

1 [Opposing Sutter Health Hospitals pricing and collection practices]

2 **Resolution opposing discriminatory pricing practices and aggressive debt collection at**
3 **Sutter Health Hospitals.**

4
5 WHEREAS, an estimated 140,000 San Franciscans, or 23% of San Francisco's
6 nonelderly population, are uninsured; and,

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8 WHEREAS, the burden for caring for the uninsured and underinsured population in
9 San Francisco falls almost entirely on San Francisco's public health system; and,

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11 WHEREAS, Sutter Health's California Pacific Medical Center is San Francisco's
12 largest hospital and controls 40% of the City's licensed hospital beds; and,

13
14 WHEREAS, Sutter Health's California Pacific Medical Center, as a nonprofit hospital,
15 has a basic social contract to provide medical care for the uninsured in the San Francisco;
16 and,

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18 WHEREAS, the San Francisco Department of Public Health recently evaluated the
19 provision of charity care by local hospitals and determined that Sutter Health's California
20 Pacific Medical Center had the lowest rate of charity care spending among San Francisco
21 hospitals during 2002, with the hospital spending only 0.3% of its Total Operating Expenses
22 on charity care; and,

23
24 WHEREAS, Sutter Health's California Pacific Medical Center made \$135 million in
25 profits in 2002, received more than \$60 million in tax subsidies, while providing just \$1.5
million in charity care to the uninsured or the underinsured; and,

WHEREAS, Sutter Health's California Pacific Medical Center, which transferred \$105
million to its parent corporation Sutter Health in 2002 alone, clearly has sufficient funds to
provide more care for San Francisco's uninsured residents; and,

1 WHEREAS, San Francisco patients report that they have been subjected to a
2 discriminatory pricing system that charges the uninsured far more than what insured patients
3 pay for the same services by California Pacific Medical Center and Sutter Health; and,

4 WHEREAS, California Pacific Medical Center and other Sutter Health hospitals have
5 practiced aggressive debt collection tactics against uninsured patients who are unable to pay
6 their bills, routinely sending uninsured patients' bills to collection agencies that sue uninsured
7 patients and seize funds from patients bank accounts, among other actions; and,

8 WHEREAS, Sutter Health's discriminatory pricing and aggressive collection practices
9 have been systematic and widespread, involving hundreds of uninsured patients each year;
10 and,

11 WHEREAS, Sutter Health's practices have harmful effects on uninsured residents,
12 such as discouraging them from seeking needed medical care, and causing great financial
13 hardship, including personal bankruptcy; and,

14 WHEREAS, Sutter Health's practices have harmful effects on the City's public health
15 system and exacerbate the city's fiscal crisis by forcing uninsured residents to seek care at
16 public facilities; now, therefore, be it

17 RESOLVED, That the San Francisco Board of Supervisors calls upon California Pacific
18 Medical Center and Sutter Health to immediately reveal its current and historic pricing policies
19 for uninsured patients to the City and County of San Francisco for review by the San
20 Francisco Department of Public Health; and, be it

21 FURTHER RESOLVED, That the San Francisco Board of Supervisors calls upon
22 Sutter Health and its affiliates to stop sending patients to collection and to stop pursuing
23 medical debt for those without the means to pay; and, be it

1 FURTHER RESOLVED, That the San Francisco Board of Supervisors calls upon
2 California Pacific Medical Center and Sutter Health to provide amnesty for all current
3 outstanding debt for those that can not afford to pay; and, be it

4 FURTHER RESOLVED, That the San Francisco Board of Supervisors calls upon
5 Sutter Health and its affiliates to provide interest-free payment plan options, increase
6 communication of financial options especially regarding charity care programs and public
7 assistance, and post notices regarding the availability of financial assistance; and, be it

8 FURTHER RESOLVED, That the San Francisco Board of Supervisors calls upon
9 Sutter Health and its affiliates to increase the delivery of charity care to at least 3 percent of
10 Net Patient Revenues; and, be it

11 FURTHER RESOLVED, That the San Francisco Board of Supervisors hereby supports
12 Assembly Bill 232 (Chan), which specifies that the uninsured shall not be charged more than
13 those with health insurance, and the full and timely implementation of Senate Bill 2, the
14 California Health Insurance Act of 2003, on file with the Clerk of the Board of Supervisors in
15 File No. ⁰⁴⁰⁶⁰⁷, which is hereby declared to be a part of this resolution as if set forth fully
16 herein.



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails
Resolution

File Number: 040607

Date Passed:

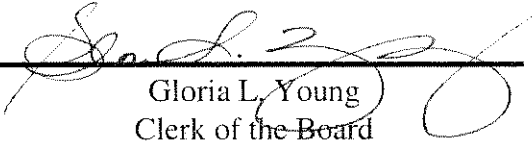
Resolution opposing discriminatory pricing practices and aggressive debt collection at Sutter Health Hospitals.

May 18, 2004 Board of Supervisors — ADOPTED

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Gonzalez, Hall, Ma, Maxwell, McGoldrick, Peskin, Sandoval

File No. 040607

I hereby certify that the foregoing Resolution was ADOPTED on May 18, 2004 by the Board of Supervisors of the City and County of San Francisco.

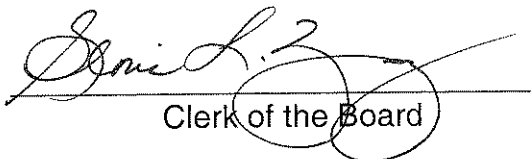

Gloria L. Young
Clerk of the Board

Date Approved

Mayor Gavin Newsom

Date: May 27, 2004

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter.


Clerk of the Board

File No.
040607