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### **MINUTES**

### **JOINT CONFERENCE COMMITTEE FOR LAGUNA HONDA HOSPITAL MEETING**

**Thursday, June 27, 2002**  
**10:00 a.m. to 12:00 noon**  
**at**  
**Conference Room B102**  
**375 Laguna Honda Boulevard**  
**San Francisco, CA 94116-1411**

#### **1) CALL TO ORDER**

The Laguna Honda Hospital Joint Conference Committee meeting was called to order by Commissioner Sanchez at 10:10 a.m.

Present:      Commissioner David J. Sanchez, Jr., Chairperson  
                          Commissioner Arthur M. Jackson

Staff:      Nancy Arata, Robert Christmas, Arla Escontrias, Mary Louise Fleming,  
                          Larry Funk, Gayling Gee, Terry Hill, M.D., Mivic Hirose, Paul Isakson,  
                          M.D., Michael Lane, Kaycee Sink, M.D., Serge Tiplitsky, Adrienne Tong.

Guests:      Jim Kautz, Anshen + Allen

#### **2) APPROVAL OF MINUTES OF MAY 23, 2002**

Action Taken: The Committee approved the minutes of the May 23, 2002 Laguna Honda Hospital Joint Conference Committee meeting.

### **3) EXECUTIVE ADMINISTRATOR'S REPORT**

Larry Funk presented the Executive Administrator's Report.

#### Census Report

During May the hospital operated with an average daily census of 1056, which maintained the fiscal year to date census at 1059.3.

Mr. Funk reported that Laguna Honda's contribution to improving patient flow within the delivery system grew stronger in May. For example, the hospital admitted 93 residents in May, including 45 from San Francisco General Hospital. Both of these performance indicators are monthly highs for this fiscal year. The hospital also discharged 18 residents back to the community last month.

Mr. Funk commended the Admission Screening Committee and the Interdisciplinary Care Teams for their vigilance in managing the census and patient flow within the delivery system.

#### Vocational Rehabilitation Program Introduced

Mr. Funk reported that on June 17<sup>th</sup> Vivian Imperiale joined LHH staff as the first Vocational Rehab Program Coordinator. Vivian is an experienced vocational rehab professional with many years of experience working with state programs, and has a strong network of vocational rehab contacts and resources throughout the Bay Area. Vivian will work with William Frazier, Director of Therapeutic Activities, and Dr. Lisa Pascual, Chief of Rehabilitation Services, to develop and implement the Vocational Rehab Program for the residents of Laguna Honda. The program will focus on identifying residents who are candidates for vocational rehabilitation, then providing programs to enhance their job skills.

The Vocational Rehabilitation Program will add yet another dimension to the continuum of rehabilitation services currently provided by Laguna Honda Hospital. This program will support LHH's goal of reintegrating as many residents as possible into the community. LHH will continue to keep the JCC apprised of the progress with this exciting new program.

#### DHS Begins Work on New NF Reimbursement Rate Methodology

Assembly Bill 1075 authored by Kevin Shelley and passed by the State Legislature last year requires the State Department of Health Services to develop and implement a facility specific NF based reimbursement methodology by August 2004. The State DHS has hired a consultant to evaluate the methodologies used by other states which have already transitioned to a facility specific reimbursement rate. The consultant will also conduct site visits of a number of facilities as they produce their recommendations for DHS.

There is speculation that DHS may consider using this transition to dispense with the DP/NF rate, which has been under their scrutiny for years. There is some risk associated with this transition but also opportunity for Laguna Honda, given the case mix of the population served and the cost of providing care in San Francisco. LHH will continue to work with CHA and the State with the objective of advocating for the best possible reimbursement rate for Laguna Honda. LHH will continue to keep the JCC apprised about this issue.

#### Replacement Project News

- FF&E Campaign Development Proposal

Hospital Administration is working in partnership with Michael Lane and the Project Team on several issues that are essential for the project's success. As the Committee members know, the cost of furniture, fixtures and equipment for the new facility cannot be paid by the General Obligation Bond Funds or Tobacco Funds. LHH has a preliminary estimate of between \$25 million and \$30 million, which will be needed for the project furniture, fixtures and equipment beginning in fiscal year 2006. Although it is expected that the Health Department and City to make a significant contribution toward this expense, LHH also recognizes the need and opportunity to seek financial support from corporate and individual philanthropers.

To that end, Tony Wagner and Larry Funk have approached the Laguna Honda Hospital Volunteer's Inc. Board of Directors to discuss their interest in supporting a professional development campaign. Mr. Funk will discuss this issue with the board members again in September and October and hopes to have a decision by that time. The proposed campaign is designed to develop and implement an action plan, which will yield a significant amount of the funds needed to purchase the furniture, fixtures and equipment for the new hospital.

- State L&C Approves Operation of New Facility Without Surgical Suites and PAR

In December Laguna Honda applied to the State Licensing and Certification Division for continuing the practice of having major surgery for its residents performed at San Francisco General Hospital. Under existing State regulations, continuation of this practice will allow Laguna Honda to build a new facility without Surgical Suites and a Post Anesthesia Recovery room, save significant costs on spaces that would not be efficiently used, and maintain its General Acute Care and Distinct Part Nursing Facility License.

On June 18<sup>th</sup>, the State approved LHH's request. In its approval letter (copy attached), the State suggested that the hospital document its method of providing surgical services through the Medical Staff, Administration and Governing Body. This is a reasonable and appropriate recommendation and will create documentation to successfully pass audit by various State agencies prior to occupancy of the new building.

Mr. Funk will process this issue through the Medical Staff and Hospital Administration, then bring this issue to the Joint Conference Committee and full Health Commission as necessary for its approval.

#### Compliment to LHH Care Team

This month a glowing letter of praise was received about the exemplary care given by the G4 Interdisciplinary Care Team. This touching letter told a remarkable story about how a team of LHH professionals not only helped a 71-year-old gentlemen back to health, but at the same time helped him successfully receive U.S. citizenship, which was his life long dream.

This is one of countless stories about how the staff of Laguna Honda enrich and empower the lives of others and achieves their mission each day. LHH is extremely proud of the G4 team and, in fact, the entire staff for the wonderful work they do every day.

#### Commissioners' Comments

- Commissioner Jackson said that this is a very difficult economic time in which to raise private money.

- Commissioner Sanchez asked if consideration has been given to forming a Laguna Honda Hospital Foundation similar to the San Francisco General Hospital Foundation. Mr. Funk said that there has been discussion with the volunteers, who expressed some concern that this would be outside their mission. However the newest member of the volunteer group, former City Attorney Louise Renne, has offered to provide legal advice for the development of a foundation.

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

Michael Lane presented an update on the Laguna Honda Hospital Replacement Project.

##### Budget

In May LHH completed the budget reconciliation process and brought the project back on budget while maintaining all program elements. One way LHH was able to accomplish this was by deferring some of the renovations on the existing buildings. Staff is working with the Mayor's Office to develop plans to proceed with the first General Obligation Bond sale.

##### Schedule

The Planning Commission is holding its hearing on the final EIR certification at its meeting later this afternoon. Legislation will be heard before the Board of Supervisors' Transportation and Commerce Committee on July 11<sup>th</sup> and the full Board of Supervisors on July 15<sup>th</sup>. In addition, the Health Commission will consider a resolution on July 16<sup>th</sup>. Mr. Lane pointed out that there are a number of potential appeals. People have 20 days to appeal the Planning Commission's decision to the Board of Supervisors and 30 days to appeal the Board of Supervisors' decision. Mr. Lane said that a Forest Hills neighborhood group submitted late comments on the EIR, and it is likely this group will file an appeal if the Planning Commission approves the EIR.

Mr. Lane said the utilities project is out to bid, and the roadway project will be put out to bid in August. Laundry negotiations are on hold pending the outcome of the Board of Supervisors' budget decisions.

##### Commissioners' Comments

- Commissioner Jackson asked what the room height would be. Mr. Lane responded that the typical room will be 8 ½ feet high, with some floors being 9 feet.

#### **5) CLINICAL LEADERSHIP REPORT**

Dr. Terry Hill, M.D., Medical Director, and Mary Louise Fleming, R.N., MSN, Director of Nursing, presented the Clinical Leadership Report (Attachment A). Dr. Hill and Ms. Fleming said that the turn out of Laguna Honda Hospital staff and residents at the Board of Supervisors' budget hearing was incredible and the testimony was very moving. Dr. Hill said that a petition signed by 500 residents was submitted to the supervisors. Mr. Funk added that the Department's top priority for budget restoration is the clinical position at Laguna Honda.

Ms. Fleming also updated the Committee on some of the efforts to address the nursing workforce issue. Mivic Hirose has been representing the hospital at the Private Industry Council and Gayling Gee is working with Johnson & Johnson.

## **6) FINANCE REPORT**

Nancy Arata, Chief Financial Officer, presented the Finance Report (Attachment B). Ms. Arata said that the hospital is 47 FTEs under the budgeted number, which is a result of position requisitions not being released by the Mayor's Office. Essentially there is a hiring freeze. Ms. Arata said that there is a financial impact in addition to an impact on care.

### Commissioners' Comments

- Commissioner Sanchez said he is honored to service on the Health Commission because of the pride and commitment of the Laguna Honda Hospital staff and the entire DPH staff.

## **7) PUBLIC COMMENT**

None.

## **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 hold a closed session.

The Committee went into closed session at 11:05 a.m. Closed Session attendees were the same as those present in open session, with the exception of Arla Escontrias, Paul Isakson, M.D., Jim Kautz and Michael Lane.

### 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 11:50 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 any discussions held in closed session.

**9) ADJOURNMENT**

The meeting was adjourned at 11:51 a.m.

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Michele M. Olson  
Executive Secretary to the Health Commission

Attachments (2)