |
| Blue Cross PPO 30 | \$148 | \$266 | \$449 | \$588 |
| Blue Shield PPO 80/60 | \$151 | \$296 | \$526 | \$761 |
| Health Net PPO Value 30 | \$215 | \$373 | \$664 | \$838 |

INDIVIDUAL HEALTH PLANS³⁹

Blue Cross, Blue Shield, Health Net, Kaiser Permanente and PacifiCare offer health plans for individuals and families in Napa County. PacifiCare is, however, closed to new members. Standard HMO options and PPOs with comparable benefits and low deductibles are listed below.

Benefits Offered by Standard HMOs and PPOs of Individual Health Plans

| Health Plan | Patient Out-of-Pocket | | | | | | |
|---|---|---------------|--------------------------------|--------------------------|-------------------|--------------------------|--------------------------|
| | Deductible | Office Visits | Inpatient Admission | Outpatient Services | ER Visits | Brand-Name Drugs | Generic Drugs |
| Blue Cross Saver HMO | \$1500 per member/ \$3000 per family | \$10 | No charge after \$1500 deduct. | 20% after \$1500 deduct. | \$50 + 20% | \$30 after \$250 deduct. | \$10 |
| Blue Shield Access + HMO | \$1500 per member/ \$3000 per family | \$10 | No charge after deduct. | \$25-\$35 | \$100 + 20% | \$30 | \$10 |
| Kaiser Permanente Personal Advantage | \$0 | \$15 | No charge | \$15 | \$50 | \$25 | \$10 |
| PacifiCare HMO 10 | \$0 | \$10 | No charge | Cost varies per service | \$50 | \$25 | \$10 |
| | | | | | | | |
| Blue Cross PPO 1000 | \$1000 per member/ \$2000 per family | 30% | 30% after deduct. | 30% after deduct. | \$30 + 30% | \$30 after \$250 deduct. | \$10 |
| Blue Shield PPO 500 | \$500 per member/ \$1000 per family | \$30 | 25% after deduct. | 25% after deduct. | 25% after deduct. | \$25 after \$50 deduct. | \$7 |
| Health Net PPO 20 | \$1000 per member/ \$2000 per family | \$20 | 20% after deduct. | 20% after deduct. | \$75 + 20% | \$35 after \$100 deduct. | \$10 after \$100 deduct. |

³⁹ Blue Cross of California. *Individual and Family Health Programs*, Dec. 2001; Blue Cross of California. *Monthly Rates for Individual and Family Medical and Life Plans*, August 2002; Blue Shield of California. *Health Plans for Individuals and Families-Summary of Benefits and Provisions*, April 2002; Blue Shield of California. *Monthly Rates for Individuals and Families*, April 2002; Health Net. *Individual and Family Coverage - Summary of Benefits and Provisions of Coverage*, Feb. 2002; Health Net. *Monthly Rate Guide - Individual and Family Plans*, Feb. 2002; Kaiser Permanente. *Personal Advantage 2002 Benefits*, Jan. 2002; Kaiser Permanente. *Personal Advantage 2002 Rates - Northern California*, Jan. 2002; PacifiCare. *Benefits Summary - Individual HMO Plans*, Jan. 2002; PacifiCare. *Monthly Premiums for Individual Plans*, Jan. 2002.

Monthly Premiums of Standard HMOs and PPOs for Individual Health Plans

Premiums vary by the type of plan and individual's age and family size.

| Health Plan | 35 yr-old, Single | 50 yr-old, Single | 35 yr-old, with Spouse and Dependent Children | 50 yr-old, with Spouse and Dependent Children |
|---|------------------------------|------------------------------|--|--|
| Blue Cross Saver HMO | \$226 | \$287 | \$552 | \$671 |
| Blue Shield Access + HMO | \$230 | \$298 | \$683 | \$755 |
| Kaiser Permanente Personal Advantage | \$149 | \$230 | \$441 | \$523 |
| PacifiCare HMO 10 | \$245 | \$431 | \$733 | \$1,085 |
| | | | | |
| Blue Cross PPO 1000 | \$167 | \$339 | \$417 | \$752 |
| Blue Shield PPO 500 | \$181 | \$361 | \$546 | \$848 |
| Health Net PPO 20 | \$189 | \$430 | \$529 | \$1,008 |