

3 Access to and Affordability of Healthcare

By 2030 nearly 24 percent of San Mateo County's residents will be 65 years and older. The county will have a larger proportion of older adults than California as a whole. This increase will impact the amount and types of health care services needed. In particular, the San Mateo County Health System's model predictions¹ also indicate:

- A 50 percent increase in the demand for physicians
- A 34 percent increase in acute hospital days among older adults
- A 59 percent increase in the demand for hospital beds

The American Hospital Association predicts² that:

- Baby Boomers in particular will have a higher prevalence of chronic diseases than the current senior population – 60 percent of them will suffer from more than one chronic illness and be more likely to be overweight and obese (33 percent) or suffer from diabetes (25 percent).

The number of older adults suffering from Alzheimer's disease is expected to grow from 13,684 in 2008 to 23,298 in 2030 – a 70 percent increase.³ And one in five residents over the age of 65 is expected to have a physical or mental disability.⁴

3.1 Access to Physicians and Medical Care

According to the 2010 Census, many seniors experience one or more barriers to medical care, including:

Language barriers: 18.9 percent of senior residents are not proficient in English.

Place of residence: 1.4 percent of senior residents live in areas in San Mateo County that are considered rural.

Healthcare facilities: While the distribution of medical facilities is relatively dense in San Mateo County (also Map 1), there were only 81 mental health providers in 2007, i.e., 1,240 seniors per provider. For dental care, the number of dentists in the same year was slightly better at 102, i.e., 978 seniors per dentist.

Healthcare costs: In 2007, healthcare costs were on average \$7,130 per person per year and 16 percent of adults were uninsured in 2009.⁵ Between 2004 and 2010 almost one out of ten adults (9 percent) could not see a doctor due to cost.

¹ San Mateo Health System, Health Policy and Planning (2010). Maintaining the Health of an Aging San Mateo County.

² American Hospital Association (May 2007). "When I am 64: How Boomers Will Change Health Care." Accessed August 30, 2012 at www.aha.org/aha/content/2007/pdf/070508-boomerreport.pdf.

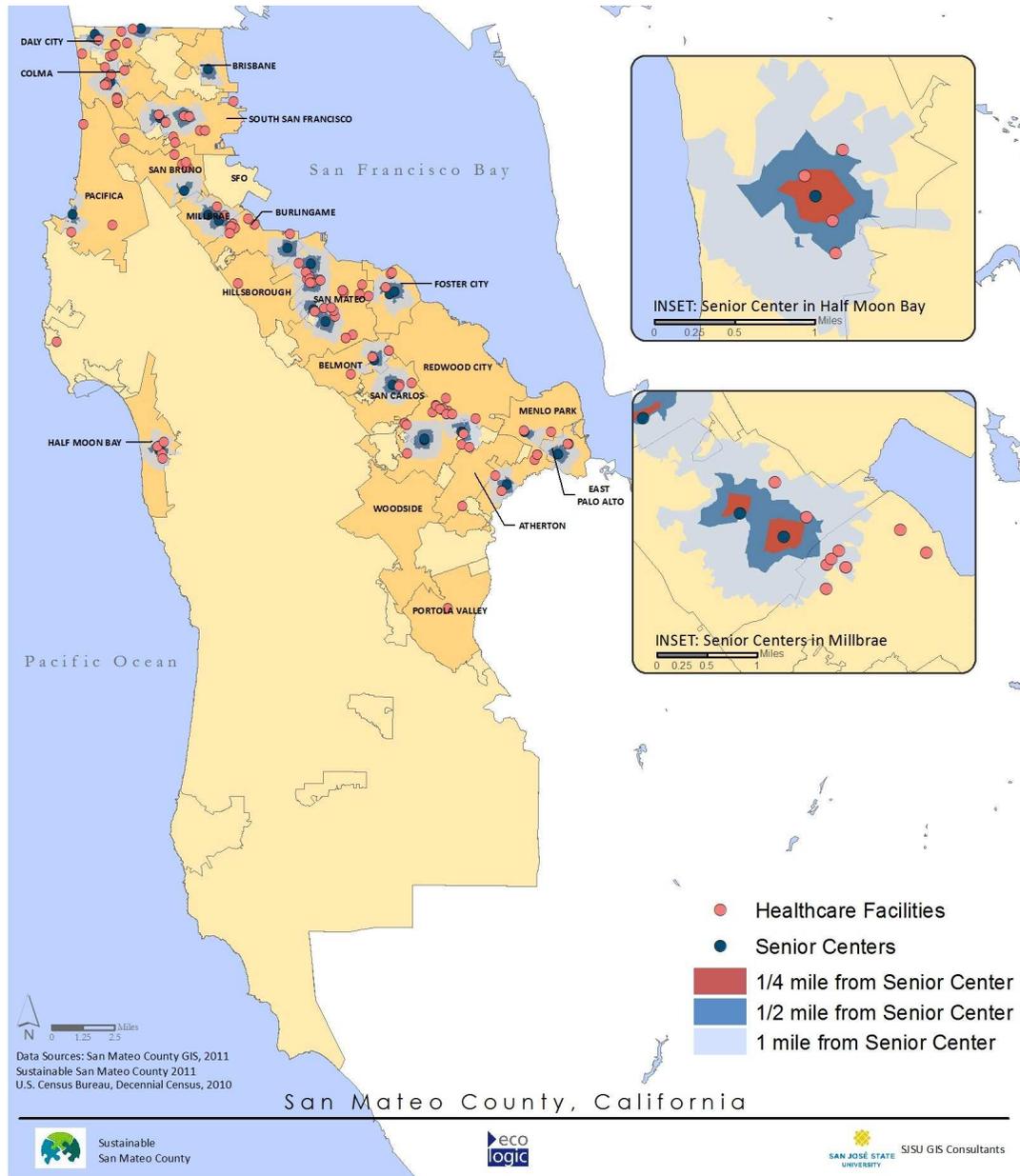
³ Alzheimer's Association. California Alzheimer's Disease Data Report. (2008). Accessed August 30, 2012 at www.alz.org/cadata/CAALZ_County_Data.pdf (last accessed November 20, 2012).

⁴ Ibid.

⁵ Although most adults aged 65 and older are eligible for Medicare.

Surveys confirm that people prefer living in closer proximity to services such as healthcare facilities as they age. The following map shows the proximity of senior centers to healthcare facilities in San Mateo County as measured in $\frac{1}{4}$, $\frac{1}{2}$, and 1 mile distances. Of the 25 senior centers shown only three are not within a mile distance from a healthcare facility. They are the Brisbane Senior Club, the Redwood City Veterans Memorial Senior Center and the San Bruno Senior Center.

Healthcare Access for Seniors



Map 1: Access to medical care for seniors in relation to senior centers in San Mateo County. Source: US Census Bureau, 2010 Census.

Avoidable Hospitalizations

The avoidable hospitalization rate can be used to gauge the availability and utilization of primary medical care. Avoidable hospitalizations, which are conditions for which hospitalizations can be avoided if timely and effective ambulatory care is provided, create extra costs for the healthcare system and can also exert stress, anxiety, and financial strain on patients and their families.

Avoidable hospitalizations are particularly high among the senior population (Figure 1). According to data from the 2011 Community Assessment there were 58,661 avoidable hospitalizations among seniors during 1992-2007, which is equivalent to 58 percent of avoidable hospitalizations among all age groups.

Among seniors, those aged 65 to 74 years have the lowest rate of avoidable hospitalizations (211.8 per 10,000 population) while those 85 and over have the highest at 825.6 per 10,000 population.

While seniors aged 65 and older have by far the highest rate of avoidable hospitalizations, they have also experienced the largest decline of all age groups since 1992. For example, from its peak rate in the 1995-1999 period (634.8 per 10,000 population) avoidable hospitalizations fell to 496.7 in the 2003-2007 period. This is a decrease of 22 percent.

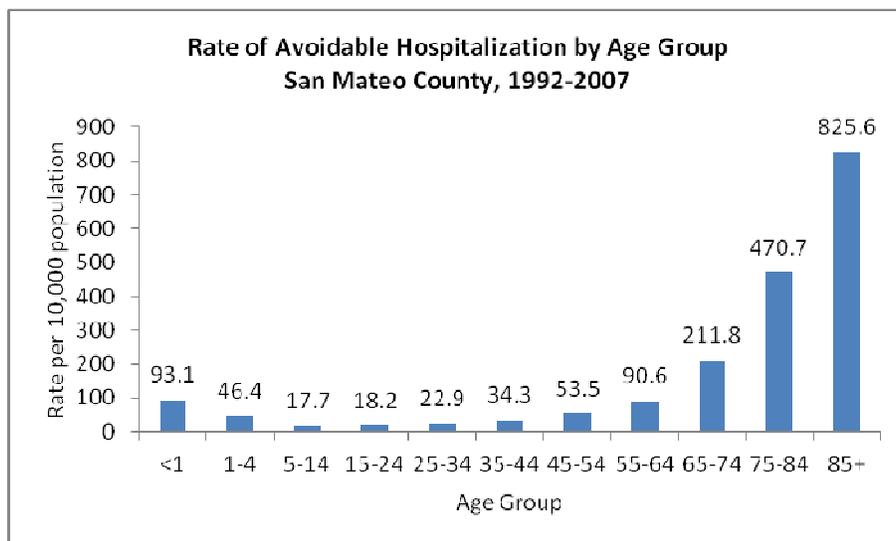


Figure 1: Rate of avoidable hospitalizations (per 10,000 population) by age group in San Mateo County. Rates are not age-adjusted. Source: 2011 Community Assessment.

Since avoidable hospitalizations are linked to ineffective ambulatory care and since healthcare access varies by race/ethnicity (see section 3.1), it is informative to look at the rate of avoidable hospitalizations among seniors by race and ethnicity (Figure 2).

Blacks/African Americans have the highest rates in all three age groups. In the younger seniors (65-74 years) Asians, Whites and Hispanics have almost identical rates but among older seniors the rates of Whites increase more than those of Asians and Hispanics.

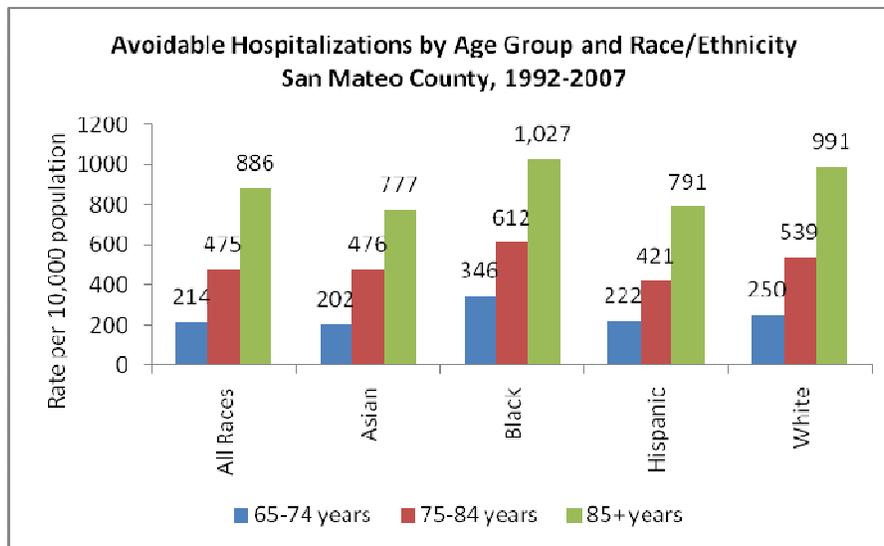


Figure 2: Rate of avoidable hospitalizations by age group and race/ethnicity for 1992-2007 in San Mateo County. Rates are age-adjusted and standardized to 2000 population. Source: 2011 Community Assessment.

Shortage Areas

The US Department of Health and Human Services, Health Resources and Services Administration (HRSA) developed criteria for defining areas, population groups or facilities as a Health Professional Shortage Area (HPSA) or a Medically Underserved Area or Population (MUA/P). HPSAs are designated by HRSA as having shortages of primary medical care, dental or mental health providers. Medically Underserved Areas/Populations are areas or populations designated by HRSA as having: too few primary care providers, high infant mortality, high poverty and/or high elderly population.

According to HRSA data, there are 18 primary care and mental care HPSAs (including 15 low-income census tracts in East Palo Alto, the SMC Health Services Agency and the South County Community Health Center), 2 dental HPSAs (SMC Health Services Agency and South County Community Health Center) and 6 MUAs in San Mateo County.

Hospitalization Services

Although primary care and outpatient clinics serve as the first and most important source of medical care, hospitalization may become necessary, especially for older seniors. It is, therefore, informative to look at hospitalization services provided in San Mateo County HRR over the past years. We used data from the Center for Medicare and Medicaid Services 2012 on Medicare beneficiaries⁶ and found that for heart attack and other life-threatening conditions, the hospital system has a high performance rate on most quality-related measures compared to other Hospital Referral Regions nationwide:

- The hospital admission rate was 16.1 percent (rank 231st lowest out of 308).
- There were 418 emergency department visits per 1,000 (5th lowest of 308 HRRs in the country)

⁶ Geographic Variation Public Use File, Policy & Data Analysis Group, Office of Information Products and Data Analytics, Centers for Medicare and Medicaid Services, 2012.

- 99 percent of heart attack patients arriving at the hospital in San Mateo County HRR were given aspirin upon arrival.
- 100 percent of heart attack patients also received fibrinolysis⁷ within 30 minutes of hospital arrival.
- 100 percent of heart attack patients were prescribed angiotensin converting enzyme inhibitor or angiotensin receptor blocker at discharge.
- 98.7 percent of heart attack patients were also prescribed aspirin at hospital discharge.
- 100 percent of heart attack and heart failure patients received smoking cessation counseling during hospital stay, if indicated.
- 98.5 percent of heart failure patients received instructions on post-event care and life style choices (top 5 percent of all HRRs).
- 96.4 percent of pneumonia patients were screened (and administered, if indicated) pneumococcal vaccine (top 25 percent of all HRRs).
- 94.5 percent of pneumonia patients received appropriate initial antibiotic selection for community-acquired pneumonia in immune-competent patients (top 25 percent).

Preventative Services

Preventative care aims to avoid health complications through screening and health-related behavioral changes. Early disease detection can save patients' lives and reduce healthcare costs. Selected indicators of preventative care among seniors in 2006 are shown in Figure 3. They show that most senior women get mammographies to screen for breast cancer and that seven out of ten seniors get influenza vaccinations. Sigmoidoscopy, a procedure similar to a colonoscopy but only examining the colon up to the sigmoid, is used to detect early signs of colon cancer and potential causes for constipation, abdominal pain and diarrhea. Forty-three percent of seniors used this service in 2006 but the procedure is usually not necessary on an annual basis.

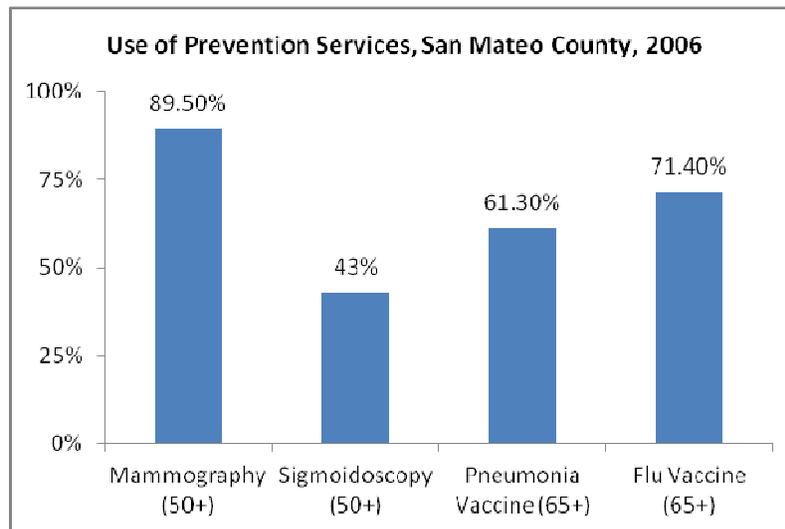


Figure 3: Use of preventative medical services in San Mateo County. Source: San Mateo County Community Health Status Report, 2009.

⁷ This is a process that prevents blood clots from growing and becoming problematic.

For 2012-2016 the AAA's objectives are to further support health promotion through the objectives and actions listed in Table 1.

Objective 1.5: The AAA will support Health Promotion by:	Projected Start and End Dates
(a) Mills-Peninsula Health Services will provide 1,960 contacts of health screenings, nutrition counseling/education services, and medication management by appropriately credentialed practitioners, such as nurses, registered dietitians, and pharmacists.	July 2012 - June 2013
(b) Assisting OAA funded programs that meet the minimal criteria for evidence-based programs to transition to intermediate and/or highest-level criteria.	July 2012 - June 2013
Objective 1.6: The AAA will collaborate on County-wide initiatives that focus on the health of older adults and adults with disabilities by:	
(a) Exploring opportunities to collaborate with San Mateo County's Health Policy and Planning Division on issues such as Built Environment	July 2012 - June 2013

Table 1: Objectives and actions proposed by the Area Agency on Aging to promote health during the 2012-2016 Area Plan. Source: Area Agency on Aging (2012). Four-Year Area Plan 2012-2016.

Long-Term Care Integration (LTCI)

LTCI proposes to improve the delivery of services for older adults and adults with disabilities in SMC. The goal of LTCI is to provide integrated person-centered care, which would lead to improved health and quality of life for older adults and adults with disabilities across the County. By allowing greater access to home- and community-based services, it is expected that lower numbers of people will move to nursing homes prematurely. The Health Plan of San Mateo and Aging and Adult Services will continue to collaborate to build a sustainable model of LTCI in the county. The core concepts of LTCI are to:

- Emphasize home- and community-based services to allow individuals to remain in a community setting.
- Consolidate preventative, acute, long-term, and home- and community-based services and funding.
- Allow for more local control and flexibility.
- Eliminate administrative duplication and complexity.
- Enhance assessment, care planning, and medical management.
- Establish smooth and appropriate transitions between levels of care.
- Reinvest savings back into SMC.
- Improve service delivery and access to care.⁸

⁸ Area Agency on Aging (2012). Four-Year Area Plan 2012-2016, p.46.

3.1.1 Medicare

While San Mateo County residents are paying less than the national average in Medicare expenses each year, the rate is increasing (Figure 4).

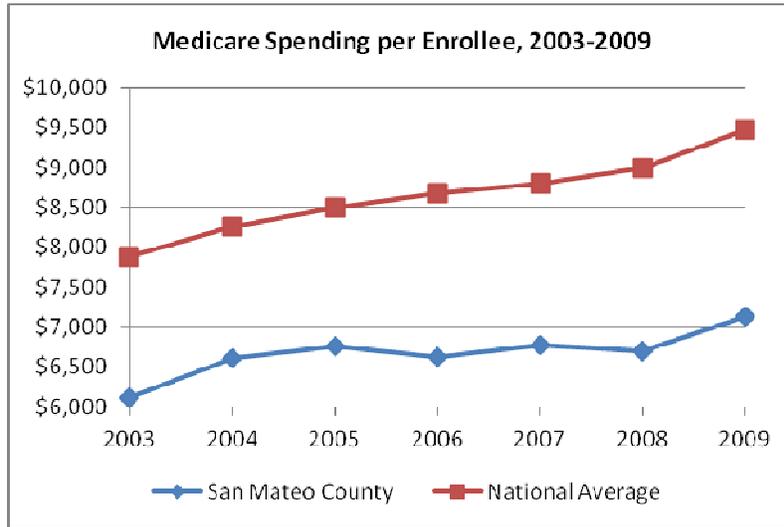


Figure 4: Medicare spending per enrollee in San Mateo County and the national average for 2003-2009. Source: Dartmouth Atlas and U.S. Bureau of Labor Statistics.

In comparison to the national distribution of Medicare spending, enrollees in the San Mateo County HRR are reimbursed at a rate near the 90th percentile (Table 2). For example, compared to the 10th percentile, enrollees in the San Mateo County HRR are reimbursed \$2,285 more per year (2007 dollars). Since 1996, the reimbursement rate has seen a steady increase from \$5,343 to \$9,056 (69 percent increase). However, in comparison to the neighboring HRRs in the San Francisco Bay Area, San Mateo County HRR has the second lowest reimbursement rate after San Jose (Table 3).

Region	Medicare Reimbursements per Enrollee, by Race and Program Component
	(Race: Overall; Program Component: Overall; Year: 2007; Region Levels: HRR)
San Mateo County, CA	\$9,056
National Average	\$8,682
90th Percentile	\$9,995
50th Percentile	\$8,136
10th Percentile	\$6,771

Table 2: Medicare reimbursements per enrollee in San Mateo HRR in 2007 and comparison benchmarks national average, 90th percentile, median, and 10th percentile. Source: Dartmouth Atlas on Health Care.

HRR	Reimbursement rate (2007)
San Jose	\$8,743
San Mateo	\$9,056
San Francisco	\$9,196
Santa Cruz	\$9,701
Alameda	\$9,707
Contra Costa	\$10,772

Table 3: Medicare reimbursement per enrollee in 2007 in San Mateo County HRR and surrounding HRRs. Source: Dartmouth Atlas on Health Care.

3.2 Insurance Coverage

Healthcare insurance shields people from the risk of catastrophic medical expenses. It allows people to plan their lives and careers without the need to worry about the unpredictable economic effects a health problem might cause. More than 46 million people in the US lacked healthcare insurance in 2011 for a variety of reasons, but chief among them the high cost of insurance and the lack of access to (affordable) insurance due to pre-existing conditions. The 2010 Patient Protection and Affordable Care Act contains a series of reforms that aims to increase the number of insured patients by at least 20 million. As the Act’s provisions – such as state-wide health insurance exchanges – are being put into place, we are presenting current insurance coverage statistics.

In San Mateo County, lack of healthcare insurance is primarily a problem among younger and middle-aged residents. There are 20,000 uninsured Baby Boomers in the age group of 45-64 year olds (10 percent of all 45-64 year olds, Figure 5). Therefore, this group may lack the range of preventative and curative healthcare services that could prevent health issues as they age and thereby cause more strain on their finances and Medicare in the future. Information in how access and affordability of healthcare insurance will change under the Patient Protection and Affordable Care Act is given in Section **Error! Reference source not found..**

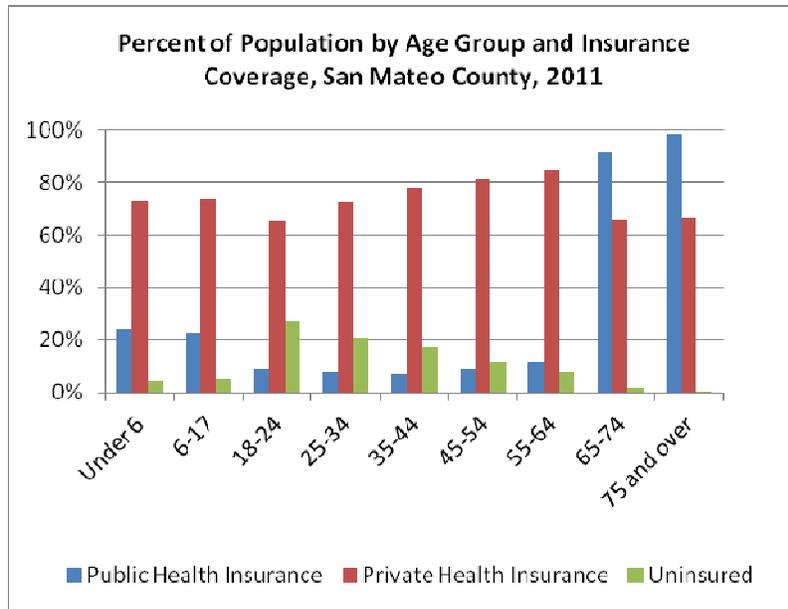


Figure 5: Insurance coverage by age group and type of insurance in San Mateo County. Source: American Community Survey 2011, 1-year estimates.

Overall, the 18-64 year olds have consistently the lowest coverage rates compared with the group of under 18 year olds and seniors aged 65 and older, who are Medicare eligible.

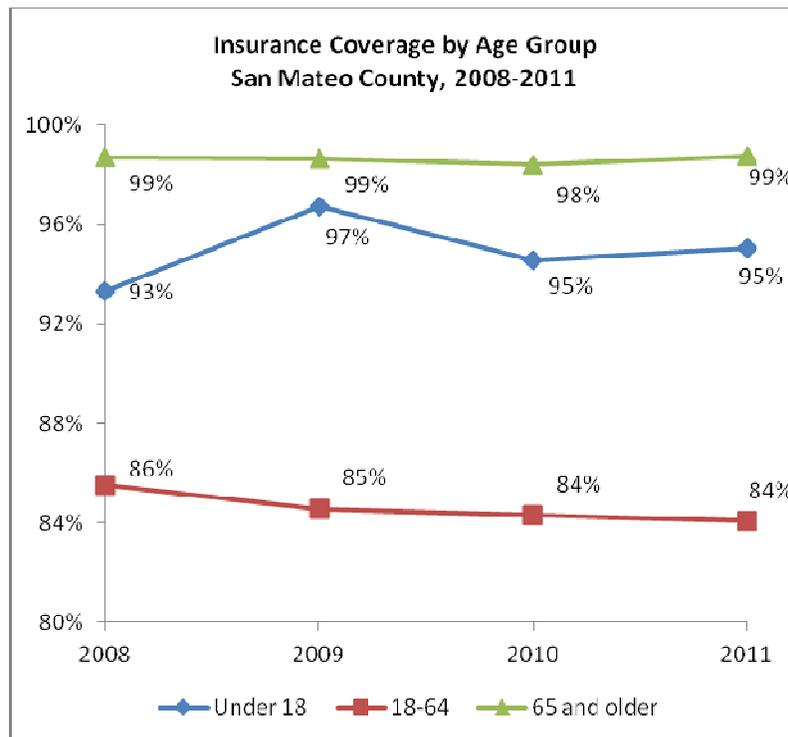


Figure 6: Insurance coverage by age group in San Mateo County for 2008-2011. Source: American Community Surveys 2008, 2009, 2010, 2011, 1-year estimates.

Comparing insurance coverage between men and women we find that more women have insurance in the 18-64 year age group. The gap is most pronounced among the 18-34 year olds.

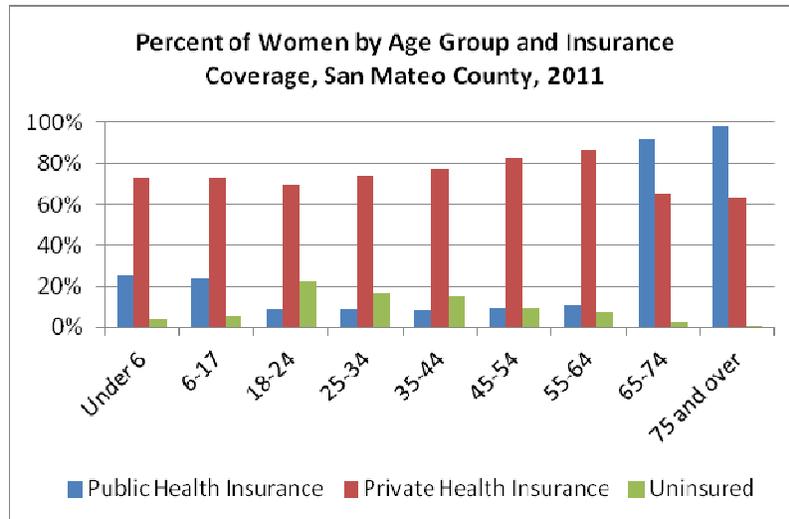


Figure 7: Insurance coverage of women by age group and type of insurance in San Mateo County. Source: American Community Survey 2011, 1-year estimates.

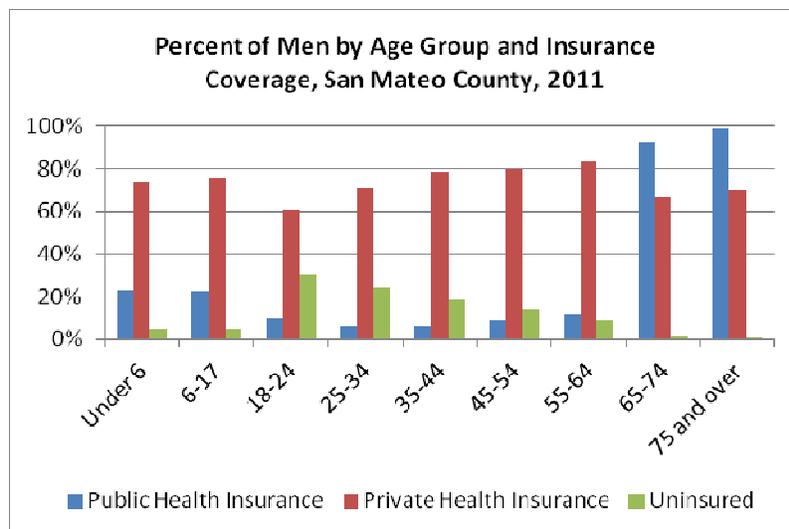


Figure 8: Insurance coverage of men by age group and type of insurance in San Mateo County. Source: American Community Survey 2011, 1-year estimates.

The majority of the uninsured in San Mateo County fall into the 18-64 year age group regardless of race. Especially high rates in single race groups exist among American Indian and Alaska Native (43 percent) and Native Hawaiian and Pacific Islanders (29 percent). The latter are also the only group with high rates of uninsured among those 65 years and older (15 percent) and with the second highest rate for children (7 percent after Other Race Alone).

When looking at the data in absolute terms, the distribution of lack of healthcare insurance by age group remains roughly the same but the picture essentially reverses for the different race groups, because Native Americans and Hawaiians and Pacific Islanders represent only a small fraction of the county’s population. As shown in Figure 10, the largest number of uninsured is White, followed by Asians and Other Race.

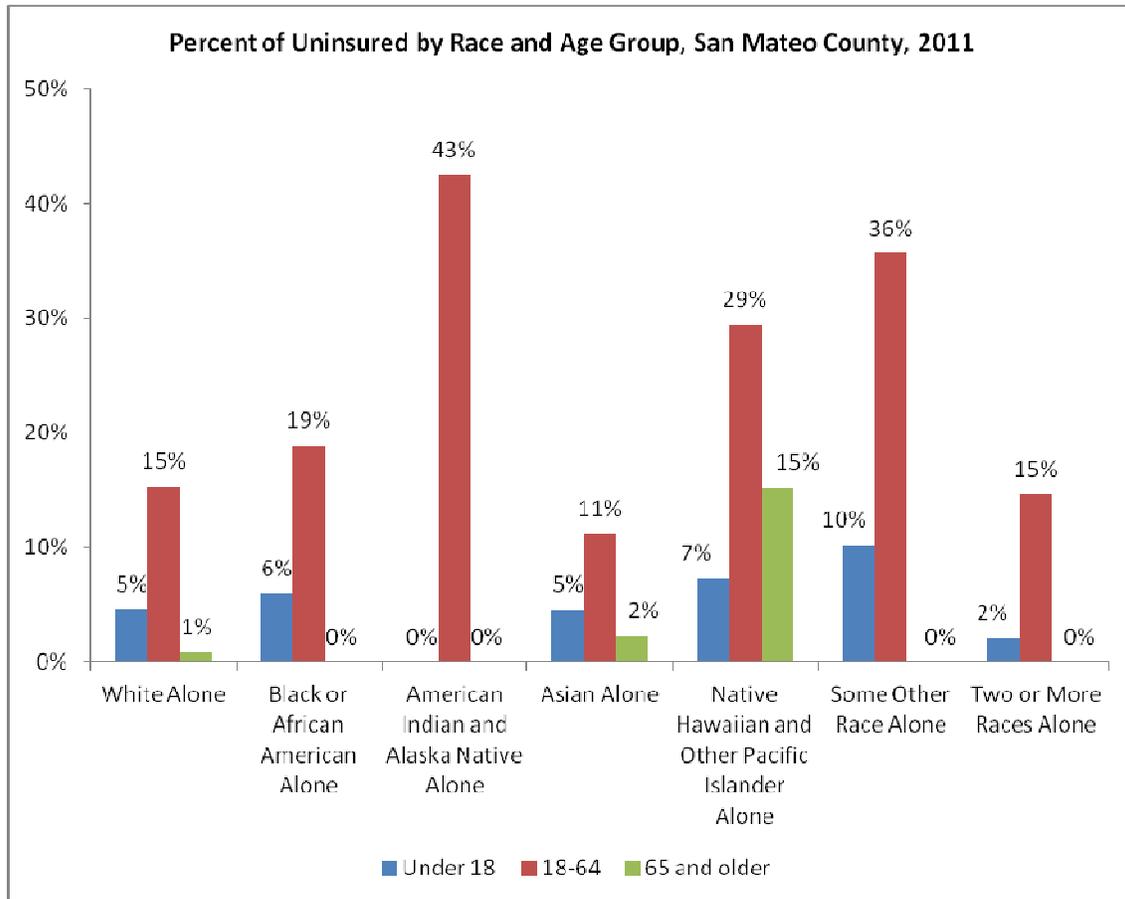


Figure 9: Percent of people lacking healthcare insurance by race and age group in San Mateo County in 2011. Source: American Community Survey 2011, 1-year estimates.

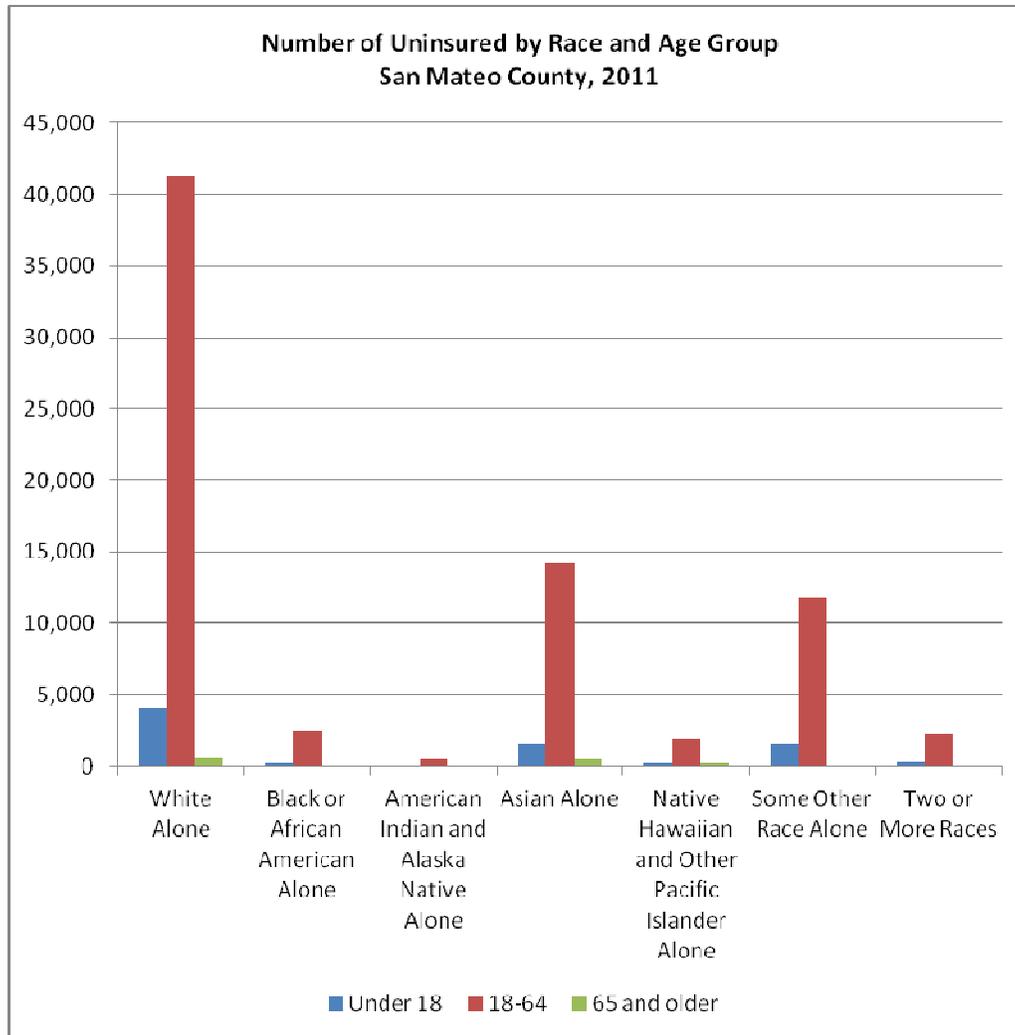


Figure 10: Number of people lacking healthcare insurance by race and age group in San Mateo County in 2011. Source: American Community Survey 2011, 1-year estimates.

San Mateo County seniors (ages 65 and older) obtain health insurance from a variety of both public (Medicare, Medi-Cal) and private providers (Figure 11 and Figure 12). According to the US Census Small Area Health Insurance Estimates, 89.7% of San Mateo County adults ages 50-64 are insured, the fourth highest county coverage in the state. The average coverage for California for 50-64 year olds is 82.1 percent.

Only 1.2 percent of the county’s approximately 97,000 seniors (i.e., approximately 1,200 people) are uninsured. In 2011, nearly 16,000 (16.3 percent) of San Mateo County seniors qualified for Medi-Cal (California’s Medicaid program) in addition to Medicare (“dual-eligibles”, Figure 13).⁹

⁹ California Department of Health Care Services, Research and Analytic Studies Branch, Medi-Cal/Medicare Dual Eligibles by County – 2011.

Senior Insurance Coverage, San Mateo County, 2011

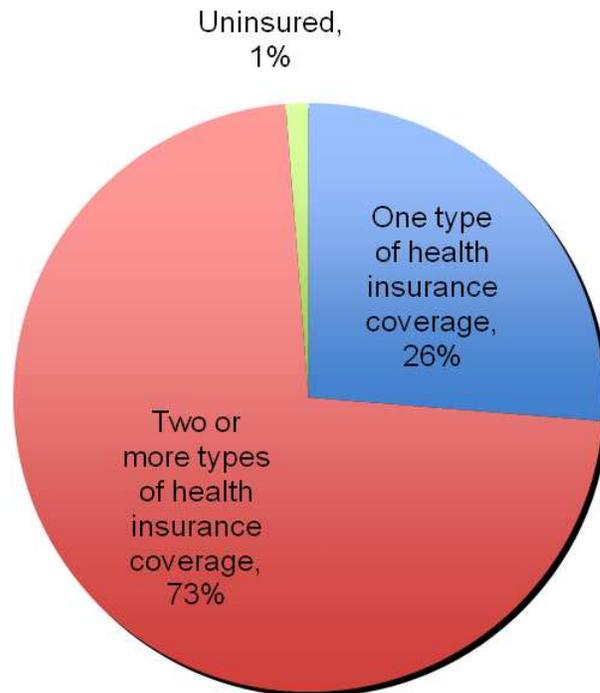


Figure 11: Insurance coverage of seniors (65 years and older) in San Mateo County in 2011. Source: U.S. Census Bureau, American Community Survey 2011, 1-year estimates.

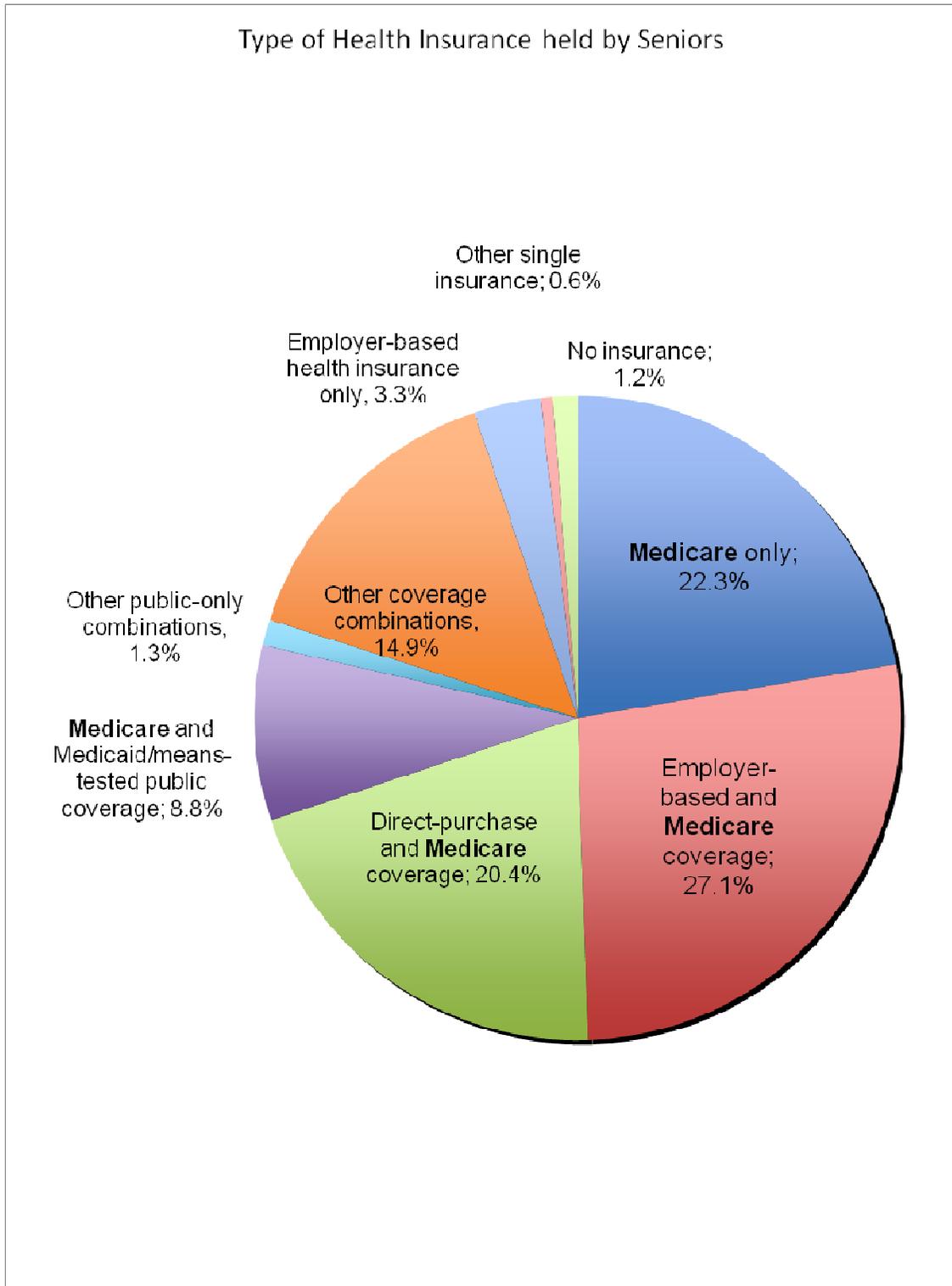


Figure 12: Types of insurance coverages of seniors (65 years and older) in San Mateo County in 2011. Source: U.S. Census Bureau, American Community Survey 2011, 1-year estimates.

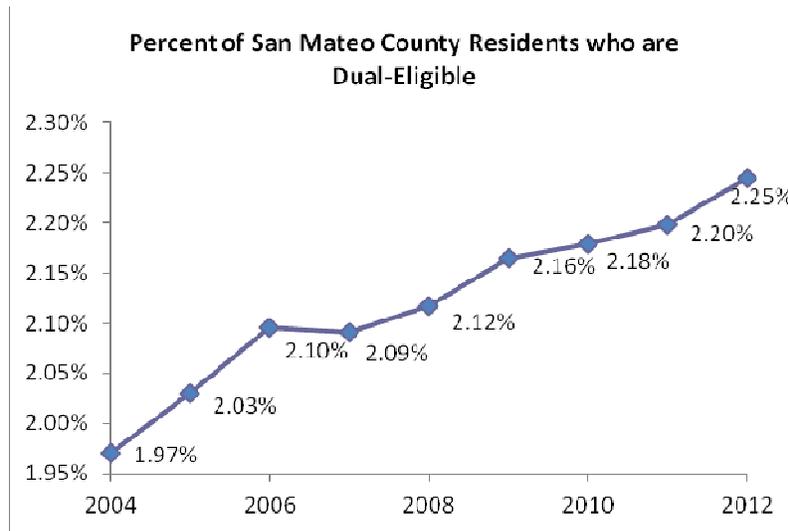


Figure 13: Percentage of San Mateo County residents who are eligible for both Medicare and Medi-Cal. Source: California Department of Health Care Services, Research and Analytic Studies Branch, Medi-Cal/Medicare Dual Eligibles by County – 2011.

3.2.1 Additional Health-Related Costs Incurred by Seniors

According to the Elder Economic Security Standard™ Index, San Mateo County’s seniors pay on average \$272.76 per month on healthcare, which includes expenditures for HMO (Medicare Advantage) or a private Medicare supplemental MediGap policy, Medicare prescription drug benefit (Part D), Medicare Plan B monthly premiums and miscellaneous out-of-pocket expenses for a senior in good health.¹⁰ This compares with \$247.76 in San Francisco County, \$241.76 in Santa Clara County, \$247.76 in Alameda County, \$272.76 in Marin County, and \$255.76 in Contra Costa County.

To this, seniors requiring additional or specialized care and services are estimated to incur the following home- and community-based long-term care service package costs in 2007 (per year):¹¹

- Low (6 hrs/week): \$7,878
- Medium (16 hrs/week): \$20,892
- High (36 hrs/week) with Adult Day Health: \$35,905
- High (36 hrs/week) All In-Home Care: \$45,082

¹⁰ See Elder Index data available by county at http://www.healthpolicy.ucla.edu/eess0910_pdf/healthcare.pdf (last accessed October 30, 2012)

¹¹ Ibid.