

1 [Amending the Administrative Code to Require Preparation and Consideration of Healthcare
2 Impact Report in Event of Certain Hospital Construction Resulting in Replacement or Addition
3 of Over Two Hundred Licensed Hospital Beds.]

4 **Ordinance adding Section 97 to the Administrative Code to require Health Department**
5 **to draft and distribute Healthcare Impact Report for consideration in evaluating permit**
6 **application or amendment to Redevelopment Plan regarding private hospital**
7 **construction resulting in replacement or addition of over two hundred licensed hospital**
8 **beds.**

9 Note: Additions are single-underline italics Times New Roman;
10 deletions are ~~strikethrough italics Times New Roman~~.
11 Board amendment additions are double underlined.
12 Board amendment deletions are ~~strikethrough normal~~.

13 Be it ordained by the People of the City and County of San Francisco:

14 Section 1. The San Francisco Administrative Code is hereby amended by adding
15 Section 97, to read as follows:

16 Sec. 97.1. FINDINGS AND PURPOSE

17 The Board makes the following findings:

18 A. The cost of healthcare continues to increase, making it harder for people to obtain the
19 proper care they need.

20 B. The City and County of San Francisco's financial resources are strained and healthcare
21 services the City now provides are either being cut or are at risk of being cut.

22 C. Section 4.110 of the Charter of the City and County of San Francisco provides that the
23 Health Department and Health Commission shall provide for the preservation, promotion and
24 protection of the physical and mental health of the inhabitants of the City and County of San Francisco.

25 D. Section 127340 (a) of the California Health and Safety Code provides that "private not-for-
profit hospitals meet certain needs of their communities through the provision of essential healthcare

1 and other services. Public recognition of their unique status has led to favorable tax treatment by the
2 government. In exchange, nonprofit hospitals assume a social obligation to provide community
3 benefits in the public interest."

4 E. Due to their size, larger non-government healthcare providers have significant impact on
5 the health of the people of the City and County of San Francisco. Therefore such providers have a
6 responsibility to work along with government healthcare agencies and facilities to maintain the health
7 of the communities they serve.

8 F. The Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983 requires that all general
9 acute care hospital facilities in California meet new earthquake safety standards by January 1, 2008.

10 Section 97.2. DEFINITIONS.

11 The words and phrases as used in this Section and for the purposes of this Section, unless a
12 different meaning is plainly required by context, shall have the meaning respectively ascribed to them
13 in Section 97.2.

14 A. "Applicant Hospital" shall mean a private, non-governmental hospital operating in the City
15 and County of San Francisco which, as of the date it files a permit application or other request for
16 approval as described in Section 97.3, has more than a forty (40) percent share of the private
17 healthcare market in the City and County of San Francisco or is part of a hospital system whose market
18 share exceeds forty (40) percent of the private healthcare market in the City and County of San
19 Francisco. An Applicant Hospital's share of the healthcare market shall be determined by any of the
20 following, as reported in Office of Statewide Health Planning and Development ("OSHPD") Hospital
21 Disclosure Reports: the number of licensed hospital beds, available licensed hospital beds, staffed
22 licensed hospital beds, total patient days, or total discharges.

23 B. "Healthcare Impact Report" shall mean a document that analyzes the effects of the Applicant
24 Hospital's proposed facility changes on the availability of hospital services, including emergency and

1 urgent care services, to affected neighborhoods. The Healthcare Impact Report shall examine the
2 accessibility of services to patients using all modes of transportation. Furthermore, the Healthcare
3 Impact Report shall analyze the Applicant Hospital's current performance in the following areas and
4 compare the Applicant Hospital's current performance with those of private, non-governmental
5 hospitals in California:

6 1. Charity Care: as defined in the San Francisco Health Code, Article 3, Section 130(b), as a
7 percentage of net patient revenue.

8 2. Price of Care: fees charged as reported in charge description masters recorded pursuant to
9 California Health and Safety Code, Sections 1339.50 – 1339.59.

10 3. Caregiver Competence: training, education and advancement.

11 Section 97.3. PREPARATION AND CONSIDERATION OF HEALTHCARE IMPACT
12 REPORTS.

13 A. When an Applicant Hospital files a permit application or other request for approval with an
14 agency or department of the City and County of San Francisco seeking approval for the replacement or
15 addition of more than two hundred (200) licensed hospital beds by building a new or retrofitting or
16 remodeling an existing facility or structure in the City and County of San Francisco, the Health
17 Department of the City and County of San Francisco shall prepare a Healthcare Impact Report. The
18 Health Department shall make reasonable efforts to consult with the Applicant Hospital, as the Health
19 Department deems necessary.

20 B. When an Applicant Hospital files a permit application or other request for approval with the
21 San Francisco Redevelopment Agency seeking approval for the replacement or addition of more than
22 two hundred (200) licensed hospital beds by building a new or retrofitting or remodeling an existing
23 facility or structure in the City and County of San Francisco, and said application or request ultimately
24 requires approval of an amendment to a Redevelopment Plan by the San Francisco Board of
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1 Supervisors or an agency or department of the City and County of San Francisco, the Health
2 Department of the City and County of San Francisco shall prepare a Healthcare Impact Report. The
3 Health Department shall make reasonable efforts to consult with the Applicant Hospital, as the Health
4 Department deems necessary.

5 C. Upon completing the Healthcare Impact Report, the Health Department shall distribute it to
6 the Health Commission, the Planning Commission, the Board of Supervisors and other City
7 departments or agencies it deems appropriate. The Health Department shall complete and distribute
8 the Healthcare Impact Report within six (6) months of being notified of the need for the report. If the
9 Health Department does not complete and distribute the Healthcare Impact Report within that
10 timeframe, Sections 97.3 (D, E, F) and 97.4 shall not apply.

11 D. A permit application or other request for approval with an agency or department of the City
12 and County of San Francisco seeking approval for the replacement or addition of more than two
13 hundred (200) licensed hospital beds by building a new or retrofitting or remodeling an existing facility
14 or structure in the City and County of San Francisco shall not be considered complete until the
15 Healthcare Impact Report is completed and distributed as described in this Section.

16 E. The Board of Supervisors or an agency or department of the City and County of San
17 Francisco shall not approve an amendment to a Redevelopment Plan until it has received and reviewed
18 a Healthcare Impact Report, when such a Healthcare Impact Report is required under this Section.

19 F. The Board of Supervisors, Planning Commission, Health Commission, and any other City
20 departments or agencies provided with the Healthcare Impact Report by the Health Department shall
21 at their discretion review and consider the Healthcare Impact Report and may use the comparisons
22 therein as a criterion in determining whether or not to enact any legislation, grant any approval, or
23 make any recommendations regarding amending a Redevelopment Plan or allowing or enabling the
24 Applicant Hospital to replace or add more than two hundred (200) licensed hospital beds by building a
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1 new or retrofitting or remodeling an existing facility or structure in the City and County of San
2 Francisco.

3 Section 97.4. COST OF REPORT

4 The Health Department may charge and collect from the Applicant Hospital a fee for the
5 preparation of the Healthcare Impact Report in an amount that does not exceed the actual cost of
6 preparing the Healthcare Impact Report. The Health Department shall make reasonable efforts to use
7 all data sources available in order to minimize costs.

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APPROVED AS TO FORM:
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