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MINUTES

JOINT CONFERENCE COMMITTEE FOR LAGUNA HONDA HOSPITAL MEETING

Thursday, September 23, 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, Member
Commissioner Edward A. Chow, M.D.

Staff: Cheryl Austin, Robert Christmas, Larry Funk, Mivic Hirose, Valerie Inouye, Paul Isakson, M.D., Tom Lakritz, Michele Olson, Tim Skovrinski, M.D. and Serge Teplitsky.

2) APPROVAL OF MINUTES OF THE REGULAR MEETING OF AUGUST 26, 2004

Action Taken: The Committee continued this item to the October 28, 2004 meeting of the Laguna Honda Hospital Joint Conference Committee.

3) EXECUTIVE ADMINISTRATOR'S REPORT

Larry Funk, LHH Executive Administrator, presented his report.

Census Report

The average daily census for August was 1033, and the average daily census year to date through September 20th was 1029. The census level year to date is slightly under the budgeted census of 1060 so we continue to closely monitor revenue and expenses. The Utilization Management Committee is actively planning to have additional bed capacity online in order to accommodate any surge in census that may occur in the winter months ahead.

Staffing Report

As of September 1st, the Hospital was operating at a 9.9% vacancy rate. The divisions experiencing the highest vacancy rates were Operations (16.2%) and Nursing (9.1%).

Mr. Funk reported that since the first of the month, 28 personnel requisitions were approved and now there are a total of 58 requisitions in the process of being filled. Once these approved requisitions are filled, the vacancy rate will be reduced to approximately 6%. The Hospital will continue to aggressively submit a sufficient number of requisitions to reach budgeted staffing levels while maintaining a house-wide vacancy rate of 5.1%.

Regulatory Report

State Licensing and Certification Survey Visit

On September 14th, a team of five Licensing and Certification State Surveyors arrived at LHH to investigate self-reported cases and complaints. The State Licensing and Certification Office has regulatory requirements to investigate specific types of allegations and complaints in a timely manner. The survey team reviewed the hospital admission and discharge procedures; abuse prevention investigations and reporting procedures; elopement cases; and other issues.

The survey team is scheduled to provide an exit debriefing this afternoon. Mr. Funk will advise the JCC of the results of this State visit.

LHH Prevails in Appeal Process with CMS

At the July meeting, Mr. Funk reported that the hospital had a five-day exposure for lost revenue for new admissions that occurred between July 9th & 15th. This exposure was a result of the final re-survey by State Licensing and Certification occurring after July 8th, the date established by CMS for demonstrating compliance. Mr. Funk also reported at the August meeting that LHH filed an appeal with CMS in an effort to avert imposition of this penalty.

Mr. Funk reported that on September 7th, the hospital received notification from CMS that it was exercising its discretion in determining that the hospital was in substantial compliance effective July 8 and therefore, the previous denial of reimbursement for new admissions during the five days period noted was being rescinded. The CMS further advised the hospital that as a result of their action, the Hospital's appeal was unnecessary and recommended that LHH request the dismissal of the hearing/appeal request, which was done.

The affirmative ruling by CMS ensures Laguna Honda of an uninterrupted revenue stream and reimbursement for all services provided. Mr. Funk appreciates the appropriate administrative action taken by CMS.

Strategic Planning Update

The Laguna Honda Executive Committee will participate in an all day retreat on October 6th that will focus on developing enhanced programs to further improve the care provided to the changing populations served by the hospital. As part of this work, the Executive Committee will review and revise the strategic plan including the vision and mission statements that were presented to the Health Commission last year.

Staff will present a progress report at the October JCC. Mr. Funk plans for a thorough and interactive discussion about the future direction of Laguna Honda at that meeting. With the benefit of the input from the JCC, staff will refine its planning and be prepared to present program proposals to the Commission during its annual meeting at Laguna Honda, which is tentatively scheduled for November 16th. The program proposals, which result from this process, will form the basis of the hospital's FY 05-06 budget request.

Annual Employee Recognition Dinner Dance

Mr. Funk reminded the JCC of the annual Laguna Honda Hospital Employee Recognition Dinner Dance on October 22nd at 6:00 PM, at the Golden Gate Holiday Inn. Invitations will be distributed to Dr. Katz and all Commissioners. This event is the staff social highlight of the year and is truly a festive occasion. Mr. Funk encouraged the entire JCC to attend.

4) REPLACEMENT PROJECT STATUS REPORT

Larry Funk gave the committee a status report on the Laguna Honda Hospital Replacement Project. Supervisor Elsberand is sponsoring legislation that would allow the Replacement Project to conduct negotiations with low bid contractors. Bids are expected in mid- to late-October. After the bids are reviewed, staff will make recommendations to the Health Commission.

Public Comment

- Patrick Monette-Shaw – written summary attached*
- Sister Miriam – the proposal to cut back on the number of beds goes against the will of the voters; and the Board of Supervisors should not have taken the \$25 million.
- Virginia Liescham said the vote for the MHRF and now the facility is changed. She resents this as a property owner and taxpayer. If the number of beds at the new facility is reduced, there will not be enough beds for seniors. It is unacceptable that the Board of Supervisors took \$25 million from the project. It is ridiculous not to have a Director of Nursing.

5) CLINICAL CARE REPORT

Dr. Isakson and Ms. Hirose presented the Clinical Care Report, including positions statement discussed with Dr. Katz and Medication Management Planning (Attachment A).

- Commissioner Illig requested a monthly status report on the six-month trial to investigate the number of out-of-county placements that can return to Laguna Honda. He asked if all DPH out-of-county placements are reviewed. Dr. Isakson replied that the DPH Placement Director is in communication with Napa and other facilities about San Francisco patients.
- Commissioner Chow said it is important to assess whether patients are able to come back Laguna Honda after an out-of-county stay.

- Commissioner Umekubo asked if there are plans for an automated medication administration record. Ms. Hirose replied that the Soarian work group that she sits on is working on automated medication charting.

Public Comment

- Patrick Monette-Shaw – written summary attached*
- Virginia Lieschman said that 90-year-old patients should not be moved.
- Sister Miriam said it is unfair to move patients around to make room for homeless, psychiatric patients.

6) OPERATIONS REPORT

Laundry Services

LHH staff continues to collaborate with Labor and the Mayor's Office to finalize the location of the LHH Laundry Facility. Erin McGrath recently informed the Hospital that 2-3 sites have been identified in the Southeast part of the City.

The Mayor's Office has indicated that purchasing property is the desired option. The immediate concern is the funding source for purchase of the desired location. Ms. McGrath indicated that the City has no General Fund resources due to the forecasted \$150 million deficit for FY 05/06. Ms. McGrath indicated that the Mayor's Office would recommend that LHH RP funds underwrite the cost of purchasing the laundry facility. The cost for purchase is estimated to be between \$5-6 million. There are obviously ramifications of using LHH RP funds to purchase the laundry facility real estate. Mr. Christmas can discuss these if requested.

Mr. Christmas will keep the JCC informed of the progress.

Security

As Mr. Christmas stated in his August 26th JCC report, Clinical leadership and Operations have developed a comprehensive security plan for LHH that addresses physical plant improvements, enhanced visitor identification program and expanded Sheriff's coverage. The challenge is to identify funding sources in this fiscal year as well as next fiscal year.

LHH staff remains committed to enhancing/improving the overall security for LHH residents, staff and visitors.

To this end, effective September 27th, the Hospital will provide shuttle/escort services for all staff within the campus as well as the public transit locations.

Effective September 15th, LHH reallocated resources internally to ensure a minimum of two officers on duty at all times.

Parking

Effective September 1, 2004, LHH implemented an important phase of its paid parking program. Staff has identified approximately 71 spaces that have been designated for paid parking. To date, there are 512 available spaces. Approximately 144 spaces are restricted/previously designated,

therefore cannot be counted as part of the paid parking program. Therefore, the net spaces that can generate revenue are approximately 368. The demand for parking per staff's assessment indicates a need for three times this amount. Staff is currently working on a plan that will allocate parking spaces in a fair and equitable manner.

They are working on an implementation date for the near future.

Pharmacy

The Pharmacy and Therapeutics Committee has unanimously endorsed a program that will enhance the ability to provide medications to residents in a safe, efficient manner. Through the utilization of technology and automation staff will be able to reduce medication errors and capture loss revenue.

The plan:

- a. Pilot/lease the unit dose packaging machine (SafetyPak or similar) ASAP (during FY 04/05).
- b. Plan for purchase of appropriate medication carts that will accommodate unit dose packaging to coincide with packaging machine lease.
- c. Pilot/trial the Omnicell medication/supply cabinets (SNF mode) on two units during FY 05/06. Conduct a Return on Investment (RO) analysis for the units selected.
- d. Pilot/trial the Ominicell medication cabinets (OmniRx-Acute model) on two units during FY 05/06
- e. Continue to develop CPOE for LTC use at LHH.
- f. Implement medication/supply units in the existing facility as possible and then fully in the new building.

Commissioners' Comments

- Commissioner Illig asked if parking revenues are included in the budget beginning September 1, and if so, is LHH losing money. Ms. Inouye said that only a very small portion of the revenue that was budgeted is not being collected.

Public Comment

- Patrick Monette-Shaw – written summary attached*

7) **PUBLIC COMMENT****

- Patrick Monette-Shaw – written summary attached*

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 10:19 a.m. Present in closed session were Commissioner Chow, Commissioner Illig, Commissioner Umekubo, Cheryl Austin, Health Information Services, Robert Christmas, Chief Operating Officer, Larry Funk, Executive Administrator, Mivic Hirose, Co-director of Nursing, Paul Isakson, M.D., Medical Director, Tom Lakritz, Deputy City Attorney, Serge Teplitsky, Director of Quality Management and Michele Olson, Health Commission Executive Secretary.

- C) Closed Session Pursuant to Evidence Code Sections 1156, 1156.1, 1157, 1157.5, and 1157.6, Health and Safety Code Section 1461; and California Constitution, Article I, Section 1

FOR DISCUSSION: **CONSIDERATION OF QUALITY
IMPROVEMENT REPORT**

(Paul Isakson, M.D., Medical Director and Serge Teplitsky, R.N., Director, Quality Assurance Management)

- D) Reconvene in Open Session

The Committee reconvened in open session at 11:30 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 to disclose two items from the Closed Session. First, that the Committee requested a summary of the report submitted by Liz Gray, Director of Placement for DPH, to the courts. The Committee also voted to disclose the data on new patient admissions. The Committee voted not to disclose the remainder of the discussion.

9) **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 11:30 a.m. Present in closed session were Commissioner Chow, Commissioner Illig, Commissioner Umekubo, Cheryl Austin, Health Information Services, Robert Christmas, Chief Operating Officer,

Larry Funk, Executive Administrator, Mivic Hirose, Co-director of Nursing, Tom Lakritz, Deputy City Attorney, Serge Teplitsky, Director of Quality Management and Michele Olson, Health Commission Executive Secretary.

- C) Closed Session Pursuant to Government Code Section 54956.9 and San Francisco Administrative Code Section 67.10(d)

**CONFERENCE WITH LEGAL COUNSEL REGARDING
LITIGATION MATTERS – MICHAEL LYON V. MITCH KATZ,
DEPARTMENT OF PUBLIC HEALTH, ET AL, CPF-04-504376**

- D) Reconvene in Open Session

- 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.

10) ADJOURNMENT

The meeting was adjourned at 11:40 a.m.

Michele M. Olson
Executive Secretary to the Health Commission

Attachments: (1)

***Any written summaries of 150 words or less that are provided by persons who spoke at public comment are attached. The written summaries are prepared by members of the public, the opinions and representations are those of the author, and the City does not represent or warrant the correctness of any factual representations and is not responsible for the content.**

****Minutes are approved at the next meeting of the Laguna Honda Hospital Joint Conference Committee.**

Written Summaries of Public Testimony Submitted by Members of the Public

From Patrick Monette-Shaw for Agenda Item 4 – Native Americans have an honorable tradition communicating using smoke signals. Smoke signals waft from the Health Commission regarding downsizing of the LHH replacement facility and changing LHH from a geriatric long-term care facility for frail elderly. Smoke signals in the 5/27/04 LHH-JCC minutes state the new facility will open with “300 fully secured” — locked — units (beds). Smoke signals in the Health Commission’s 6/1/04 minutes indicate 240 beds may be eliminated from the new hospital. The biggest smoke signal is the MHRF Blue Ribbon Committee’s 10/22/03 minutes, which state LHH is “being oriented to care for people with mental health issues,” the new “LHH will offer ... the same kind of services as offered at the MHRF,” and current neuro-behavioral psychosocial unit residents need “more psychiatric care than originally thought.” Stop using smoke signals; be honest about how many beds and what kind of patients will be in the new facility.

From Patrick Monette-Shaw for Agenda Item 5 – Dr. Isakson just discussed the “compromise” deal regarding the change in admissions policy to LHH that is still trying to be negotiated between LHH’s medical staff, who have autonomy under State legal opinions, and Dr. Katz, Director of Public Health. Isakson noted that the minutes of the August 26, 2004 LHH-JCC meeting included three handouts regarding the admissions policy that Dr. Isakson had presented to the LHH on August 26. From my reading of the proposed so-called “compromise,” this still places persons who are not already in a medical facility at a lower priority than those who are already patients in SFGH. This still leaves frail elderly in the community at an unfair disadvantage for admissions to LHH, and leaves it to the discretion of admitting physicians as to who has a higher priority. As you know, the Michael Lyon lawsuit alleges this practice is illegal and should be stopped.

From Patrick Monette-Shaw for Agenda Item 6 – The law firm that represented Louise Renne and others noted in a letter to the plaintiffs announcing a tentative settlement, eventually approved, that the City had “diverted” \$25 million of tobacco settle money for the LHH rebuild to balance the City’s FY 03-04 budget. The lawyer also noted that Proposition A made no provision for using tobacco settlement money to purchase furniture, fixture and equipment (FFE). When Renne sued to recover the \$25 million, she knew the first diversion was unethical, illegal, and improper, but settled the case, further diverting the money to FFE. It remains improper and illegal. My hope is that a citizen taxpayer will successfully sue to put that money back where it belongs: Into building a facility that holds beds, since that \$25 million could prevent cutting at least 180 beds from the replacement hospital that are being planned to be eliminated from the new buildings.

From Patrick Monette-Shaw for Agenda Item 7 – The law firm that represented Louise Renne and others noted in a letter to the plaintiffs announcing a tentative settlement, eventually approved, that the City had “diverted” \$25 million of tobacco settle money for the LHH rebuild to balance the City’s FY 03-04 budget. The lawyer also noted that Proposition A made no provision for using tobacco settlement money to purchase furniture, fixture and equipment (FFE). When Renne sued to recover the \$25 million, she knew the first diversion was unethical, illegal, and improper, but settled the case, further diverting the money to FFE. It remains improper and illegal. My hope is that a citizen taxpayer will successfully sue to put that money back where it belongs: Into building a facility that holds beds, since that \$25 million could prevent cutting at least 180 beds from the replacement hospital that are being planned to be eliminated from the new buildings.

