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MINUTES

JOINT CONFERENCE COMMITTEE FOR LAGUNA HONDA HOSPITAL MEETING

Thursday, May 27, 2004

9:00 a.m. to 11:00 a.m.

at

Conference Room B102

**375 Laguna Honda Boulevard
San Francisco, CA 94116-1411**

1) CALL TO ORDER

Commissioner Umekubo called the meeting to order at 9:10 a.m.

Present: Commissioner John I. Umekubo, M.D, Chairperson
Commissioner James M. Illig

Staff: Nancy Arata, Arla Escontrias, Larry Funk, Gayling Gee, Terry Hill, M.D.,
Mivic Hirose, Michael Lane, Gregg Sass, Tim Skovrinski, M.D., Serge
Teplitsky and Adrienne Tong.

Guests: Jim Kautz, Anchen & Allen, Benson Nadell, Director of San Francisco
Long Term Care Ombudsman Program

2) APPROVAL OF MINUTES OF THE REGULAR MEETING OF APRIL 22, 2004

Action Taken: The Committee approved the minutes of the April 22, 2004
Laguna Honda Hospital Joint Conference Committee.

3) EXECUTIVE ADMINISTRATOR'S REPORT AND CHIEF OPERATING OFFICER'S REPORT

Larry Funk, LHH Executive Administrator, presented the Executive Administrator's Report.

Implementing FY 04/05 Budget

In keeping with citywide and DPH initiatives, the Laguna Honda budget eliminates several administrative, mid-management and support positions in order to preserve direct patient care to its clients. The Executive Committee is developing plans to reorganize administrative functions and responsibilities in order to successfully implement the 04/05 budget. LHH is fortunate indeed to have the depth and breadth of experience in the organization to provide for an effective transition and in the near future these plans will be fully defined. Mr. Funk will provide the JCC a full report at the next meeting.

Census Report

The average daily census remained stable in April at 1043. The average daily census fiscal year-to-date through April was 1041. The average number of paid bed holds fiscal year to date through April was 5.

Staffing Report

As of May 1st, the Hospital was operating at an 11% vacancy rate house-wide. The Operation's Division is working with a 15.7% vacancy rate, and the Nursing Division is at a vacancy rate of 10.6%. LHH appreciates the Mayor's Office recently approving a number LVN and CNA requisitions.

Priority on Patient Flow from SFGH

Laguna Honda Hospital staff continues to focus on patient flow from SFGH to LHH as a key factor in efficient management of the safety net delivery system and containing costs. Laguna Honda admitted 58 patients from SFGH during April. The Hospital has admitted an average of 49 patients per month from SFGH this fiscal year to date, compared to 42 for FY 02-03 representing a 17% increase on monthly admissions. As of mid May, LHH had satisfied the back logged demand of SFGH patients needing discharge to SNF level of care. While the Admission Screening Committee continues to monitor daily the need of San Francisco General's patients for SNF beds, Laguna Honda staff have also been able to admit residents from the community.

Laguna Honda staff continues to collaborate with colleagues from SFGH in the DPH Patient Flow Project to further refine procedures, which facilitate patient flow.

Licensing and Certification Report

A copy of the approved Plan of Correction from the 2004 Skilled Nursing Survey was distributed in the package for the May 27 meeting for Committee members' review and information.

The Licensing and Certification staff conducted an unannounced follow-up visit on May 13 through 15 to verify completion of the Plan of Correction. Although no substandard care issues were identified, a few minor deficiencies were noted. The staff will prepare a Plan of Correction for any written deficiencies received as a result of the revisit.

The Hospital is preparing for a follow-up certification survey by the Life Safety Code Team, which will verify implementation for the Plan of Correction from the March visit. This survey will occur unannounced anytime after May 26th. Mr. Funk will advise the JCC of the outcome of this visit.

Status of Secured Units

For the past three months Mr. Funk has reported on the status of continuing discussions about the secured units with representatives from OSHPD, Licensing and Certification and the San Francisco Fire Department. The locks on the existing egress doors of the secured units were called into question by an OSHPD Construction Advisor during a routine inspection. The OSHPD representatives advised LHH that the locks were non-conforming with contemporary codes due to the age and type of construction of the existing patient care buildings and had to be removed. The Hospital staff conferred with OSHPD and L&C officials in an effort to identify a solution acceptable to all parties.

The Hospital requested program flexibility from Licensing and Certification to allow continued use of locks on the six secured units (Clarendon Hall E200, W200, S200 and Main Building units K6, L6, F3) for their 116 residents. In evaluating the Hospital's request for program flexibility, the Licensing and Certification staff requested an opinion on the safety of the locked units from the San Francisco Fire Department, and the Hospital offered to evaluate its ability to comply with code requirements by engaging an architect to determine the scope of work and cost of compliance.

The San Francisco Fire Department rendered its opinion regarding the use of locks on April 26th that the locks are non-conforming and "must be removed immediately". The LHH architect completed his analysis of alternative means of compliance and submitted the report in the May 11th letter. The architect's letter addresses all available options and costs. The architect recommends proceeding with a resident locator and perimeter alarm system on the second floor of Clarendon Hall and a delayed egress system for K6 and L6 in the Main Building.

This recommendation is based on cost and time of implementation required for each option. In Clarendon Hall, higher levels of security would cost approximately \$294,000 (for delayed egress) to \$743,000 (for locked units) and take from 12 to 20 months to complete. In the Main Building, conversion of K6 and L6 to locked units would cost \$466,000 and take one year to complete.

Given the limited capital improvement funding available within the City, the amount of time required to complete these renovations, the fact that there are no other secured units available to temporarily accommodate these residents during any construction, and that after any renovation these units would only be in service another 1 to 2 years it is, therefore, not feasible to consider the higher level security options.

Mr. Funk conferred with officials from OSHPD, Licensing and Certification and the San Francisco Fire Department regarding a plan of compliance. The Hospital will remove the locks from the second floor of Clarendon Hall on June 7th. The Hospital will also discuss installation of a fire sprinkler and delayed egress system on K6 and L6. It is estimated that this work can be accomplished for approximately \$40,000 in about 4 months. The clinical staff will re-assess all residents on these units to determine most appropriate placement. Nursing staffing levels may also be adjusted to assure appropriate levels of safety and supervision for residents.

Mr. Funk will also advise the DPH Patient Flow Committee about this issue so the parameters for use of secured units in the LHH physical plant are known. As a permanent solution measure for

DPH, the LHH Replacement Project will provide 300 fully secured units, which will begin coming on line in FY 07-08. Mr. Funk will keep the JCC apprised of the implementation of these planned changes to the operation and any related emergent issues.

Laguna Honda Foundation Report

The Laguna Honda Foundation announced that Mr. John Knight, Senior Vice President for Union Bank, has joined the Board of Directors. The Foundation Board plans on expanding its Board to 12 members by this fall.

The Foundation has also published Volume 1 #1 of its quarterly newsletter "Voices of Laguna Honda". A copy will be provided to all Health Commissioners.

Recognition of Dr. Terry Hill

Mr. Funk gave special recognition to Dr. Terry Hill, Medical Director of Laguna Honda Hospital for the past five years. This was Dr. Hill's last JCC meeting as he has accepted a very attractive position to further advance his professional career and contributions to the healthcare profession. Dr. Hill has provided effective leadership while at Laguna Honda advancing the Quality of Care Program, Staff Education and Development, linkages to the academic community, and advocacy for Community-Based Care Programs. Mr. Funk thanked Dr. Hill for all he has done for the Department of Public Health and wished him the very best in his new endeavors.

Commissioners' Comments

- Commissioner Illig requested that Susan Hoganson, the Executive Director of the Laguna Honda Hospital Foundation, be invited to a future LHH JCC. Commissioner Illig said that, from a community standpoint, Dr. Hill has been exceptional. He has been very involved in citywide long term care planning.
- Commissioner Umekubo thanked Dr. Hill for his work and leadership. With regard to the locked units, he asked if the hospital's plan has passed all licensing agencies. Mr. Funk replied that OSHPD verbally indicated they would approve the plan. Commissioner Umekubo said that the JCC and the Health Commission need to be kept apprised of the impact of administration budget cuts on the rebuild, patient care, and other things. He would like a report to the JCC at the appropriate time.

Testimony Provided by Laguna Honda Hospital Medical Staff

- Tim Skovrinsky, M.D., summarized the meeting the medical staff had with Dr. Katz and the outstanding medical staff concerns: they want to clarify that the mission is to protect and keep safe people residing at home; policy changes that occur should go through appropriate approval process, including the governing body, which is the LHH JCC; decision-making needs to reside with the Laguna Honda medical staff; and there are continued concerns about renewed attention by regulatory agencies.
- Derek Kerr, M.D., Hospice Unit, said that priority had been given to patients struggling at home. It is not necessary to displace these people to make room for patients residing at SFGH. It is rare that the hospice unit cannot admit a patient from SFGH within a day. There is no need to erect barriers for people who are struggling at home.

- Dr. Brenda Austin, Ph.D., said that the LHH medical staff bylaws clearly state that admissions decisions are the responsibility of the medical staff.
- Maria Rivero, M.D., said that admissions from home should be reinstated as a top priority, not as exceptions but as policy. Many of the home admissions are emergencies, and if they are not taken directly they are going to end up in the emergency room.
- Hosea Thomas, M.D., said that LHH has a long history of adjusting and adding services to meet the needs of San Franciscans, including adult day health, hospice, psychosocial units and substance abuse services. Laguna Honda staff in collaboration with others made these changes. The hospital is now faced with patients with significant behavioral problems and substance abuse problems, and this is creating a strain.
- Benson Naddell, Long Term Care Ombudsman Program, said that of all the DP/SNF facilities in San Francisco, Laguna Honda has the most approachable and accountable staff. Safety of elderly residents needs to be the top concern in admissions. DPH needs to examine whether or not psychiatric dual-diagnosed residents are being mixed in a medical model where nurses aides, RNs and LVN are used without an increase in psychiatric technicians or any other positions that would more adequately respond to the complex patients below 60 that are coming into Laguna Honda.

Commissioners' Comments

- Commissioner Umekubo thanked the medical staff for their input; it is very important that the Joint Conference Committee members understand these issues. He asked how many patients per month have behavioral issues that make them inappropriate for admission to Laguna Honda. Dr. Austin replied that there are very few patients coming from SFGH that they feel they cannot handle. Sometimes the issue is that the patient is not ready to come over right away, and suggestions and interventions for preparing that patient are not implemented at SFGH. Other times, the patient needs more time for the volatile behavior to subside. Commissioner Umekubo asked how differences of opinions are resolved, and who serves as the arbitrator. Dr. Skovrinsky said according to the policy, Dr. Hill is the final decision maker about admissions. But his authority is being usurped, and an outside consultant has overturned his decisions. The current flow committee does not address problem patients. Mr. Funk added that the Dr. Katz has allowed the medical staff authority over admissions, but if they deny admission to someone from SFGH, the medical staff's budget is used to pay for this person's placement.
- Commissioner Illig said he is troubled by the process issues. Physician leaders need to be involved in and oversee admissions. He is also concerned about the inability to accept patients from the community.
- Commissioner Umekubo said that the governing body wants the system to work. He asked the medical staff to draft solutions to the problems, in terms of process and resources, and send them to the Health Commission.
- Commissioner Illig said the DPH Strategic Plan, which is in the process of being updated, would outline the role of Laguna Honda. He understands that safety is an issue. The goal is to have a more fully integrated system. While there are process problems, the structure of service is going to change.

4) **LAGUNA HONDA HOSPITAL REPLACEMENT PROJECT UPDATE**

Michael Lane, Project Director, gave an update on the Laguna Honda Hospital Rebuild Project. A preliminary update shows a project overrun of approximately \$30 million. Mr. Lane described the instability in the steel market, which is unprecedented. Mr. Lane said there have also been increases due to additional design scope and insurance premiums, for a net increase of \$52 million. Existing contingencies of \$22 million bring the net overrun to \$30 million. They are currently proposing \$5 million in additional value engineering. Mr. Lane summarized recommendations on how to proceed.

Commissioners' Comments

- Commissioner Illig asked what happens when the bond money runs out. Mr. Funk said the project would be built on budget and they would not ask for additional funding. The project team will bring to the Commission, Mayor and Board of Supervisors the best possible package for \$400 million. The worst-case scenario would be a reduction in the number of beds, in 60-bed increments. Mr. Lane stressed that this is a very fluid situation. Mr. Funk has absolute confidence in the project team, and urged the need to keep the team intact.

5) **CLINICAL CARE REPORT**

Terry Hill, M.D., Mivic Hirose and Gayling Gee presented the Clinical Leadership Report (Attachment A).

Commissioners' Comments

- Commissioner Illig asked how dental services were provided to patients prior to the recent arrangement with the University of the Pacific (UOP). Dr. Hill replied that one credentialed dentist on contract has been providing care three to four days a week for the past seven to eight years.
- Commissioner Umekubo asked how quality assurance for dental services would be carried out. Dr. Hill said that UOP is very committed to QA, and a schedule will be mapped out over the next two weeks. Mr. Funk added that there is a paucity of research and indicators on oral health, and the collaboration with UOP is an opportunity to provide nationwide leadership in this area.

6) **FINANCE REPORT**

Nancy Arata, LHH CFO, presented the Finance Report (Attachment B).

7) **PUBLIC COMMENT**

8) **CLOSED SESSION**

A) Public Comments on All Matters Pertaining to the Closed Session

None.

B) Vote on Whether to Hold a Closed Session (San Francisco Administrative Code Section 67.11)

Action Taken: The Committee voted to go into closed session.

The Committee went into closed session at 11:15 a.m. Present in closed session were Commissioner Umekubo, Commissioner Illig, Larry Funk, Gayling Gee, Terry Hill, M.D., Mivic Hirose, Tim Skovrinski, M.D., Serge Teplitsky, Adrienne Tong and Michele Olson.

- C) 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 QUALITY IMPROVEMENT
REPORT**

- D) Reconvene in Open Session

The Committee reconvened in open session at 11:44 a.m.

1. Possible Report on Action Taken in Closed Session (Government Code Section 54957.1(a)2 and San Francisco Administrative Code Section 67.12(b)(2).)
2. 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 Committee voted not to disclose discussions held in closed session.

9) ADJOURNMENT

The meeting was adjourned at 11:45 a.m.

Michele M. Olson
Executive Secretary to the Health Commission

Attachments (2)