Overview of the Uninsured: Orange County, 1996-2004

Insure the Uninsured Project
www.itup.org

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Agenda

- General demographic and insurance changes
- Community Clinics
  - Utilization
  - Funding
- Hospitals
  - Utilization
  - Financing
- County Health
  - Demographics
  - Financing
General Perspective

- The proportion of employment in the manufacturing industry declined while professional/business services, financial activities, leisure/hospitality and construction’s share of employment increased.
- After 3 years of rising unemployment, the unemployment rate has been dropping since 2002.
- The percentage of Whites in Orange County is decreasing as the proportion of Hispanics and Asian/Pacific Islanders in the population is increasing.
- The percentage of Orange County’s population enrolled in Medi-Cal and Healthy Families continues to grow.
Orange County’s Changing Economy by Industry, 1996-2004

Source: CA Employment Development Dept.

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Orange County Overview of the Uninsured, 1996-2004
Orange County Unemployment Rate, 1996-2004

Source: CA Employment Development Department
Orange County's Changing Population by Ethnicity, 1996-2004

Source: U.S. Census Bureau

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Orange County Overview of the Uninsured, 1996-2004
Orange County Changes in Insurance Status, 1997-2004

Source: U.S. Census Bureau, CHIS, California Dept. of Health Services, and MRMIB.

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Community Clinics

- Orange County community clinics have narrowed their funding deficit for uninsured clinic visits
- After several years of operating at a deficit, community clinics are closing the gap between operating revenue and expenses
- Donations, county/local and patient fees are growing sources of operating revenue
- Among uninsured patient revenue sources, the proportion of EAPC increased while CHDP declined
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Orange County Overview of the Uninsured, 1996-2004
Community Clinic Total Operating Revenue and Expenses, 1996-2004

Source: OSHPD

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Orange County Overview of the Uninsured, 1996-2004
Changing Sources of Orange County Community Clinic Operating Revenue, 1996-2004

Source: OSHPD

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Hospitals

- The proportion of hospital inpatient and emergency department utilization for Medi-Cal patients increased but decreased for the privately insured.
- The proportion of emergency department utilization among Medi-Cal patients continues to grow as the share of county indigent ED utilization drops.
- Orange County hospitals’ operating margin increased.
- Both bad debt/charity care to the uninsured and county reimbursements as percentages of hospital expenditures decreased.
- Overall, the proportion of hospital spending for care to the uninsured declined.
- Non-UCI private hospitals had large increases in DSH funds.
- DSH growth kept pace with bad/debt and charity care among Orange County hospitals.

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Orange County Overview of the Uninsured, 1996-2004
Hospital Inpatient Utilization by Payer, 1996-2004

Source: OSHPD
Emergency Department Utilization by Payer, 1998-2004

Source: OSHPD
Orange County Hospitals Operating Margin and Operating Margin as Percentage of Total Operating Expenses, 1996-2004

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount Operating Margin</th>
<th>OM % of Total Operating Expenses</th>
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<tbody>
<tr>
<td>1996</td>
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<tr>
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<tr>
<td>2003</td>
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</tr>
<tr>
<td>2004</td>
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<td>1.0%</td>
</tr>
</tbody>
</table>

Source: OSHPD

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Hospital Care to the Uninsured as a Percentage of Total Hospital Expenditures, 1996-2004

Source: OSHPD
DSH Disbursements to UCI and Other Private Hospitals Compared to Bad Debt/Charity Care for all Hospitals, 1996-2004

Source: OSHPD
County Health

- County revenue per uninsured resident increased, but overall funding equity for Orange County is deteriorating.
- Among Orange County’s uninsured, utilization of outpatient services is increasing.
- County spending on outpatient services increased and spending on inpatient services increased only slightly; overall spending grew very little.
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Total Funding Per Capita Orange County & California, 1998-2004

Source: California Department of Health Services

Funding includes monies from Realignment, County Match, Prop 99, Tobacco Settlement
Orange County Indigent Population by Race/Ethnicity, 1998-2003

Source: California Department of Health Services
County Health Services per 1000 Uninsured, 1998-2003

Source: California Department of Health Services
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Orange County Spending by Service Type, 1998-2003

Source: California Department of Health Services