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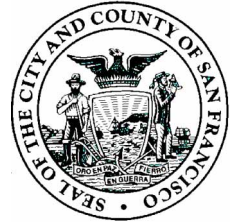
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MINUTES

JOINT CONFERENCE COMMITTEE FOR LAGUNA HONDA HOSPITAL MEETING

Thursday, October 23, 2003

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

The meeting was called to order by Commissioner Sanchez at 9:10 a.m.

Present: Commissioner David J. Sanchez, Jr., Chairperson
Commissioner John I. Umekubo, M.D. – arrived at 9:50 a.m.

Staff: Larry Funk, Robert Christmas, Terry Hill, M.D., Paul Isakson, M.D.,
Mivic Hirose, Mary Louise Fleming, Nancy Arata, Michael Lane, Arla
Escontrias, Gayling Gee, Martin Jimenez, M.D., (UCSF Clinical Fellow).

2) APPROVAL OF MINUTES OF THE REGULAR MEETING OF SEPTEMBER 18, 2003

Mr. Funk corrected information that was given at the last meeting and noted in the minutes. With regard to the discussion noted on Page 3 about whether the new Siemens' project would help with documentation of ADHC activities, Mr. Funk clarified that the Siemens' product does not include any enhancements to the ADHC. This will be in a future scope of work.

Action Taken: The Committee approved the minutes of the September 18, 2003
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.

Mr. Funk also reported that there is a new lead investigator in the Department of Justice's LHH case. This is the third case leader. Mr. Funk expects to hear from the individual, who is based in Washington, D.C., when he gets settled.

Kickoff of Siemens Soarian Project

The Department successfully kicked off the Siemens Soarian I.T. Project on October 8th with a special presentation and introductions of the consulting team at Carr Auditorium on the SFGH Campus. Later that afternoon, LHH hosted a demonstration of Siemens system at Laguna Honda for DPH staff. The organizational structure to manage this challenging project has been implemented and the Steering, Clinical, Pharmacy, Finance and Technical Committees have all started their regular meetings.

Mr. Funk will be joining a team of DPH representatives who will travel to the Siemens Headquarters in Malvern, Pennsylvania November 5th through 7th. The purpose of this visit is to share the visions and learn more about the Siemens capabilities and services in order to better support the Soarian project. In addition, Mr. Funk will initiate exploratory discussions with Siemens regarding other integrated technology application opportunities at Laguna Honda as a result of the replacement project. These opportunities include the possibility of integrating communications, security, plant technology and life safety systems, and educational/entertainment systems.

The Project Team is developing an I.T. performance a specification for the new facility, which LHH will use as the basis of discussion with a number of I.T. service providers. Mr. Funk will keep the JCC apprised of the progress on this issue.

Replacement Project Highlights

Michael Lane will present a comprehensive progress report on the project at today's meeting. Mr. Funk highlighted three items for the JCC members.

First, the official project ground breaking will be celebrated on November 5th at 11:00 a.m. with Mayor Brown and other City dignitaries participating. The Mayor's Office of Protocol is coordinating the event with the capable support of Arla Escontrias. It is hoped that all JCC members will be able to join LHH staff for this historic event.

Secondly, the Project Team has advised LHH that OSHPD will impose more restrictive design criteria for any secured (locked) resident units. This would result in the addition of fire rated corridor walls in the "great room" activity-dining area of a typical resident floor plan, the elimination of carpeting and other design factors related to enhancing the fire and life safety features of these units. Mr. Funk has initiated discussions with the Laguna Honda Clinical Leadership and will confer with DPH leadership prior to providing the design team direction on the number of locked units that may be appropriate in the new facility.

Third, Mr. Funk identified space near the lobby of the main building to develop a Laguna Honda History Room or museum. In light of Laguna Honda's storied 137-year history, it is believed that it is part of the administrative stewardship responsibility to preserve and honor the past by creating a

History Room. Mr. Funk will seek guidance from City experts in the field as LHH develops the History Room.

Laguna Honda Foundation Update

Mr. Funk reported that the Articles of Incorporation for the Laguna Honda Foundation were prepared on a pro bono basis by the Cooley Godward Law Firm and were filed with the Secretary of State the week of October 6th. The Foundation was formally established on October 8th. LHH is in the process of completing and filing applications for tax-exempt status with the State and Federal Governments. It is expected that it will take six months to receive these approvals.

Martin Paley and his consulting team continue to make progress on other developmental activities for the Foundation. The consultants have developed a prospectus (case statement) for the \$40 million furniture, fixtures and equipment campaign and are initiating a feasibility study through interviews with up to 100 civic leaders. The information gleaned from these interviews will form the basis of the business plan. Mr. Paley and Ms. Renne continue to discuss potential board members for the new Foundation. Mr. Funk will keep the Commission apprised of the progress of the new Foundation.

LHH Strategic Planning Session

The upcoming ground breaking ceremony brings the new Replacement Facility into focus as a reality just a few years away. With the new facility, the long-standing environment of care concerns will be largely resolved and a whole host of new challenges and opportunities will be presented. Among those are the expansion of rehabilitation services, the opportunity for an FQHC Outpatient Clinic integrated within primary care, the most appropriate use of the 140 new units of assisted living integrated within Housing and Urban Health, the opportunity for dialysis services at LHH, and the integration of all the service lines within the community.

In order to further advance and refine the strategic plan, the LHH Executive Committee is hosting a half-day retreat on October 28th. The retreat will focus on the vision, mission, and the integration of programs of the new Laguna Honda within the Health Department and community. Gene O'Connell, Dr. Bob Cabaj, Barbara Garcia, Anne Kronenberg or their representatives have been invited to participate in this planning process. Mr. Funk will advise the JCC of the outcome of this planning session.

Utilization Management Committee Evaluating Operating Efficiencies

Over the last year, the Utilization Management Committee has evaluated bed utilization patterns and has made a number of program enhancements to improve patient flow and quality of care. More recently, these evaluations have considered staffing levels that are below budgeted targets due to the economic climate and the difficulty in obtaining approval for new personnel requisitions. The Utilization Management Committee is evaluating additional program enhancements that you will hear about today in the Clinical Leadership report. Mr. Funk will confer with Dr. Katz on these proposals to determine the course of action.

CHA Prevails in DP/NF Rate Lawsuit Appeal

LHH has overcome another hurdle in the ongoing litigation against DHS over the methodology used for setting MediCal DP/NF rates. The Department and Laguna Honda are a major sponsor of this CHA lawsuit that claims that the methodology used by the State in 1996 was unlawful.

The State appealed the Trial Court's ruling in CHA's favor. The Appellate Court affirmed the Lower Court's ruling. The ruling requires DHS to establish a different methodology for the 1996

rate year. This case will be remanded to the Trial Court to oversee DHS's compliance with the order. As a result of this lawsuit, LHH can expect to receive additional reimbursement for 1996 probably later this summer. Consultants for CHA are calculating the probable revenue for each facility that will be forthcoming as a result of this victorious lawsuit.

As a result of the legal victories over DHS for 1995 and 1996, LHH is evaluating the cost/benefit of advancing a suit for two additional years. Mr. Funk will advise the JCC of the results of the evaluation.

Annual Employee Recognition Dinner

Mr. Funk announced that the Laguna Honda Hospital Annual Employee Recognition Dinner will be Friday, November 12th, from 5:30 p.m. to 12 midnight at the Holiday Inn Golden Gateway on 1500 Van Ness Avenue. This event is one of the social highlights of the year and pays tribute to Hospital employees who reach certain milestones in their years of service. Mr. Funk has invited all members of the JCC to attend this gala event.

Robert Christmas, Chief Operating Officer, presented the following report.

Census Report

The Hospital's average daily census for September remained stable at 1051. The average daily census for the fiscal year to date through September was 1048. The census, as of October 15th has dropped to 1033 with the addition of seven bed holds, totaling 1040. The Admissions Screening Committee continues to meet most of the discharge and transfer needs of SFGH in a timely manner. Representatives from SFGH and LHH will be attending a meeting with the intent of enhancing the current Admission/Discharge process. SFGH and LHH will realize participation from the staff of Medical Services, Nursing, Social Service, Admissions and Eligibility as well as Administration. The Department will keep the Commission informed regarding progress.

Staffing Report

On October 1, 2003, the hospital-wide staff vacancy was 9.29%. Hospital divisions experiencing the highest vacancy rates are:

Operations	12.78%
MIS	11.11%
Nursing	9.24%
Finance	5.26%
Medical Staff	4.21%

LHH is pleased to report that the following requisitions have been approved by the Mayor's Office:

<u>Class</u>	<u>Title</u>	<u>Dept. Req.</u>	<u>DHR Req.</u>	<u>Approval Date</u>
1. 2548	Occupational Therapist	P5030963	1071062	9/04/03
2. 2556	Physical Therapist	P5030964	1071063	9/08/03
3. 2920	Medical Social Worker	P5031038	1071730	9/12/03
4. 2324	Nursing Supervisor	P5030967	1071152	9/12/03
5. 2587	Health Worker III	P5020108	1066022	9/12/03
6. 2587	Health Worker III	DP5020114	1066257	9/12/03
7. 2588	Health Worker IV	P5031063	1071947	9/12/03
8. 1053	IS Business Analyst - Sr.	P5020859	1069700	9/18/03

LHH continues to monitor overtime usage in all departments.

Laundry Services

LHH will continue to outsource laundry services to Metro Park Sodexo. The main issues/challenges are:

Linen distribution/exchange, and establishing accurate “PAR” levels for linen on each unit. The acquisition of the Oyster Point Facility continues, slowly but surely.

LHH will keep the Commission informed regarding its progress.

S.F. Sheriff Department (SFSD) - Institutional Police (IP) Transition

The transition of DPH-IP to the SFSD has been completed. Cheryl Austin, Capt. Waters, SFSD, Lt. Williams, SFSD and Mr. Christmas met recently to discuss various issues/concerns. Paramount was the need to provide a comprehensive in-service for all new SFSD to the unique “culture” at LHH.

Sgt. Overall, Lt. Williams and Mr. Christmas are developing a curriculum, in concert with the DET Department that will be used for all SFSD staff that works at LHH.

It is Mr. Christmas’s understanding that similar programs are in place, or will be in place both at SFGH and PHP. The in-service will include:

- Resident Rights and Abuse Prevention video
- Video and discussion on dementia and other conditions that affect residents cognitive ability.
- Interaction with Psychosocial IDT meetings. The purpose is to understand the roles that IDT and SFSD play in helping address resident behavior and/or social issues.
- Overview of law enforcement protocol and how to best implement them, appropriate to the given situation.

Sexual Harassment/In-service Training

LHH has scheduled Sexual Harassment In-service Training, via the DPH-EEO Office, for all General Service’s staff, with emphasis on Supervisory/Management. The schedule is:

- | | |
|------------------|--|
| October 15 | General Kickoff (approximately 80 attendees)
This session is an overview of the training sessions by Norm Nickens, Deputy Director EEO. |
| October 20 | Specific training for General Service Supervisors/Managers, as well as other staff at LHH. |
| November 4,5,6,7 | Specific training for General Service’s line staff. (This training will be available in language specific format.) |

Mr. Christmas will participate in as many levels of this training as appropriate. It is the intention to provide this training to as many departments as is feasible, i.e., Nutrition Services, Plant Services, SFSD etc.

Mr. Christmas thanked the DPH-EEO Department, specifically Norm Nickens and his staff, for their flexibility in scheduling staff towards making this important project a success.

Commissioners' Comments

- Commissioner Sanchez asked if the Laguna Honda Foundation Board would include ex officio slots for the Laguna Honda Hospital CEO, a Health Commissioner and other staff. Mr. Funk said this subject was discussed and debated, and it was decided there would only be one ex officio slot for the LHH CEO. This does not preclude a Health Commissioner from being appointed to the Board. With regard to the sexual harassment/in-service training, Commissioner Sanchez said the Health Commission takes sexual harassment very seriously and there must be training for all levels of employees, from senior management on down.

4) STATUS REPORT ON LAGUNA HONDA HOSPITAL REBUILD PROJECT

Michael Lane, Project Manager, LHH Replacement Project, presented a project update.

General Contractor Selection – negotiating with Turner Construction; hoping to reach agreement next month.

Laundry – the design of the renovated facility is complete and is on budget. Progress on the lease agreement with U.C. has been slow. Staff is anticipating lease sign off in mid-November, which is a month behind schedule. The project team recently learned that the site, located in South San Francisco, is no longer zoned for laundry—the zoning was changed in 1999. U.C. never informed San Francisco of the change. The City Attorney has said that, because the site is owned by U.C., the City has intergovernmental immunity. Project staff is working with South San Francisco.

Other Issues

- Additional testing identified lead at the location being used for the dumpsite. Staff will secure the area and continue working with CalEPA to mitigate the area.
- The building design might change to create secured units. Mr. Funk added that the team met with LHH clinical staff, Barbara Garcia, Bob Cabaj and others to plan and discuss DPH's future needs that might necessitate secured units in the new building.
- The groundbreaking ceremony is November 5, 2003 at 11:00 a.m.

Commissioners' Comments

- Commissioner Sanchez said that U.C. was aware of the rezoning, and asked where the decision is at in the U.C. process. Mr. Funk said they are working with Irene Agnos. Mr. Lane added that the issue likely was never on U.C.'s radar screen because U.C. is exempt from local zoning requirements.

5) CLINICAL CARE REPORT

Dr. Terry Hill, M.D., Medical Director and Mary Louise Fleming, R.N., MSN, Director of Nursing presented the Clinical Care Report (Attachment A). Dr. Isakson presented the LHH Medical Staff appointments (Also Attachment A).

Dr. Hill presented additional information about the changes in resource allocation to improve the census. The overriding priorities are: keep the census high; have residents in the right program; and maximize efficiency in admissions from SFGH. Some factors that have led to an improved census are:

- Drop off in market demand
- Dramatic rise in discharges to the community
- Increase in the death rate

By having LHH beds open to SFGH, which is a department priority, they have had trouble keeping the census up. Female chronic beds are empty even though men are awaiting admission. They are trying to make programming more flexible and having more co-ed units.

Commissioners' Comments

- Commissioner Sanchez said the meeting with CMS allows the hospital to highlight its unique services, break old perceptions and make new allies. With regard to the new nursing facility quality measures, Commissioner Sanchez asked if hearings would be held before the proposed protocols take affect. Dr. Hill said comments were taken through the National Quality Forum (NQF), and once they are out by CMS, there will be no further hearings or comment. Ms. Fleming added that this process has been an interesting mix of ethics, science, politics and money. The measures were developed by NQF, and entities must pay to be a voting member of NQF. This is a new approach, and LHH must think about how to best have a clinical voice through a paying group. Ms. Fleming noted that staffing issues have been placed on the back burner. Mr. Funk said that until everyone is at the table, there would never be consensus around appropriate quality measures. He is trying to get Laguna Honda at the table, as this will be a major effort over the next few years.
- Commissioner Umekubo found it interesting that acute hospitals are included given that they have different quality measures. He asked if the data collection would be labor intensive. Dr. Hill replied that all measures are derived from the MDS, so there would not be additions to the MDS process. Ms. Fleming added that staff has been involved in several months of training to be able to complete the MDS quite differently. This is a major time commitment. Staff is hoping the Soarian product will help. With regard to the census, Commissioner Umekubo said that the Commission is concerned with the cultural change at Laguna Honda.

6) FINANCE REPORT

Nancy Arata, Chief Financial Officer, gave an Accounts Receivable Report (Attachment B) where she reviewed the following tables:

- Admissions, Discharges and Patient Days June 30, 2003
- Laguna Honda Hospital Accounts Receivable Aging Report, Comparisons June 30, 2003 and June 30, 2002
- Laguna Honda Hospital Physician Accounts Receivable Aging Report, Comparisons June 30, 2003 and June 30, 2002

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 go into closed session.

The Committee went into closed session at 10:35 a.m. Present in closed session Commissioner Umekubo, Commissioner Sanchez, Dr. Terry Hill, Dr. Paul Isakson, Larry Funk, Robert Christmas, Mivic Hirose, Mary Louise Fleming 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
(Quality Improvement Staff)

D) Reconvene in Open Session

The Committee reconvened in open session at 10:55 p.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**

Prior to the adjournment, it was announced that the November meeting of the Laguna Honda Hospital Joint Conference Committee has been rescheduled from November 27 to November 20. The December meeting of the Laguna Honda Hospital Joint Conference Committee will be canceled.

The meeting was adjourned at 11:00 a.m.

Michele M. Olson
Executive Secretary to the Health Commission

Attachments (2)