

UNIVERSITY OF CALIFORNIA HEALTH

REPORT ON COMMUNITY ENGAGEMENT

Together BUILDING HEALTHIER COMMUNITIES





FY 2023-2024

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Letter from the Executive Vice President



At a time when public funding for community health and the health care of many of our residents is diminishing, the word "together" has never been more important. Together defines how University of California strives to impact health care for our residents and community health more broadly in California.

At our six academic health centers and 21 health professional schools, we work in partnership — alongside the communities we serve and across interdisciplinary primary and specialty care teams throughout the University of California's health campuses. We believe every act of care has a ripple effect, starting with individuals and radiating outward to families, neighborhoods and the state.

This work has never been more important as California anticipates changes in Medi-Cal and support for nonprofit organizations. In this context, partnership with our communities is essential to ensure our investments, support and resources are focused on the areas where we can have the most meaningful impact.

Together, we'll face these challenges with an unwavering commitment to fortifying healthier, more resilient communities for years to come.

Our work is grounded in a shared vision and informed by clear community insight. This year, our academic health centers are updating their triannual Community Health Needs Assessments (CHNAs), a cornerstone for defining our strategy of community engagement in our work. CHNAs are conducted by each of our hospitals to gather community-informed data about the social, environmental and health-related challenges facing Californians. These findings guide our priorities, direct our investments and shape programs in the areas where they can matter most.

Increasing access to essential care services, including those related to behavioral and mental health, is at the core of our mission and a key strategic priority for our communities. Our work in this area happens both in our hospitals and clinics and at partner locations where our clinicians, trainees and students are dedicated to caring for people in need. From nutrition programs and social services connections to education pathways and workforce development, UC's health locations play a vital role in shaping the broader conditions that support well-being and stronger communities.

Letter from the Executive Vice President

UC's community investment strategy far surpasses the significant contributions in covering unreimbursed care for people regardless of their insurance status or ability to pay.

Even as we contribute billions of dollars to unreimbursed care, UC is making other investments to support community health.

This includes finding new ways to help train more clinicians, including launching a nursing school program to allow nurse practitioners to expand their credentials into mental health care and increasing the number of general psychiatry residents by 35 percent during the last five years. We are also delivering interventions with a sensitivity to community needs and with a focus on reducing health disparities. Through education, health screenings, preventive care clinics, mobile care units and more, our medical discoveries move from the lab to the bedside and the community — improving overall health and enabling innovations that benefit California and the nation.

All of this comes at a time when our footprint is also growing, announcing a new health campus in the Inland Empire and working alongside our UC Merced partners in the Central Valley to prepare for the arrival of medical students in the coming years. Through our meaningful alignment with our communities, UC is prepared to meet evolving needs and support healthier futures for all. Together, we have built a community of care that will allow us to rise to new challenges and deliver impact where it matters most.

Fiat lux,

David Rubin, M.D., MSCE Executive Vice President University of California Health

Our commitment to transparency and accountability

The University of California is committed to transparency and accountability, and that commitment extends to the activities of its health system. UC academic health centers recognize the significant and invaluable benefits in support of our public mission that come from being governmental hospital organizations that are exempt from federal, state and local income taxation. Although not required, we provide this voluntary annual reporting to show how we are investing our resources, capabilities and skills to partner throughout our communities for better health.

This report for the fiscal year 2023–2024 goes beyond the technical definition of community benefit that is used by many tax-exempt hospitals. We still provide the community benefit and uncompensated care detail as we have in past years, and we also are reporting on other areas of community engagement and investments, such as through our UC Anchor Institution Mission programs, in Federally Qualified Health Centers, and via other community-partnered initiatives and research work.

Community engagement overview

Together, we are building healthier communities. At the University of California, our six academic health centers are key contributors to California's system of health care for those in need, working alongside a public hospital safety net system that is increasingly under duress and financial strain. As this report details, we are investing in our communities where there is the greatest need, improving access to critical services and, through innovation, finding new ways to cure disease and manage chronic conditions.

UC's approach to building community well-being goes far beyond our hospital and clinic walls. Through coordinated investments and innovative partnerships with county agencies, Federally Qualified Health Centers (FQHCs) and community-based organizations, we are meeting people where they are — and delivering care that considers the whole person.

As a system that serves patients from more than 99 percent of California's communities, UC Health is committed to improving access to high-quality care regardless of insurance status or ability to pay. Our initiatives are aligned with needs identified by our community partners in the Community Health Needs Assessments conducted every three years as well as with the state's health priorities. These priorities guide our strategic implementation plans at each of UC's health locations.

As a result, together with our community partners, public health leaders and the dedicated health professionals, researchers, trainees, students and staff across our system, we are improving the health of our communities by focusing on three core areas:

- Supporting health care for those in need by improving access and continuing to work directly in our communities
- **2. Closing gaps and breaking through barriers** to improve access to mental and behavioral health services
- **3. Creating environments for sustaining healthier living** through enhancing economic opportunities and making it easier to connect with community-based services

We do this work for our communities by leveraging the skills and expertise that are at the core of our mission: delivering care, training the next generation of health professionals and discovering breakthrough cures and new ways of managing chronic health conditions.

At the same time, UC's health locations are evolving their strategies for supporting community health to address the social and economic conditions that affect health and allow us to have more impact by addressing some of the root causes of the uneven health we see across different communities. UC's academic health centers have come together to launch the UC Anchor Institution Mission as part of the national Healthcare Anchor Network, a national coalition of health systems, to provide a structure and coordinated way to guide UC's work in this area into the future. Through the collaborative, UC's health locations are leveraging their role as employers, educators and community partners to increase economic opportunities for communities that are at high risk for poor health outcomes.

Our stories in this report highlight programs, initiatives and investments that are improving the health of people in our communities — from food banks in Oakland to top-quality clinical services in FQHCs. We're also educating and training health professionals for the state's health care workforce to care for people throughout California, especially in critical areas of need such as mental and behavioral health services. At the same time, we're working with our communities to help improve the conditions that empower people to lead healthier lives, such as creating more economic and educational opportunities and making it easier to connect to health-related services and supports.

The impacts we're having reflect more than just our scale; they demonstrate what's possible when strategy, mission and partnership align. With continued guidance from and collaboration with our communities, we are improving community health — together.

In FY23-24, UC Health contributed \$5.9 billion in community benefit and uncompensated care.

UC academic health centers

hospital net community benefit, equal to 9.4% of total hospital operating expenses

\$2.7B

uncompensated Medicare expenses for hospitalized patients



UC faculty practice groups

in uncompensated expenses for patient care and financial aid

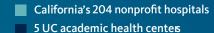
in direct financial assistance for patients who are unable to pay for all or a portion of health care services received \$206M

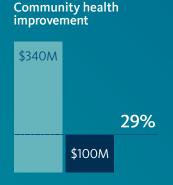
in uncompensated Medi-Cal professional fees

in uncompensated Medicare professional fees

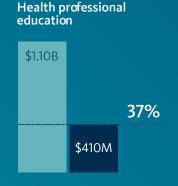
Note: A more detailed financial table is available in Exhibit 1 on page 27, and definitions of the categories of investments are given in the Appendix on page 33.

The combined community benefit contributions of five UC academic health centers are equivalent to:

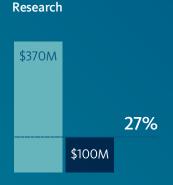




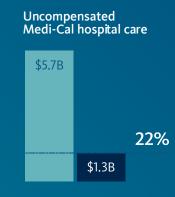




37% of the aggregate amount spent by all 204 California nonprofit hospitals



27% of the aggregate amount spent by all 204 California nonprofit hospitals

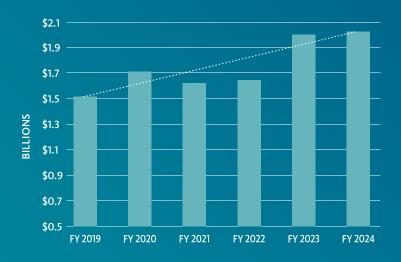


22% of the aggregate amount spent by all 204 California nonprofit hospitals

UC Health community benefit spending

2024 spend

UC Health community benefit spending has grown by about \$0.5B billion over the past five years — from roughly\$1.5B in FY 2019 to over \$2.0B in FY 2024.



Launch of the UC Anchor Institution

Mission to help guide and coordinate efforts to increase UC health locations' impact as employers, educators and community partners on the health of communities that have high levels of social and medical risk

Life-changing medical research and clinical triak

5 National Cancer Institute-designated Comprehensive Cancer Centers

5,000 clinical trials across2,300+ conditions

Together, improving access to care



What if we could help all people get the health care they need, when they want it, where they are?

We are:

Together, supporting the delivery of care for those in need by making our professionals accessible outside of just our own hospitals and clinics, while improving ways they come together across disciplines to adapt care for the real world of patients' everyday lives. And we're making progress in becoming a choice for primary care, which is a fundamental starting point for healthier lives and communities. We're working to make our programs as impactful as possible by using data to inform our strategies.

Supporting health care for those in need by bringing academic care expertise to family health centers that serve as medical homes for people, regardless of their ability to pay or insurance status

Empowering people to better manage chronic diseases, which can be potentially debilitating conditions that can lead to other health complications

Expanding California's health care workforce by training tomorrow's professionals in community settings that prepare them for practicing in areas of greatest need

Primary care patients at UC's health locations



SPOTLIGHT:

Bringing world-class care to the Inland Empire

Explosive population growth and an inadequate supply of primary and specialty-care physicians are causing significant community health challenges for the Southern California region just east of Los Angeles known as the Inland Empire. UC Riverside's clinical organization, UCR Health, is taking action to address the situation.

Addressing these community health needs in a sustainable way is a priority for the campus, which recently took a large step toward its vision for a full academic health care network by announcing plans for a new medical campus that ultimately will enable people in the community to access comprehensive, high-quality services close to home. The hub is intended to evolve into a location for clinical care from UCR Health and community health care professionals, while also supporting efforts to build the regional physician workforce through the UC Riverside School of Medicine education and residency programs.

This expansion, the largest taken by the academic health center to date, will broaden UCR Health's clinical footprint, with hopes to establish a regional health sciences campus.

LEARN MORE:



Read: A new beginning: celebrating UCR Health's planned expansion



Watch: Announcement event video



High-risk pregnancy. Successful delivery. Ongoing family care.

"When I came here, I knew I was going to be taken care of. They made it easier for me going through my pregnancy and, to this day, they stay true to their part."

UCI HEALTH FAMILY HEALTH CENTERS PATIENT

Whole person, family care

Rosemary has diabetes. After learning she had a high-risk pregnancy, she sought guidance and care at UCI Health Family Health Centers, a Federally Qualified Health Center (FQHC). After delivering her son, Cesar, at one of the health center locations, she expressed gratitude to the team for helping her be more responsible with her health and manage her diabetes. Rosemary continues to bring Cesar and herself to the health center, where they both receive care.

Person-centered care is designed to fit with the realities of everyday life.

Children's books in the exam rooms help put kids at ease.

On-site pharmacies provide easier access to medications.

Diabetes management classes provide insight and life skills.

Language-matched services help clients navigate the range of primary and preventive health care services.

LEARN MORE >



Together, improving access to care

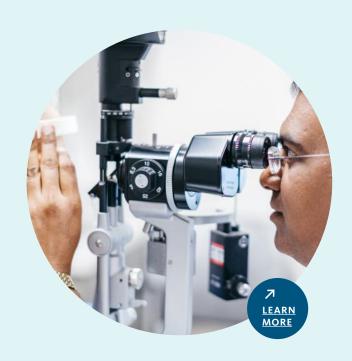
UNIVERSITY OF CALIFORNIA HEALTH

A systemwide, integrated approach to diabetes management

The Diabetes Care Management Initiative, coordinated by UC Population Health and spanning all six UC academic health centers, helps to integrate testing protocols into regular primary care visits. By including screenings like blood glucose testing and eye examinations into routine primary care clinic visits, patients are able to make fewer trips and experience more integrated, team-based care.

12% **IMPROVEMENT** for optimal diabetes care

13% **IMPROVEMENT** for glucose control





UCI Health

A medical home at UCI Health's FQHC

With locations in Santa Ana and Anaheim, UCI Health Family Health Center is the oldest Federally Qualified Health Center (FQHC) in Orange County and is recognized as one of the top FQHCs in the country. The center also serves as a training facility for medical students, nurse practitioners, physician assistants and resident physicians in areas of family medicine, pediatrics, obstetrics and gynecology, and provides more than 120,000 patient visits annually. All patients regardless of ability to pay — can receive care on a sliding fee scale.

29,000 patients

97%

of whom are 100% below the federal poverty line

Together, improving access to care

UCLA Health

UCLA Health and Venice Family Clinic: an FQHC partnership

Venice Family Clinic is an affiliate of UCLA Health that is committed to improving the health of under-resourced patients and communities. An FQHC founded over 50 years ago, Venice Family Clinic provides comprehensive, high-quality health care, free food, health insurance enrollment assistance and harm reduction services. UCLA Health faculty and residents provide direct primary and specialty services to the patients of Venice Family Clinic at multiple sites throughout the Los Angeles area. Residents and fellows complete rotations in internal medicine, med/peds, pediatrics, sports medicine and street medicine.

45,000 people cared for annually

150 UCLA Health clinicians annually





UCI Health

More effective diabetes management through sustainable lifestyle changes

The UCI Health Family Health Center and the Treatment Working Group of the UC Irvine/Orange County Latino Diabetes Initiative successfully launched Diabetes Group Medical Visits (GMV) at UCI Health Family Health Center – Anaheim. The Diabetes GMV program, an interactive eight-week cohort conducted entirely in Spanish to improve effectiveness, is led by a team of UCI Health physicians and UC Irvine pre-health students and designed to improve diabetes care and support lasting lifestyle changes ranging from realistic food strategies to physical activities that can be incorporated into participants' lives. Improvements from these non-medication strategies are equivalent to the impact of starting a new diabetes drug.

cohorts since the program's inception in 2023

97%

drop in risk of complications through significant change in A1c levels

Together, improving access to care

UCSF Health

Comprehensive trauma care informed by research

The UCSF Trauma Recovery Center (TRC) treatment model is a research-informed treatment model codified into California legislation and replicated across the state and nationwide, with 54 TRCs across the country. The TRC is a partnership of UCSF, Zuckerberg San Francisco General Hospital and the San Francisco Department of Public Health Trauma Center, whose multidisciplinary team makes up the TRC and Rape Treatment Center. Together, the team's primary aim is to reduce barriers to care for survivors of interpersonal violence by providing the highest quality of comprehensive, research-driven, trauma-informed psychotherapy, clinical case management and 24/7 sexual assault forensic-medical care at no cost to the patient.

40%

reduction in PTSD and depression symptoms in just 16 sessions

referrals annually



Together, improving access to mental and behavioral health services



What if we could make services more accessible by closing gaps and breaking through the barriers to mental and behavioral health care for communities and individuals?

We are:

Together, taking a multifaceted approach to improve access to mental and behavioral health services by expanding resources, integrating care, reducing stigma and investing in education and training.

Addressing challenges to access at each step of the process, from awareness to diagnosis to availability of treatment

Developing tailored approaches for specific groups most in need, including veterans, people experiencing homelessness and neurodivergent individuals

Creating targeted initiatives to address systemic issues, including shortages in the mental health workforce and effective transition to consistent services

35%

more general psychiatry residents over the last five years

7 X

the number of child and adolescent psychiatry residents over the last five years

Kidney transplant recipient. Nursing school student. Mental health care practitioner.

"Now I think I can just better meet patients where they're at and do more to advocate for them and help them navigate to spaces where they can get the help they need."

CHRIS HALL

Fifteen years ago, Chris Hall was taking classes to apply for medical school when he was hospitalized following a severe allergic reaction then his kidneys failed. He spent the next two years on dialysis, much of that time at UC Davis Health facilities. Then, a kidney transplant helped him get his life back on track. He decided to become a nurse, earned his master's degree and enrolled in a first-of-its-kind initiative in California, the UC Psychiatric Mental Health Nurse Practitioner (PMHNP) certificate program.

The PMHNP program draws on the expertise of UC's four nursing schools to expand the mental health workforce and was made possible through a collaborative effort and investment from the California Health Care Foundation and, later, the California Department of Health Care Access and Information.

More psychiatric capacity to care for Californians Connections to mental health community resources

LEARN MORE >



Together, improving access to mental and behavioral health services

UCDAVIS HEALTH

Training and educational programs for people with neurodevelopment conditions

The MIND Institute is an interdisciplinary center dedicated to advancing research, clinical care and education related to autism and other neurodevelopmental conditions. Its mission is to develop more personalized, equitable and scientifically validated systems of support and interventions that help neurodivergent individuals to live their best lives. Through programs like Autism Distance Education Parent Training (ADEPT), ECHO Autism, the Summer Institute and Aprendiendo Juntos, the institute offers accessible training and resources for parents, health care professionals and communities.

10-lesson

online ADEPT training program for parents of children with autism and other developmental disabilities

\$70,000

in combined community benefit for family and community education





UCLA Health

Veterans supported with holistic mental health care services

Operation Mend is the only program in the nation dedicated to providing specialized surgical care and psychological care for visible and invisible wounds of war among post-9/11 veterans, service members injured in the line of duty and their caregivers, at no cost. Care includes comprehensive treatment for specialized injuries, brain health and post-traumatic stress, and integrated neuroscience intensive services.

340+

veterans cared for, receiving advanced surgical/medical services, PTSD treatment and mild-traumatic brain injury care

90%+

of veterans completed their intensive treatment program

Together, improving access to mental and behavioral health services



Communities empowered through mental health education

UCR School of Medicine Center for Healthy Communities, in partnership with the Love and Nurture Initiative, held a series of culturally responsive sessions aimed at increasing education and access to mental and behavioral health services. Conducted in English and Spanish and combining holistic healing with practical health education and action planning, the Healing Circles not only improve mental well-being but also empower participants with tools that enhance long-term community and economic opportunity.

24 sessions

dedicated to healing and listening and tailored to Latino/ Hispanic communities

3+ topics

covered, including grief, financial wellness and emotional resilience





UC San Diego Health

A government partnership to address mental health and substance use

In 2024, recognizing the need for a tailored approach to serious mental illness and substance use, the City of San Diego partnered with UC San Diego Health to create the Transitions Support Team Pilot Program. The program aimed, for the first time ever, to meet the specific needs of this patient population and support their transition to consistent care leading to recovery.

120

people in San Diego a month supported with care coordination in FY 24

1440+

specialized encounters in ER rooms in FY 24

Together, building healthier communities through partnerships



What if people had more opportunities in their communities to live healthier lives by improving their economic situation and having better access to social resources that promote health?

We are:

Together, addressing foundational needs for better, sustainable health of our communities.

Supporting local workforce development by creating pathways to higher education and health care professions, professional training and upskilling for careers that otherwise might have seemed out of reach

Purchasing locally to enhance economic development within the communities we serve

Addressing social needs to reduce nutritional, housing and other social insecurities to decrease the risks that contribute to the development of disease and chronic medical conditions

~200,000

jobs supported by UC's health locations together across the state

\$37 billion

in economic activity generated per year by UC's health locations

BUILDING HEALTHIER COMMUNITIES THROUGH PARTNERSHIPS High school graduate. ER Tech Program. ER team professional. "I got more than I could have hoped for from the ER Tech. What made the program unique was that you are a high school graduate doing real work in an emergency department." VICTOR C., ER TECH PROGRAM GRADUATE Personal growth. Professional goals. of students (10) in the 2024 As a high school senior, Victor dreamed of becoming a nurse but cohort completed the training, wanted more training in patient communication. That changed passed the National Phlebotomy when he joined the UCSF-Oakland Unified School District (OUSD) Certification exam and were Alumni Highway to Work: ER Tech Program, which offers high eligible for hire at UCSF school graduates not immediately headed to a four-year university a way to pursue health care careers. Through 20 hands-on shifts in UCSF's emergency department, Victor gained technical skills and received mentorship to help him grow personally and professionally. After completing the ER Tech Program, Victor went on to earn certifications in phlebotomy and EKG and is now a nursing student at San Francisco State. Victor plans to return to UCSF as a critical care nurse. participants have graduated The OUSD Alumni Highway to Work: ER Tech Program equips since 2022 high school graduates with the skills needed to become ER techs, addressing a workforce gap within the health care sector. Graduates of the program are eligible for hire at UCSF and, with an EMT or CNA license, can also pursue roles at Alameda Health System. From high school grad to future critical care nurse.

LEARN MORE >

Hands-on training, real-world impact

Together, building healthier communities through partnerships

UNIVERSITY OF CALIFORNIA HEALTH

UC Systemwide Anchor Institution Mission

UC is proud that all UC academic health centers are engaged in the Healthcare Anchor Network, a national coalition of health systems that are committed to addressing social drivers of health, especially in areas of economic opportunity and community investment. Through cross-system collaboration, UC academic health centers created the UC Systemwide Anchor Institution Mission and are working together to address barriers to care and further health equity through community-driven workforce development, procurement and community investment strategies.

6

UC academic health centers engaged in the UC Systemwide **Anchor Institution Mission**

75+

leading health care systems in a national collaboration building more inclusive and sustainable economies





UCDAVIS HEALTH

Clinical research education beginning in high school

Students from Arthur A. Benjamin Health Professions High School in Sacramento participated in a semester-long program to learn more about medicine and clinical research. The high school students heard from UC Davis School of Medicine community health students as well as UC Davis Health staff from departments such as the Clinical and Translational Science Center (which spearheads the program), the Institutional Review Board, Investigational Drug Services Pharmacy, Compliance and Electronic Medical Records. The purpose of the program is to increase awareness about different types of clinical research careers and provide students with hands-on experience.

20

high school students in the cohort

\$10,000 in community benefit

Together, building healthier communities through partnerships



Increased nutrition in Inland Empire communities

The UCR Health Milk Depot, which aims to collect breast milk donations for community members in need, celebrated its grand opening on August 20, 2024, at the UCR Health Inland Empire Women's Health Center in Riverside. Overseen by Brenda Ross, M.D., a maternal fetal medicine specialist at UCR Health, the depot is partnering with the UC Health Milk Bank and Inland Empire Breastfeeding Coalition to help families and facilities in need of donor milk for fragile newborns.

8,667 ounces of donor milk collected

1,708 bottles of milk in equivalent





UC San Diego Health

New health care workforce training program

The new Sterile Processing and Distribution (SPD) Technician Training Program partnership with Bay Area nonprofit JVS provides an 18-week hands-on training program to current UC San Diego Health employees — particularly those in environmental services and food services — seeking to advance their careers. The program equips participants with the skills needed to sterilize and prepare surgical instruments, playing a vital role in surgical success. By building a skilled workforce from within, UC San Diego Health is addressing critical staffing gaps while offering employees meaningful new career pathways.

90+

applicants, 10 selected for inaugural cohort

decrease in vacancies for Sterile **Processing Technicians**

Together, building healthier communities through partnerships



A county partnership to address food insecurity at UCSF Benioff's FQHC & hospital

In partnership with the Alameda County Community Food Bank, UCSF Benioff Children's Hospital Oakland's Center for Child and Community Health operates Food Farmacy distribution events to address rising food insecurity. These events, held at both the Federally Qualified Primary Care Health Center and the Main Hospital Oakland Campus, provide free fresh produce to over 400 families monthly, many of whom are Medi-Cal patients. Pediatric residents, social workers, Salesforce volunteers and UCSF Foundation staff actively participate in growing and distributing produce from the Rooftop Farm and the Alameda County Community Food Bank, fostering both community wellness and hands-on medical education.

400+

families per month served at the main hospital and primary care clinic

461,000+

pounds of food distributed over four years



Together for health equity: UC's AIM initiatives are building community, partnership and impact across California



The University of California's Anchor Institution Mission (UC AIM) brings UC academic health centers together to promote health equity through community-driven workforce development, procurement and community investment strategies. UC AIM, which is informed by community input, provides a critical framework for guiding the community engagement work of UC's health locations for years to come.

UC AIM reimagines how public institutions can serve their communities, not just through care, education and research, but by addressing the community and economic conditions that shape health.

At the heart of UC AIM is a belief that lasting change happens together — with communities, not for them. Because when institutions, neighborhoods and individuals move forward together, real transformation becomes possible.

Central to UC AIM are Community Health Needs Assessments (CHNAs), conducted every three years by UC academic health centers in partnership with local public health departments and nonprofit hospitals. These assessments identify and prioritize the most urgent health needs — such as food insecurity, housing instability and access to care — and directly inform each campus's response and investments.

Three pillars of UC's AIM strategy in health

By aligning our core missions of education, research, clinical excellence and public service, we are creating holistic and effective programs that support three strategies:

- 1. Workforce development expanding opportunities for individuals from local communities to pursue and develop their careers in health care, and providing training and career development for employees
- **2. Procurement** transforming how UC Health spends by prioritizing contracts with small and local businesses
- **3. Community investment** leveraging institutional resources at UC campuses to support long-term community development

UCDAVIS HEALTH

At UC Davis Health, AIM is targeting 13 economically distressed zip codes around its Sacramento Medical Center. In five years, the academic health center has boosted local hiring to over 20 percent (an upward trend in hiring from local AIM zip codes), hosted 50+ outreach events reaching 6,300+ community members and awarded \$62 million in contracts to small and diverse suppliers. It also sponsors community events, local clinics and food-security initiatives.

Local investment. Underserved neighborhoods. Community momentum. In 2020, UC Davis Health launched its AIM initiative to uplift Sacramento's most underserved neighborhoods. By 2023, their first in-person Small & Diverse

Supplier Expo drew 100 local vendors, and 20 percent of new hires came from those neighborhoods. In 2025, the Expo drew 230+ vendors and representatives from multiple chambers of commerce that supported small and diverse vendors.

Read more: Building Trust and Opportunity Through Targeted Outreach: A Commitment to Our Community | Local Impact, Better Health | UC Davis Health

UCI Health

At UCI Health, AIM is helping expand community-centered strategic growth and workforce development. The acquisition of four community network hospitals and ambulatory sites brought over 4,000 employees into the UC system. To strengthen the health care workforce, UCI Health supports several high school internship programs for low-income and disadvantaged students and is building partnerships with nursing schools, community colleges, trade schools and high schools. Additionally, UCI Health is committed to sustainable procurement in collaboration with UC leadership and actively promotes the use of local small businesses where possible.

Engaging community. Innovative initiatives. Integrating sustainability. UCI Health is integrating sustainability into its current operations and long-term future by building the nation's first all-electric hospital, designed to operate without fossil fuels and reduce greenhouse gas emissions. Its sustainable practices include purchasing reusable medical supplies and energy-efficient equipment. Beyond its facilities, UCI Health works with communities to identify climate-related risks and develop practical solutions.

Read more: UCI Health — Irvine: the future of healthcare

UCLA Health

At UCLA Health, AIM emphasizes community hiring, impact purchasing, impact investing, environmental justice and local partnerships. UCLA Health is exploring joint ventures with financial institutions to support small business loans and investments aligned with the social and health needs of the community. Additionally, the talent management team and CORE (the organizational development team) have launched a management readiness program to cultivate leadership, promote inclusive hiring and strengthen talent retention across the organization.

Partnering with the community. Investing locally. Opening doors. The UCLA Health small business-first program is designed to open doors to small suppliers, helping them connect with over 400 corporations actively seeking new vendors, and maximizing opportunities to grow, compete and get discovered.

Read more: Fostering health equity through strategic community investment | UCLA Health



UC San Diego Health

At UC San Diego Health, AIM, in collaboration with UC Irvine, UCSF, Jewish Vocational Service and the human resources team, has launched a pilot employment pipeline program. This initiative offers Food and Nutrition Services and Environmental Services staff the opportunity to gain education and training to advance into technologist or other certified roles, empowering current employees to grow their careers and fill critical workforce needs.

One-to-one. 24/7 support. Volunteer doulas. At UC San Diego's Center for Community Health, the Refugee and Immigrant Health Unit created a Health's Hearts & Hands Doula Program 25 years ago and now offers free, 24/7 support to birthing patients, providing emotional and physical care throughout labor and delivery. Volunteer doulas — trained and committed community members — offer comfort techniques, encouragement and continuous presence, complementing clinical care. Evidence shows doula support leads to shorter labors, fewer interventions, lower epidural and C-section rates, and increased satisfaction.

Read more: UC San Diego Doula Services

UCSF Health

At UCSF and UCSF Health, AIM is advancing community health through workforce development, education and small-business supplier initiatives. They are expanding training programs like EXCEL (Expand Excellence Through Community Engagement Learning), a clerical/administrative training program that aims to develop the potential workforce in communities surrounding UCSF and support San Francisco residents in accessing UCSF employment opportunities. UCSF and UCSF Health AIM is also launching a five-year career pathway initiative to train 2,000 individuals from communities with an identified need for health care careers.

Workforce development initiatives. Local investment. Community connection. Through the AIM initiative, UCSF launched a \$5 million community investment pilot that offers housing assistance, employment and small-business loans to community members and local small businesses in San Francisco and Oakland.

Read more: UCSF Launches Community Investment Program to Support Housing and Local Small Businesses | UC San Francisco

Together for community health: UC continues to invest in community benefit spending

For the fiscal year ending June 30, 2024, the UC academic health centers and faculty practice groups provided \$5.9 billion in community benefit spending and uncompensated care:

- UC academic health centers contributed \$2 billion in academic health center net community benefit, an increase of \$22.7 million over the prior year, due mostly to increases in community health improvement services and health education.
- Uncompensated hospital care for Medicare patients contributes another \$2.7 billion, an increase of \$232 million over the prior year.
- UC faculty practice groups delivered \$1.2 billion in charity care and uncompensated professional fees for care provided to Medi-Cal and Medicare members.
- The UC academic health centers' community benefit spending represents 9.4 percent of total operating expenses.

EXHIBIT 1

UC academic health centers and faculty practice group net community benefit spending and uncompensated care FY 2023-2024

Medical center community benefits (\$000s)	FY 2024	Adjusted prior year	Incr (decr) over prior	% Increase
Net community benefit expenses				
Financial assistance (charity care)	\$94,046	\$93,014	\$1,032	1%
Uncompensated Medi-Cal hospital care	\$1,298,905	\$1,303,057	(\$4,251)	0%
Other means tested government programs	\$1,468	\$1,824	(\$356)	-20%
Community health improvement services	\$98,225	\$68,731	\$29,494	43%
Health professional education	\$412,210	\$400,857	\$11,353	3%
Subsidized health services	\$33,130	\$26,142	\$6,989	27%
Research	\$96,625	\$114,557	(\$17,932)	-16%
Cash and in-kind contributions	\$5,059	\$8,761	(\$3,703)	-42%
Community benefits (IRS Form 990 Schedule H)	\$2,039,668	\$2,016,942	\$22,726	1%
Uncompensated Medicare hospital care	\$2,651,097	\$2,419,282	\$231,815	10%
Community benefits with Medicare	\$4,690,764	\$4,436,224	\$254,540	6%
Total operating expenses	\$21,730,397	\$20,451,482	\$1,278,915	6%
Community benefits as a percentage of operating costs (excludes Medicare)	9.4%	9.9%	-0.5%	

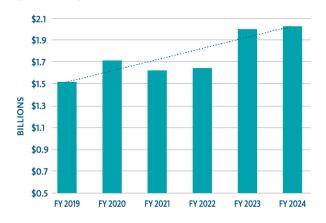
Faculty practice plan community benefits (\$000s)	FY 2024	Adjusted prior year	Incr (decr) over prior	% Increase
Charity care + Medicare & Medi-Cal losses	\$1,224,464	\$880,568	\$343,896	39%
Total community benefit including Medicare and faculty practice plans	\$5,915,228	\$5,316,792	\$598,436	11%

UC Health community benefit spending trends

UC Health's community benefit spending and uncompensated care has grown significantly over the base year of FY 2019, when community benefit reporting first began. A spike occurred in FY 2020 during the early months of the COVID-19 pandemic, when UC Health incurred high levels of expense related to charity care and uncompensated Medi-Cal patient care.

EXHIBIT 2

UC Health community benefit spending and uncompensated Medi-Cal hospital care trends (in billions)



Comparisons to all 204 California tax-exempt hospitals¹

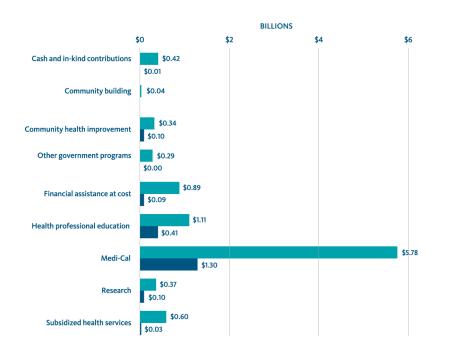
In fiscal year 2022 (the most recent year with completed reporting), there were 204 tax-exempt hospitals in California. This group of hospitals reported \$9.8 billion in community benefit using IRS Form 990 Schedule H. The statewide total does not include UC Health because UC Health academic health centers do not file IRS Form 990 Schedule H. By comparison, the five UC Health academic health centers contributed \$2 billion in community benefit in fiscal year 2024.

Exhibit 3 illustrates that UC Health locations alone contributed \$1.3 billion in unreimbursed Medi-Cal hospital care as a benefit to our communities — which is equal to 22 percent of Medi-Cal uncompensated care from all tax-exempt hospitals in the state combined. Additional amounts of unreimbursed care for Medi-Cal enrollees were delivered at UC faculty practices. The 204 California tax-exempt hospitals combined contributed \$5.8 billion in Medi-Cal unreimbursed care.

Similarly, UC Health academic health centers alone deliver 37 percent as much community benefit spending on health professional education as all other California tax-exempt hospitals combined. This helps to document the pivotal role of UC Health in improving the health and well-being of the communities it serves.

EXHIBIT 3

UC Health community benefit spending by category compared to the aggregated totals of California's 204 nonprofit hospitals



California state total (excluding UC Health) 204 facilities

5 UC academic health centers FY 2024 The Medicaid values shown reflect uncompensated care, or the gap between net patient revenue and cost of care. These figures do not reflect the total value of care delivered.

Source: Data published in Community Benefits Insight

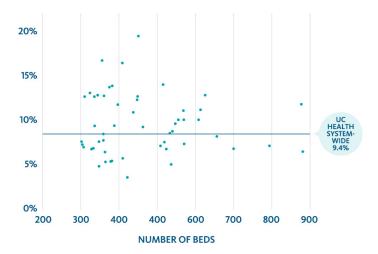
Comparisons to benchmark California hospitals (300 or more beds) and major systems

The UC academic health centers' 9.4 percent net community benefit expenses as a percent of operating expense is comparable to data for California tax-exempt hospitals.

Exhibit 4 includes all California tax-exempt hospitals that submit IRS Form 990 Schedule H with bed size greater than or equal to 300 beds (55 hospitals). At 9.4 percent, UC Health as a system is placed at the 55th percentile of these comparable California hospitals. It is important to note that published benchmark data lags UC Health report data. Thus, this exhibit compares California hospital data from fiscal year 2022 to UC Health community benefit spending data from fiscal year 2024.

In reviewing benchmarking information, it is also important to recognize there are significant variations between organizations that are due in part to differences in research accounting (i.e., whether research expenses primarily or exclusively are reflected on the books of the hospitals or of the affiliated medical schools), state public policies (e.g., whether the hospital's home state expanded Medicaid coverage under the Affordable Care Act) and other factors. As the UC Health locations continue to improve their systems for gathering these data, UC Health believes that the documented community benefit expenses incurred by the UC academic health centers will increase.

EXHIBIT 3 UC Health community benefit spending by category compared to the aggregated totals of California's 204 nonprofit hospitals



Source: Data published in Community Benefits Insight.

Note: The Medicaid values shown reflect uncompensated care, or the gap between net patient revenue and cost of care. These figures do not reflect the total value of care delivered.

About University of California Health

academic health centers

hospitals

5,840

2.5M

patients annually

10.8M

outpatient visits annually

1.32M

inpatient days annually

health professional schools

16,00

health professional students and residents

National Cancer Institutedesignated Comprehensive **Cancer Centers**

Together, UC academic health centers are:

The second-largest provider of inpatient services to Medi-Cal enrollees in the state

The largest provider of outpatient care to Medi-Cal members, compared to other major California health systems

Our tripartite mission as an academic health system:







HEALTH CARE • EDUCATION • RESEARCH

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Appendix

Community health needs assessments

Every three years, each UC health location collaborates with other local health systems to complete a Community Health Needs Assessment (CHNA) to identify and prioritize the significant health needs of people in their communities. In addition to the needs assessment, UC Health has committed to providing an annual update from its locations on the community benefits that align with the principles and needs identified in the CHNAs.

Community benefits at UC Health

Community benefits are programs or activities that provide treatment or promote health and healing as a response to identified community needs and meet at least one of these objectives:

- Improve access to health care services
- Enhance public health
- Advance increased generalizable knowledge
- Relieve or reduce the burden of government to improve health

The community benefits report presents data gathered by the academic health centers operated by UC Davis Health, UCI Health, UCLA Health, UC San Diego Health, and UCSF Health. It supplements the materials included in the audited financial report for the UC academic health centers for fiscal year 2023-2024 that the Regents approved in November 2024.3 Furthermore, this year's report incorporates charity care, as well as net Medi-Cal and Medicare patient care expenses, for the faculty practice groups associated with the academic health centers across our campuses. The University of California also oversees 21 health professional schools, which significantly benefit communities across the state and beyond.

The information in this report is for the activities and programs accounted for within the UC academic health centers and department faculty practice groups only. Although as governmental organizations, the UC academic health centers are not required to submit information related to their community benefits annually to the Internal Revenue Service via Form 990, Schedule H,3 this report has been prepared in accordance with instructions published by the Internal Revenue Service for that schedule.

Since 2009, all non-governmental, tax-exempt hospital organizations described by Section 501(c)(3) of the Internal Revenue Code must file IRS Form 990, Schedule H,

which includes information on community benefits they provide based on its instructions as well as nationally recognized guidelines.⁴ The UC academic health centers decided to prepare reports pursuant to the Form 990 Schedule H instructions and guidelines to provide transparent, standardized information about the significant community benefits they are providing and to facilitate comparing these investments to benchmarks for other tax-exempt nonprofit academic academic health centers.

UC's health system is proud to be actively involved in advancing health and health care throughout California and beyond. Every year, the UC health locations partner with or sponsor hundreds of community events and programs, investing resources in the community in alignment with UC Health's tripartite mission of education, patient care and research. These community benefit activities align with the principles and significant health needs identified in the CHNA that each UC health location completes every three years and with the UC Health system's implementation strategy to address those needs.

UC health locations, like other tax-exempt, nonprofit health systems across the nation, provide community benefits for a variety of strategic reasons, including:

- Demonstrating an ongoing commitment to UC's tripartite mission: education, research and public service
- Providing vital support to improve population health and achieve strategic objectives related to the quality, efficiency, and affordability of health care
- Highlighting the significant resources devoted to providing access to care for low-income and other underserved patient populations
- Helping to advance knowledge through health professions education and research that benefits the public

Tax-exempt health systems and hospitals also recognize that being exempt from federal and state income tax and other state and local income taxes as applicable, as well as their ability to receive tax-deductible charitable donations and issue tax-exempt debt, represent significant and invaluable benefits that are needed to support their missions.

Definition and description of community benefits activities

On IRS Form 990 Schedule H, the following activities and programs are reported as community benefits:

Financial assistance

Free or discounted health services provided to persons who meet the organization's criteria for financial assistance (as specified in a Financial Assistance Policy) and are thereby deemed unable to pay for all or a portion of the services. Financial assistance does not include self-pay discounts, prompt pay discounts, contractual allowances and bad debt. Financial assistance is reported based on cost — not the amount of gross patient charges forgiven.

Medi-Cal (Medicaid)

The United States health program for individuals and families with low incomes and resources. Medi-Cal community benefits are reported as the difference between the cost of care and reimbursement. Net community benefits thus are the loss incurred by the UC academic health centers in providing access to care for Medi-Cal recipients.

Other means-tested government programs

Government sponsored health programs in which eligibility for benefits or coverage is determined by income and/or assets (e.g., county indigent care programs).

Community health improvement services

Activities or programs carried out or supported for the express purpose of improving public health that are subsidized by the health care organization.

Examples include:

- Community health education, including classes and education campaigns, support groups and self-help groups
- Community-based clinical services, such as screenings, annual flu vaccine clinics and mobile units
- Health care support services for lower-income persons, such as transportation, case management, Medi-Cal enrollment assistance and services to help homeless persons upon discharge
- Social and environmental activities known to improve health, such as violence prevention, improving access to healthy foods, and removal of asbestos and lead in public housing

Health professions education

Educational programs that result in a degree, certificate or training that is necessary to be licensed to practice as a health professional, as required by state law; or continuing education that is necessary to retain state license or certification by a board in the individual's health profession specialty. Expenses incurred by the UC academic health centers in educating interns and residents, medical students and allied health professionals are reported in this category.

Subsidized health services

Clinical services provided despite a financial loss to the organization because they are needed to assure access to care for members of the community. The financial loss is measured net of any financial assistance and Medi-Cal losses to avoid double counting.

Research

Any study or investigation that receives funding from a taxexempt or governmental entity of which the goal is to generate generalizable knowledge that is made available to the public. Research (e.g., clinical trials) funded by for-profit entities is not reportable as community benefits on Schedule H.

Cash and in-kind contributions for community benefits

Contributions made by the organization to support community benefits provided by other organizations.

Community benefits are accounted for by quantifying the total expense, the direct offsetting revenue and the resultant net expense borne by the academic health center for the above activities and programs. On Schedule H, those activities and programs are reported as community benefit in Part I. Hospitals also account for community building activities (in Part II), and Medicare and bad debt (in Part III). Medicare and bad debt are not reported as community benefit on Schedule H.

Endnotes

- 1 <u>Community Benefit Insight</u> publishes community benefit spending information for tax-exempt hospitals throughout the United States. Community Benefit Insight data is used for all benchmarking analysis in this report.
- ² Medical Centers Annual Report
- ³ <u>Instructions for Form 990 Return of Organization Exempt from Income</u> Tax (2019), (last visited Mar. 22, 2020). State institutions whose income is excluded from taxation pursuant to Section 115 of the Internal Revenue Code are not required to file a Form 990. Children's Hospital & Research Center at Oakland, known as UCSF Benioff Children's Hospital Oakland, is a private tax-exempt hospital organization described in Section 501(c) (3) of the Internal Revenue Code and must file a Form 990 & Schedule H each year.
- 4 Since 1994, California state law also has required private non-for-profit hospitals to review their mission statements, conduct community needs assessments, and development and implement community benefit plans and report such information to the California Office of Statewide Health Planning and Development. Cal. Health & Safety Code §§ 127345-60.

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