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IMPACTS OF H.R.1 ON SANTA CLARA COUNTY



WHAT IS THE “ONE BIG BEAUTIFUL BILL” (H.R.1)?

Includes \$1 trillion in cuts over 10 years to:

- Medicaid
- SNAP (food assistance)
- Public health programs
- Other vital safety net services

The County receives about \$3.5 billion in federal funding annually — over 25% of its \$13.7B budget



SOUTH BAY HOSPITAL LANDSCAPE

- Santa Clara Valley Health makes up four of the 10 hospitals in the region
 - SCVH operates two of the County's three trauma centers
 - SCVH trains 25% of the physicians in the County
 - SCVH treats more than 60 different specialties
- 60 Specialized centers:
 - Only Burn Trauma Center in region
 - No. 1 spinal cord and traumatic brain injury rehabilitation center
 - Two state of the art cancer treatment centers

HOSPITAL BED TOTAL

- VMC: 730
- OCH: 358
- SLRMC: 93
- RMC: 253

WHO WE SERVE AT COUNTY

HOSPITALS

- In 2024, SCVMC saw the most trauma incidents in the whole state
- An ambulance arrives every 15 minutes to a County hospital
 - Handles 45% of emergency volume countywide
 - 750 emergency visits daily
- Residency programs: 1 in 4 physicians currently practicing in the SCC were trained at a SCVH hospital
- SCVH is the largest provider of Medicare hospital services Countywide



MEDICAID “WORK” REQUIREMENTS

New work documentation requirements will apply to adults covered under Medicaid expansion — generally those with incomes at or below 138% of the federal poverty level

What we know from other states:



Arkansas: more than 18,000 eligible adults lost coverage in the first six months

New Hampshire: work rules required 100 hours of work per month for adults 19–64 - only about 32% of enrollees were able to comply with the documentation requirements - therefore 68% of eligible enrollees would have lost coverage. The program was then scrapped after one month



EMERGENCY CALL DATA BY AREA

69%

Of SJ District 6 emergency transports go to a County hospital

*Cadillac Winchester area sends 55% of its emergency transports to County facilities.

45%

Of the City of Santa Clara's emergency transports go to a County hospital

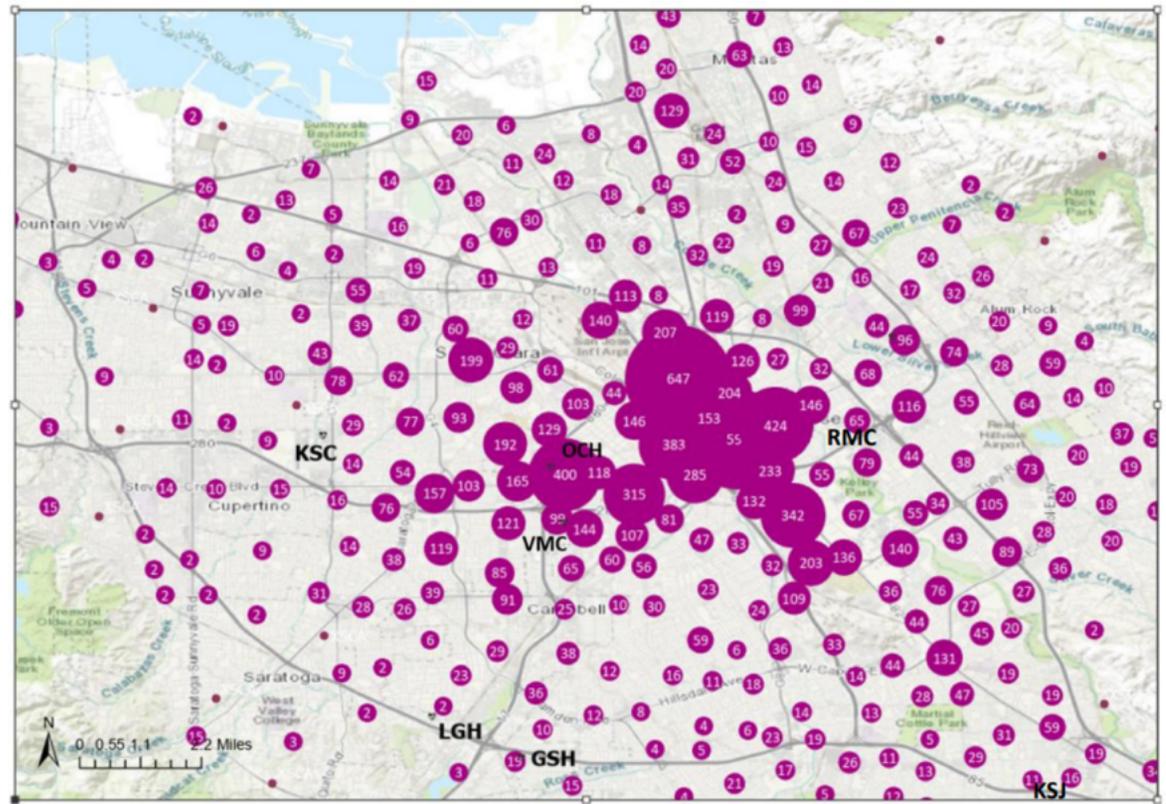
40%

Of SJ District 1 emergency transports go to a County hospital

27%

Of Campbell's emergency transports go to a County hospital

2024 Transports to O'Connor Hospital by 9-1-1 Call Location

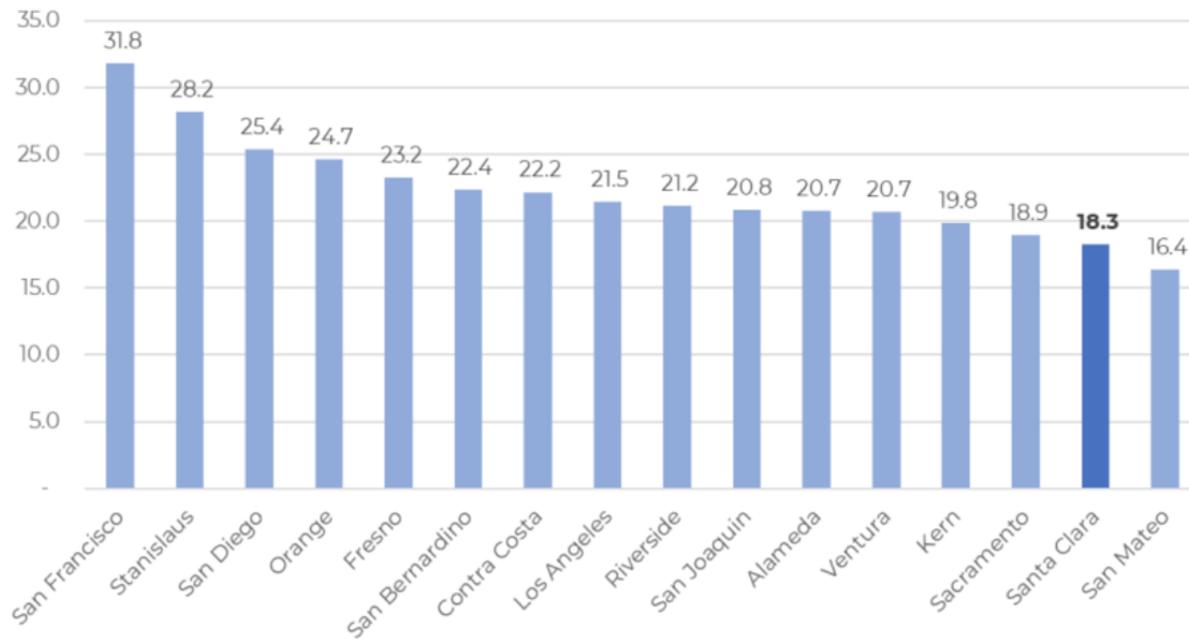


Direct Impact to the EMS System

Pre-existing challenges to EMS	Exacerbated by H.R.1
Continued reimbursement challenges	Medi-Cal coverage reduced, which will increase the number of uninsured patients (10% collection rate)
Supply chain challenges from trade policy (US medical supply chain shortage, normal Saline shortage)	Tariffs that increase costs of medical supplies, ultimately increase the cost to patients over time
Workforce challenges and recruitment in 9-1-1 ambulance system	Medicaid revenue losses weaken the financial model supporting EMS and further reduce the ability to recruit and effectively meet workforce needs in the 9-1-1 ambulance system
Demand is expected to continue to grow (normal annual growth is about 5%). Growth of population over 65 will accelerate increased demand (this population represents nearly 50% of 9-1-1 transports)	Limiting access to routine primary and preventive care increases reliance on emergency care, including the 9-1-1 system, and risks an overwhelmed EMS system

H.R. 1 Puts Emergency Room Capacity at Risk

ED Treatment Stations per 100,000 Residents, 2024



Santa Clara County has limited ER beds. Santa Clara Valley Healthcare provides critical capacity that is already stretched thin.

If County emergency bed capacity is significantly reduced, other local hospitals will be overwhelmed.

Data from HCAI Annual Utilization Report (2024 data is preliminary) and ACS DP05 1-Year Population Estimates, 2024
Only California counties with population over 500,000 shown on graph

BROADER COMMUNITY IMPACTS

- Behavioral Health & Substance Use Treatment Services (BH/SUTs) at risk
- County public safety dollars are put at risk
- Loss of coverage → medical debt → pathway to homelessness
- Preventative & early care lost → more communicable disease spread



SANTA CLARA COUNTY RESPONSE

1. Measure A: 5-year, 5/8 cent sales tax*
2. Increased efficiencies & consolidations; targeted reductions
3. Leading coordinated advocacy at state level

* Sales tax does not apply to groceries, rent, childcare, education or healthcare costs.



**SCC's three-
pronged approach
to mitigate harm to
our community**

