

Medical foundation chief sees rocky road for kids health care

SANTA CRUZ -- Larry deGhetaldi sat in the audience during one of the early planning sessions for the Healthy Kids program in 2003.

DeGhetaldi, president of the Palo Alto Medical Foundation Santa Cruz at Sutter Hospital, was impressed by the passion of the participants, by their commitment to helping the county's undocumented, uninsured kids. But, he wondered, how would the community respond? Would they reject such a bootstrap effort to cover undocumented children?

"I was concerned about whether this community would push back on this issue because it would preferentially help undocumented kids," deGhetaldi remembered.

He was pleasantly surprised.

"As it unfolded, there was zero criticism from the community," deGhetaldi said.

From that moment, deGhetaldi, a physician and Santa Cruz resident since 1984, was committed to pitching in.

"I wanted to reward the community for its kindness," he said. "In health care, a community is defined by how it treats the end of life and the beginning of life."

Since Healthy Kids' inception, the foundation has been a major local funder for Santa Cruz Healthy Kids, to the tune of more than a million dollars.

"As a nonprofit, we have to have focus in our give-back community strategy," he said. "We have a maternity hospital, so we focus on maternity care. So why not children? It all fits together."

The dividends came. Santa Cruz Healthy Kids became a program to emulate, a model that local advocates hoped would attract state government attention and, they assumed, adoption. Teaming with other local supporters like Dominican Hospital and with larger, statewide foundations, the local program won attention and accolades from the statewide health care community.

Those halcyon days are gone, replaced by a strong sense of foreboding.

DeGhetaldi is haunted by the specter of the collapse of federal and state support for other children's health insurance programs. He is particularly agitated by the prospect of the shrinking -- or elimination -- of Healthy Families, which serves hundreds of thousands of California low-income children and more than 6,000 in Santa Cruz County alone.

"If Healthy Families goes away, it will deluge the Healthy Kids program," he said. "You would begin to create a triage, which from an ethical perspective will destroy the program. Imagine triaging children. At a community level, that will destroy it."

DeGhetaldi's biggest concern is that the elimination of programs like Healthy Families and Healthy Kids "would exacerbate health care disparities between North and South County, between covered and uncovered kids and between white and Latino populations."

Uninsured Kids



Allowing programs like Healthy Kids to fail also makes little economic sense, he says. DeGhetaldi paints this picture: "ERs would have increased volume, more kids would show up for basic illnesses. This would not be reimbursed care, either. Result -- you remove kids from much more effective, low-cost Healthy Kids-funded care to expensive ER care."

He fears for the future of the delicately balanced local health care system. "It's pretty fragile. It will snap. We'll look like Alameda County," where Healthy Kids recently closed down.

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