



City and County of San Francisco
London N. Breed
Mayor

San Francisco Department of Public Health

Grant Colfax, MD
Director of Health

Office of Policy and Planning

MEMORANDUM

DATE: June 14, 2019

TO: James Loyce, Jr., Health Commission President, and Members of the Health Commission

THROUGH: Grant Colfax, MD, Director of Health
Naveena Bobba, MD, Deputy Director of Health

FROM: Sneha Patil, Director, Office of Policy and Planning
Gretchen Paule, Senior Health Program Planner, Office of Policy & Planning

RE: Proposition Q – Update from CPMC Hearing on December 4, 2018

In accordance with the Community Health Care Planning Ordinance (Proposition Q, 1988), Warren Browner, MD, MPH, Chief Executive Officer of California Pacific Medical Center (CPMC), notified the Secretary of the Health Commission, in a letter dated April 15, 2018, of CPMC's plans to 1) change the licensure of the Irene Swindells Alzheimer's Day Program from CPMC and Institute on Aging (IOA) to solely IOA, 2) close Irene Swindells Alzheimer's residential care facility at the California Campus, and 3) transfer management of five outpatient departments from CPMC to Sutter Pacific Medical Foundation (SPMF).

The Health Commission held three Proposition Q hearings (on July 17, August 21, and December 4, 2018) regarding CPMC's proposed changes. During these hearings, the Health Commission determined the following:

August 21st Hearing. The Health Commission adopted a resolution determining that the closure of the Swindells Alzheimer's Residential Care Facility will have a detrimental impact on healthcare services in San Francisco. The Health Commission also approved a motion to defer aforementioned items 1 and 3 for four months to allow time for IOA to provide an update on its site relocation efforts and for CPMC to collect additional data to better understand the impact of the management change from CPMC to SPMF on affected patients and practitioners.

December 4th Hearing. The Health Commission strongly encouraged IOA to continue the Swindells program in a similar or expanded capacity and update the Health Commission once a new location is confirmed, and adopted a resolution determining that the licensure change will have a detrimental impact on the health care services in the community if IOA is unable to secure a suitable new location for the program and provide similar or expanded services to seniors, without interruption. In addition, the Health Commission strongly encouraged SPMF to honor its commitment to make no changes to staffing models or payor mix for these transferred services, follow through on its commitment to develop letters of agreement, when needed, and update the Health Commission on its service provision to patients needing care at these outpatient clinics/department. The Health Commission also adopted a resolution determining that the change of management will have a detrimental impact on health care services unless CPMC and SPMF took specific actions to ensure no disruption of services, provide culturally and

linguistically appropriate services for affected service lines, and resume education for patients with non-gestational diabetes at the St. Luke's campus.

This memorandum provides an update as requested by the Health Commission, specifically information regarding IOA's site relocation efforts and continuity of coverage for affected patients. The below information was reported by IOA and CPMC.

I. SWINDELLS ALZHEIMER'S DAY PROGRAM LICENSURE CHANGE

A. Overview of the Swindells Alzheimer's Day Program Licensure Change

The Swindells Alzheimer's Day Program operates at CPMC's California Campus. The program serves an estimated 70 unduplicated participants and an average of 30 participants per day who have mild to moderate dementia. The participants live at home, but benefit from a day program that allows participation in therapeutic activities to stimulate cognition, enhance quality of life, and provide socialization. Currently, the Institute on Aging (IOA) fully manages the Alzheimer's Day Program, while CPMC provides the physical space and facility support. The current Alzheimer's Day Program is licensed by both CPMC and IOA. With the proposed change, the Alzheimer's Day Program will be independently licensed by IOA. Though CPMC and IOA are working together to plan for the change in licensure, there is a possibility that the program may close if IOA is unable to find a suitable new space before the expected closure of the California campus in spring 2019.

In December 2018, IOA reported that, with CPMC's financial support, it signed a 4-month agreement with the Presidio to hold the property through January 2019. IOA had currently fundraised 55% of the total amount needed and would continue its fundraising efforts in order to secure a 20-year lease for the property. If IOA achieves its fundraising goals, the new facility would be finished by July 2019 and has the potential to serve 88 people per day.

B. Update on the Relocation of the Irene Swindells Alzheimer's Day Program

The below information was reported by IOA & CPMC in May 2019:

IOA has signed a lease for the Presidio property and will move into the new space by the end of July 2019. The program is anticipated to operate at full capacity, or 88 people per day.

II. TRANSFER IN MANAGEMENT FROM CALIFORNIA PACIFIC MEDICAL CENTER TO SUTTER PACIFIC MEDICAL FOUNDATION

A. Overview of Management Transfer

In its Prop Q notices, CPMC has indicated five outpatient departments at CPMC will transfer management to SPMF across three campuses. California Pacific Medical Center noted that these transfers in management are planned due to the opening of the new hospitals and medical office building at Van Ness/Geary in 2019 and Mission/Bernal campuses in 2018. The following five outpatient departments are impacted by the management transfer: Breast Health/Mammography Center at St. Luke's Campus; Non-Invasive Cardiology at St. Luke's Campus, Diabetes Centers at St. Luke's and California Campuses; and Outpatient Psychiatry Clinic at Pacific Campus.

During the hearings, the Health Commission inquired about SPMF's ability to expand payor coverage to ensure continuity of care, the provision of culturally and linguistically appropriate care for St. Luke's patients, and SPMF's commitment to improve care for San Francisco's most vulnerable communities (i.e. communities of color and low-income residents). The Health Commission specifically raised concerns regarding the need for SPMF to enter into new contracts with health insurance plans that mirror the contracts held by CPMC in order to ensure continuity of care for affected patients. CPMC and SPMF stated that they currently have contracts with all plans except for one, with which they are currently in contract negotiations. If a contract is not in place with this plan, they will enter into a letter of agreement (LOA) with the health plan to continue access for affected patients, as needed.

B. Patient Volume After Management Transfer

Breast Health/Mammography Center at St. Luke's Campus

- Transferred on August 5, 2018
- As of May 2019, averaged 406 patients per month compared to the average of 352 patients seen per month under CPMC management in 2017

Diabetes Center at St. Luke's Campus

- Transferred on August 19, 2018
- As of May 2019, averaged 85 patients per month compared to the average of 95 patients seen per month under CPMC management in 2017

Non-Invasive Cardiology at St. Luke's Campus

- Transferred August 5, 2018
- As of May 2019, averaged 60 patients per month compared to the average of 83 patients seen per month under CPMC management in 2017

Outpatient Psychiatry Clinic at Pacific Campus

- Not yet transferred; Transfer anticipated in first half of 2020.

Diabetes Center at Pacific Campus

- Not yet transferred; Transfer anticipated by end of 2019.

C. Diabetes Center at St. Luke's Campus

Culturally and Linguistically Appropriate Services

In December 2018, CPMC reported that due to a staffing issue, St. Luke's was unable to see non-gestational diabetes patients for several months. SPMF did not hire CPMC's non-gestational diabetes educator from the CPMC St. Luke's Diabetes Center at the time of the management transfer, but was working to hire her and have her on board with SPMF at the St. Luke's Diabetes center by January 2019. In the interim, patients who had been seeing the diabetes educator at St. Luke's were able to see her at the California Campus.

Update: SPMF hired CPMC's diabetes educator on January 7, 2019, and St. Luke's Diabetes Center patients no longer need to travel to the California Campus to receive non-gestational diabetes care. There are two bilingual diabetes educators and an on-site medical assistant (MA) who is a certified translator. The MA has been on-site since August 2018 and is available Monday through Friday from 8AM-5PM.

D. Health Plan Contract Negotiations and Impacts on Affected Patients After Management Transfer

Contract Negotiations

In December 2018, CPMC reported that SPMF was contracted with Brown and Toland medical group, and was in the proposal stage with the San Francisco Health Plan, Hill Physicians medical group for services in impacted programs.

Update: SPMF has a contract with Hills Physicians for obstetrics providers only (based on an older, existing contract). SPMF does not anticipate it will be able to secure a contract with Hill Physicians for additional providers, as Hills Physicians believes its current network of providers is adequate to provide care to referred patients.

Letters of Agreement

It is SPMF policy is to develop LOAs with all patients who have non-contracted health plans so no patients experience a loss of coverage. Hills Physicians is currently only authorizing LOAs for urgent ultrasounds; patients seeking services for non-emergent ultrasounds and all other care are being referred to the University of California-San Francisco. A total of approximately 240 LOAs have been submitted and approved to-date, and approximately 60 LOAs have been approved from January 2019 to present.

**HEALTH COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
Resolution No. 18-3**

DETERMINING THE IMPACT OF THE CHANGE IN LICENSURE OF CPMC IRENE SWINDELLS ADULT DAY PROGRAM FROM BOTH CPMC AND INSTITUTE ON AGING TO SOLELY THE INSTITUTE ON AGING

WHEREAS, California Pacific Medical Center (CPMC), a non-profit hospital and member of Sutter Health, operates acute care hospitals at four campuses in San Francisco: California Campus; Davies Campus; Pacific Campus; and St. Luke's Campus; and

WHEREAS, The Irene Swindells Adult Day Program (Swindells) is located on the California campus, and serves participants with mild to moderate Alzheimer's and dementia; and

WHEREAS, Swindells serves approximately 30 participants on any given day and has approximately 70 total unduplicated participants; and

WHEREAS, There are only two licensed Adult Day Care programs in San Francisco that serve participants with Alzheimer's disease/dementia – Swindells and Catholic Charities of San Francisco; and

WHEREAS, These programs provide a range of social and psychological support services that promote the quality of life for people with Alzheimer's disease/dementia, and provide respite for families and caregivers; and

WHEREAS, Swindells is licensed under both CPMC and the Institute on Aging (IOA), with IOA managing the program and services and CPMC providing the facility space and support only; and

WHEREAS, On April 15, 2018, in compliance with the Community Health Care Planning Ordinance (Proposition Q), CPMC notified the Health Commission that it plans to change licensure of the Irene Swindells Adult Day Program to solely IOA; and

WHEREAS, IOA is attempting to locate a space to relocate the Swindells program and plans to continue the program with similar capacity and services for participants; and

WHEREAS, If IOA achieves its fundraising goals to secure a 20-year lease for a potential site, the new facility would be completed by July 2019 and has the potential to serve 88 patients per day; and

WHEREAS, In accordance with Proposition Q, the San Francisco Health Commission held public hearings on July 17, 2018, August 21, 2018, and December 4, 2018 regarding the change in licensure for the Irene Swindells Adult Day Program; and

NOW, THEREFORE, BE IT RESOLVED, that Adult Day Care services are important for seniors with Alzheimer's disease/dementia to prolong institutionalization and provide much needed respite to caregivers and families; and

FURTHER RESOLVED, IOA is strongly encouraged to continue the Swindells program in a similar or expanded capacity and update the Health Commission once a new location is confirmed; and be it

FURTHER RESOLVED, this change in licensure of the Irene Swindells Adult Day Program from CPMC and IOA to solely IOA will have a detrimental impact on the health care services in the community if IOA is unable to secure

a suitable new location for the program and provide similar or expanded services to seniors, without interruption.

I hereby certify that the San Francisco Health Commission at its meeting of December 4, 2018 adopted the foregoing resolution.

Mark Morewitz
Executive Secretary to the Health Commission

**HEALTH COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
Resolution No. 18-4**

DETERMINING THAT THE CLOSURE OF THE CPMC IRENE SWINDELLS ALZHEIMER'S RESIDENTIAL CARE PROGRAM WILL HAVE A DETRIMENTAL IMPACT ON HEALTH CARE SERVICES IN THE COMMUNITY.

WHEREAS, California Pacific Medical Center (CPMC), a non-profit hospital and member of Sutter Health, operates acute care hospitals at four campuses in San Francisco: California Campus; Davies Campus; Pacific Campus; and St. Luke's Campus; and

WHEREAS, the Irene Swindells Alzheimer's Residential Care Program (Swindells) is located on the California campus, and serves residents with moderate to severe Alzheimer's and dementia often through the end of life; and

WHEREAS, On April 15, 2018, in compliance with the Community Health Care Planning Ordinance (Proposition Q), CPMC notified the Health Commission that it plans to close Swindells by the end of 2018; and

WHEREAS, CPMC has been working with Elder Care Alliance (ECA) to open 14 new beds in a new neighborhood called the Oasis at the ECA AlmaVia of San Francisco campus;

WHEREAS, all Swindells residents will be given the option to move to the Oasis neighborhood of ECA AlmaVia of San Francisco campus with no changes to their patient rates for the duration of their stay; and

WHEREAS, the Health Commission commends CPMC for moving some Swindells residents to ECA AlmaVia and subsidizing their cost of care; and

WHEREAS, the closure of the Swindells Alzheimer's Residential care unit will result in a net loss of 10 RCFE beds in San Francisco serving patients with dementia or Alzheimer's; and

WHEREAS, In accordance with Proposition Q, the San Francisco Health Commission held public hearings on July 17, 2018 and August 21, 2018, regarding the closure of the CPMC Irene Swindells Alzheimer's Residential Care Program; and

NOW, THEREFORE, BE IT RESOLVED, that the CPMC Swindells closure will have a detrimental impact on the health care services in the community; and be it

I hereby certify that the San Francisco Health Commission at its meeting of August 21, 2018 adopted the foregoing resolution.

Mark Morewitz
Executive Secretary to the Health Commission

**HEALTH COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
Resolution No. 18-5**

DETERMINING THE IMPACT OF THE CHANGE IN MANAGEMENT OF FIVE OUTPATIENT DEPARTMENTS FROM CALIFORNIA PACIFIC MEDICAL CENTER TO SUTTER PACIFIC MEDICAL FOUNDATION

WHEREAS, California Pacific Medical Center (CPMC), a non-profit hospital and member of Sutter Health, operates acute care hospitals at four campuses in San Francisco: California Campus; Davies Campus; Pacific Campus; and St. Luke’s Campus; and

WHEREAS, Sutter Pacific Medical Foundation is Sutter Health’s physician foundation affiliate in San Francisco, Marin and Sonoma counties, and has over 240 physicians with some providing services at CPMC hospital campuses; and

WHEREAS, CPMC will be closing two of the four campuses – Pacific and California – with the expected opening of its new Van Ness-Geary campus in 2019; and

WHEREAS, On April 15, 2018, in compliance with the Community Health Care Planning Ordinance (Proposition Q), CPMC notified the Health Commission that it plans to transfer management of the five outpatient departments to its physician affiliate, SPMF to prepare for the move to the new Van Ness-Geary campus:

- Breast Health/Mammography Center at St. Luke’s campus
- Non-Invasive Cardiology at St. Luke’s campus
- Diabetes Center at St. Luke’s campus
- Diabetes Center at California campus
- Outpatient Psychiatry Clinic at Pacific campus; and

WHEREAS, During the July 17th hearing, the Health Commission requested supplemental information regarding continuity of coverage for affected patients with Medi-Cal or commercial insurance and SPMF’s community benefits program, to better understand the impact of these changes on health care services in the San Francisco community; and

WHEREAS, CPMC reported that of the 7500 patients affected by the transition to SPMF, 17% Medi-Cal (Fee-for-Service and Managed Care), 48% commercially insured, and 35% other (Medicare, self-pay, etc.); and

WHEREAS, SPMF expressed its commitment to continue care for patients served at each of the outpatient departments CPMC operates today; and

WHEREAS, SPMF expressed its commitment to accept new Medi-Cal patients at its five outpatient departments undergoing management transfer; and

WHEREAS, SPMF intends to contract with the same insurances currently accepted by CPMC, and has reached out to payors that contract with CPMC to establish the same contract with SPMF; and

WHEREAS, If the current payors are willing to contract with SPMF, all patients will be able to continue receiving the same services; and

WHEREAS, If SPMF is unable to develop a contract with Hills Physicians, SPMF will continue to execute Letters of Agreement (LOA) for any patient who is covered through the San Francisco Health Plan seeking services under a Hills Physician provider; and

WHEREAS, If a plan refuses to contract with SPMF and denies an LOA, the plan will need to find the service within their existing network to offer the patient services; and

WHEREAS, It is SPMF policy is to develop LOAs with all patients who have non-contracted health plans so no patients experience a loss of coverage; and

WHEREAS, during the transition from CPMC to SPMF some staff training issues were identified around the LOA policy and caused a temporary disruption in service for some patients; and

WHEREAS, Because CPMC does not yet have negotiated contracts with all of the insurance plans used by patients of the services to be transferred, it is likely that the transfer of services to SPMF will impact access to some or all of these services for these patients, many of whom are members of underserved populations; and

WHEREAS, SPMF is working diligently to assess the impact of the disruption and have corrected the staff training issue; and

WHEREAS, In 2017 the Sutter Bay Medical Foundations invested almost \$72M in community benefit, of that SPMF invested about \$20M; SPMF's community benefit investments include cash contributions to non-profit organizations, Medi-Cal shortfall (the uncompensated portion of providing care to Medi-Cal patients), and charity care costs; and

WHEREAS, SPMF will continue to provide Diabetes Center education classes as a community benefit; and

WHEREAS, SPMF expresses its commitment to take accountability for the services transferred from CPMC to SPMF and to be transparent to the public regarding the provision of these services; and

WHEREAS, Since both CPMC and SPMF are Sutter Health affiliates, physicians from SPMF provide services on CPMC's campuses; and

WHEREAS, In accordance with Proposition Q, the San Francisco Health Commission held public hearings on July 17, 2018, August 21, 2018, and December 4, 2018 regarding the various outpatient departments' change in management from CPMC to SPMF; and

NOW, THEREFORE BE IT RESOLVED, The Health Commission strongly encourages SPMF to honor its commitment to make no changes to staffing models or the payor mix for these services; and be it

FURTHER RESOLVED, the change of management will have a detrimental impact on health care services unless CPMC and SPMF take the following actions:

- secure a contract with Hills Physicians or continues to successfully execute LOAs so no affected patients experience a disruption of services;
- proactively ensure adequate staff training regarding the LOA policy to prevent disruption of services;
- provide culturally linguistically appropriate services for affected service lines, and resumes education for patients with non-gestational diabetes at the St. Luke's campus; and be it

FURTHER RESOLVED, that the Health Commission strongly encourages SPMF to follow through on its commitment to develop LOAs, when needed, and update the Health Commission on its service provision to patients needing care at these five outpatient clinics/departments; and be it,

I hereby certify that the San Francisco Health Commission at its meeting of December 4, 2018 adopted the foregoing resolution.

Mark Morewitz
Executive Secretary to the Health Commission