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MINUTES
OF THE
JOINT CONFERENCE COMMITTEE
FOR
LAGUNA HONDA HOSPITAL

Monday, March 13, 2000
9:30 a.m.
at
Conference Room B102
375 Laguna Honda Boulevard
San Francisco, CA 94116-1411

1) CALL TO ORDER

The regular meeting of the Joint Conference Committee for Laguna Honda Hospital was called to order by Commissioner John Umekubo, M.D., at 9:35 a.m.

Present: Commissioner John I. Umekubo, M.D., Chairperson
Commissioner Lee Ann Monfredini

2) APPROVAL OF MINUTES OF THE REGULAR MEETING OF FEBRUARY 14, 2000

Action Taken: The Commissioners unanimously adopted the minutes of February 14, 2000

3) EXECUTIVE ADMINISTRATOR'S REPORT
(Activities and operations of Laguna Honda Hospital)
(Larry Funk)

Staff Announcements

Mr. Funk welcomed Robert Christmas to the Laguna Honda Administrative Team as Associate Administrator for Operations. At the March 7th Health Commission meeting, the Commissioners heard kudos about Robert's many accomplishments during his tenure at San Francisco General Hospital. LHH staff are thrilled that he has chosen to join the LHH team.

Mr. Funk also reported that Mr. Gregory Johnson has joined the LHH Administrative team as Special Assistant to the Executive Administrator. Gregory has served in several positions of increasing responsibility and authority at SFGH during his 29 years of service. At Laguna Honda, Gregory will have responsibility for a variety of special projects, assisting in preparing for regulatory surveys and performing a wide variety of administrative staff functions.

HCFA Waiver Received

At the last meeting Mr. Funk reported that at a January 13th meeting with HCFA officials, they requested that the CHN consider further reduction to the census at Laguna Honda. After careful consideration and evaluation of that request, Mr. Wagner transmitted an extremely persuasive and compelling letter regarding the community's increasing need for skilled nursing beds. Mr. Funk reported that on February 28th LHH received a letter from HCFA, indicating that it was approving the request for waiver for room size and beds per room for the current certification cycle. The waiver approval means LHH will be able to continue operating the open wards with 25 beds and the private and semi-private rooms at existing service levels. The letter also reported that these waivers would be re-evaluated during the next survey.

This is a significant achievement for the Department of Public Health. In the short term, the waiver approval means that Laguna Honda can maintain census at the 1065 level. In the longer term, it sets a precedent that with the maintenance of the current quality of environment and care; LHH should be able to receive these waivers until the new facility is activated.

Census Report

The average daily census for February was 1059, which is six less than the budgeted census level of 1065. However, the average daily census for February was four residents higher than January, and the census continues to gradually increase to our targeted level of 1065. The average daily census year-to-date is 1070.

Staffing Report

As of March 1, 2000, the hospital is operating at a 7.1% vacancy rate, with 113.5 positions vacant. The hospital's budget is predicated on a 5.4% vacancy rate or an equivalent of 87 positions vacant. Due to the current vacancy rate, several departments continue to use overtime and per diem staffing to provide essential services to the residents. Laguna Honda staff is collecting and refining staffing data to develop a comprehensive plan to provide appropriate and affordable staffing levels. Additional information will be available in the near future.

Commissioner Monfredini expressed concerns on the high vacancy rate and the impact on the budget from the use of overtime and per diem staffing.

Medical Staff to Occupy New Space

The K300 area of the Main Building has been converted into a Medical Staff Suite for LHH physicians who will begin moving into this renovated space. Mr. Funk commended all the Medical staff for volunteering to relocate and to the Operations Division for developing the new area quickly and with high quality results. The move of the Medical staff will begin a sequence of moves, which

will result in reactivation of about 10 additional, and much needed private resident rooms. The reactivation of these ten rooms will make it significantly easier to sustain our average daily census target of 1065.

LHH Replacement Project Status Report

The Department of Public Works continues to take positive steps in orchestrating the initiation of the Facility Replacement Project. The RFQ for the Executive Architect is under final review for amendment to assure the maximum number of qualified firms are able to participate in the process. The final submission date will be near the end of the month.

Mr. Tony Wagner, Mr. Tony Irons (City Architect), and Mr. Larry Funk collaborated with staff from the Department of Public Works to complete the interview process for the Project Manager on March 6th. An announcement regarding that position is expected from the Mayor's Office in the near future.

The Project Manager will actively participate in developing the supplemental budget request to begin the project design process. The supplemental will contain start-up costs for the program, architectural and engineering, construction management and finance teams. The supplemental will be presented to the Health Commission in April.

Commissioner Umekubo inquired about the timetable for the replacement project. The Executive Architect will report at a future JCC-LHH meeting.

News from the State Capital

- Wage Pass Through Status

At last month's meeting, Mr. Funk reported that LHH expected the State to release the terms and conditions of a rate increase which were presented in the form of wage and benefit pass through to direct care providers. On February 15th, LHH received the Department of Health Service's draft interpretation of the rate increases in the form of a question and answer document that described how the wage and benefits should be applied.

According to the State's draft interpretation, Laguna Honda may not qualify for the wage pass through rate increase since LHH has a Collective Bargaining Agreement with increases which were negotiated prior to August 1, 1999. This is the trigger date the Legislation allows hospitals to receive credit for wage pass throughs, and thereby meet eligibility criteria for the rate increases.

The Health Department is attempting to influence the final interpretation and application of the Wage Pass Through guidelines in order to take full advantage of the rate increase. Mr. Funk is collaborating with SEIU labor partners, the California Hospital Association, and State delegates to get relief this fiscal year.

- Lawsuit Status/FY 1995 Rate Adjustment Recovery

Last year the CHA prevailed in a successful lawsuit against DHS for utilizing an inappropriate reimbursement rate formula, which resulted in a multiyear freeze in reimbursement for DP/NFs. The court ordered DHS to submit a State Plan Amendment to HCFA to provide corrective action and compensation for DP/NFs. Last fall, DHS submitted to HCFA a State Plan Amendment for FY 1995, which was rejected on a timing technicality. In February, DHS resubmitted a '99 State Plan Amendment to HCFA, which industry sources predict will be

approved by HCFA within 60 days. The approval will result in DHS reimbursing DP/NFs for the rate increase, which we should have received in FY 1995.

In Laguna Honda's case, LHH is expecting an adjustment of \$3.18 per Medi-Cal day or approximately \$1.2 million. The CHA staff estimates that LHH should receive this retroactive payment within 120 days.

Unfortunately, according to LHH consultants, the DHS has refused to adjust Medi-Cal payments using the new correct reimbursement methodology for subsequent rate years 1996 through 1998, representing an estimated \$17 million in State-wide Medi-Cal payments. In addition, the current Medi-Cal State Plan recently submitted to HCFA for FY 1999, contains the same flawed rate reimbursement methodology that the Court rejected as unfair and unjustified in LHH recent lawsuit.

Therefore, Laguna Honda is once again considering joining forces with the CHA to initiate new legal action to compel DHS to provide fair and equitable reimbursement for DP/NF service.

LHH Residents Celebrate St. Patrick's Day

Leaders of San Francisco's Irish community, including J.J. Whelan; former Assistant Administrator Leo Walsh; the Irish Cultural Center membership; and Sister Miriam Walsh hosted the annual St. Patrick's Day celebration for Laguna Honda residents on Sunday, March 5th in Simon Auditorium. Approximately 200 residents participated in the festivities including Irish music and dancers and traditional Irish foods. The event was supported in great measure by the Activity Therapy staff and dozens of students from St. Cecilia's School and a number of surrounding high schools. The many residents who attended had an enjoyable time at this event, which is one of the many diverse cultural traditions at Laguna Honda.

4) **DIRECTOR OF NURSING REPORT** (Mary Louise Flemming, RN, MSN)

Reporting for Mary Louise Fleming, RN, MSN, Mivic Hirose, RN, MSN, submitted the following:

Anne Hughes, RN, MS, FAAN, has joined the Laguna Honda Nursing Division as the Clinical Nurse Specialist for Palliative Care Services. In her new role she will be developing the quality, educational and clinical practice programs for this area of service. Anne comes to LHH after many years of distinguished service and leadership at SFGH.

Two LHH nursing leaders have received recognition for their expertise and contributions to the field of Nursing. Mivic Hirose, RN, MSN, has been selected as a finalist for this year's Nursing Excellence Award sponsored by NurseWeek publication. Ron Walent, MS, RNCS, was selected by the Journal of Gerontological Nursing to serve as a member of their review panel for the national publication.

New Division Program

As the Division has evolved and developed new standards of care and practice, the need to establish a focused quality and educational team for care planning has emerged. To meet this objective, Nursing has created an expanded role for five of our expert RNs. Each expert will be assigned to a Clinical Cluster to work with the Interdisciplinary Teams and nurses to complete the MDS/RAI processes that direct resident care planning. In the past, LHH has had only two RN coordinators

who primarily addressed the technical aspects of the role. The new team will have a more comprehensive quality-driven focus to their role, in which they will ensure that the HCFA and OBRA standards for care are implemented and monitored effectively. They will be actively involved in team and individual teaching, as well as serve as members of the Unit and Cluster Quality Improvement programs. Madonna Valencia, Laura Blue and Mercedes Devasconcellos will join Espie Sorongon and Cherina Tinio, our current MDS coordinators, and the new program will be implemented on April 3, 2000.

CHN/LHH New Program Planning

LHH has been asked to take the lead in establishing three programs that will meet the needs of the Long Term Care (LTC) Population within the CHN. A Task Force comprised of clinical administrators from LHH, SFGH and PHP-CMHS are meeting to design the programs, identify and problem-solve current barriers for implementation, and establish clinical and fiscal outcome measures for each of the programs.

The first of the three programs is an expansion of the original LHH Medical-Psychosocial Unit targeted for the residents, currently on open units at LHH. The program, which is targeted to open in May, will not only focus on transferring in-house LHH residents but also actively admit SFGH patients who also need that level of program.

The second program will be designed to meet the needs of a "short-stay" segment of the LTC population. This group of residents will be enrolled into a special track for services that will have a predetermined length of stay. Their rehabilitation/restorative plan and discharge preparation will be designated at the time of admission to LHH. The task force is involved in determining if this program will be integrated throughout the facility or based on one unit.

The third new program will focus on developing a program for the most complex population we serve as a network. This population is comprised of people who, due to their complexity, are not accepted by any current programs, yet need LTC services and treatment. This population currently must remain in the acute service area long after their acute issues have been resolved. The Task Force is exploring the clinical, administrative, legal and programmatic aspects needed for a successful unit.

5) MEDICAL LEADERSHIP REPORT (Dr. Terry Hill)

Dr. Hill reported the following new research efforts at Laguna Honda Hospital:

"Effect of Supplemental Fluid on Tissue Oxygenation in Patients with Pressure Ulcers," a pilot study by Nancy Stotts, R.N., Ed.D., and Harriet Hopf, M.D., of the UCSF Schools of Nursing and Medicine, respectively. Dr. Stotts works at LHH as a clinical Nurse Specialist in pressure sore prevention and care.

"An Ethnography of Death and Dying in a Nursing Home," by Jeanie Kayser-Jones, R.N., Ph.D., of the UCSF School of Nursing.

"Experiences of Care Givers in Persistent Vegetative State," a qualitative study by Howard Pinderhughes, Ph.D, and Helena Prakke, R.N., of the UCSF School of Nursing

“Cultural Competency and Outcomes in Primary Care” with Dr. David Thom, Ph.D., Assistant Professor of Medicine at Stanford University Division of Family and Community Medicine.

Dr. Hill also reported that on March 3rd, Drs. Paul Isakson, LHH Chief of Staff, and Hosea Thomas, Assistant Medical Director, attended a conference in Costa Mesa called *“A Medical Staff Primer-Essentials for New Medical Staff Leaders,”* which offered an intensive overview of regulatory requirements related to medical staff activities, as well as quality of care monitoring, performance improvement, and leadership strategies.

A team from LHH will attend a two-day training on palliative care, April 4-5, 2000. The program will develop up to 40 nursing facilities in California as model sites for end-of-life care. The facilities will continue formal collaboration for at least six months after the April meeting. The training is sponsored the California Coalition for Compassionate Care with support from the Department of Health Services, professional associations, industry organizations, and the Robert Wood Johnson Foundation. Dr. Hill is Co-Chair of the Coalition and organizer of the nursing facility trainings.

Commissioner Umekubo inquired about LHH’s internal review process and informal consent forms for research projects. LHH Medical Executive Staff reviews the projects prior to being reviewed by LHH executive staff.

6) **GENERAL PUBLIC COMMENTS ON ANY MATTER WITHIN THE SUBJECT MATTER JURISDICTION OF THE LAGUNA HONDA HOSPITAL COMMITTEE**

Public Speaker:

Virginia Leishman, RN, MA, taxpayer, homeowner and resident in San Francisco, advocate for residents’ rights, expressed concern on the medical psychosocial units at Clarendon Hall. Are longtime Laguna Honda Hospital residents being evicted?. She encouraged the Commission to take a good look at this; advocated for freedom and access for patients.

7) **PUBLIC COMMENTS ON ALL MATTERS PERTAINING TO THE CLOSED SESSION**

None.

8) **VOTE ON WHETHER TO HOLD A CLOSED SESSION TO CONFER WITH LEGAL COUNSEL (SAN FRANCISCO ADMINISTRATIVE CODE SECTION 67.10(d).)**

Action Taken: Commissioners voted to hold a closed session to confer with legal counsel.

Closed session started at 10:20 a.m.

9) **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(b)(3)(C), AND SAN FRANCISCO ADMINISTRATIVE CODE SECTION 67.10(d)**

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

NUMBER OF POTENTIAL CASES: ONE, AS DEFENDANT

THE CLOSED SESSION CONSIDERED THE STATUS OF THE DEPARTMENT OF JUSTICE INVESTIGATION OF LAGUNA HONDA HOSPITAL

- 10) **CLOSED SESSION PURSUANT TO EVIDENCE CODE SECTIONS 1157(a) AND (b); 1157.7, HEALTH AND SAFETY CODE SECTION 1461; AND CALIFORNIA CONSTITUTION, ARTICLE I, SECTION 1**

CONSIDERATION OF MEDICAL AUDIT, QUALITY OF CARE AND QUALITY ASSURANCE MATTERS

Closed session ended at 11:20 a.m.

- 11) **RECONVENE IN OPEN SESSION:**

VOTE TO ELECT WHETHER TO DISCLOSE ANY OR ALL DISCUSSIONS HELD IN CLOSED SESSION (SAN FRANCISCO ADMINISTRATIVE CODE SECTION 67.12(a))

Action Taken: The Commissioners voted not to disclose any discussions held in closed session.

Commissioner Umekubo requested a yearly summary of patient complaints at Laguna Honda Hospital.

The meeting was adjourned at 11:25 a.m.

Sandy Ouye Mori
Executive Secretary to
the Health Commission