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Commissioner

**James M. Illig**  
Commissioner

**David J. Sánchez, Jr., Ph.D.**  
Commissioner

**John I. Umekubo, M.D.**  
Commissioner

## HEALTH COMMISSION

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**Department of Public Health**



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## MINUTES

### JOINT CONFERENCE COMMITTEE FOR LAGUNA HONDA HOSPITAL MEETING

**Thursday, December 23, 2004**  
**9:00 a.m. to 11:00 a.m.**

at

**Conference Room A-300**  
**375 Laguna Honda Boulevard**  
**San Francisco, CA 94116-1411**

#### 1) CALL TO ORDER

Commissioner Chow called the meeting to order at 9:00 a.m.

Present: Commissioner Edward A. Chow, M.D., Acting Chairperson  
Commissioner James M. Illig, Member

Absent: Commissioner John I. Umekubo, M.D.

Staff: Cheryl Austin, Robert Christmas, Gayling Gee, Mivic Hirose, Valerie Inouye, Paul Isakson, M.D., John Kanaley, Michele Olson, Tim Skovrinski, M.D., Serge Teplitsky and Adrienne Tong.

#### 2) APPROVAL OF MINUTES OF THE REGULAR MEETING OF OCTOBER 28, 2004

Action Taken: The Committee approved the minutes of the October 28, 2004 meeting of the Laguna Honda Hospital Joint Conference Committee.

### 3) EXECUTIVE ADMINISTRATOR'S REPORT

John Kanaley, LHH Executive Administrator, presented his report.

#### Executive Administrator's Opening Remarks

"Today marks the conclusion of my eighth week in the position of Executive Administrator at Laguna Honda Hospital (LHH). I am happy to report that I thoroughly enjoy working with the LHH staff, all of whom serve the residents with great dedication. My short tenure here has not been without its controversy; there are staff and community concerns that clearly need to be addressed in the immediate future."

"The main concerns appear to be related to three categories: 1) the patient population served by LHH now and in the future; 2) the safety of patients and staff; and 3) the LHH rebuild. I have had numerous meetings with staff, medical staff and community members to identify their issues and am working collaboratively with the Executive Staff to find answers and programs that will address their concerns. It is my intent to develop an 18-month strategic plan from a series of Executive Staff retreats, and with the guidance of the JCC, that will both address the three areas of concern and set the direction for LHH into the future."

#### Executive Staff Retreats

The Executive Staff recently participated in two productive all-day, off-site retreats, on November 23 and December 9. The purpose of these retreats was to agree on LHH's mission, vision and goals for the future. In advance of these meetings, Mr. Kanaley met with each of the Commissioners and with Dr. Katz to discuss their ideas about LHH's mission, vision and goals, which helped inform the process at the retreats.

The Executive Staff agreed on the following mission, vision and goals (to be finalized):

| <i>Mission</i>   | <i>Vision</i>   | <i>Goals (to be finalized)</i>   |
|--|---|--|
| As part of the Department of Public Health safety net, the mission of Laguna Honda Hospital is to provide high-quality, culturally competent rehabilitation and skilled nursing services to the diverse population of San Francisco. | Laguna Honda Hospital will be a center of excellence in providing a continuum of care that integrates residents in the least restrictive setting, thereby supporting their highest level of independence. | Goal 1) Clinical Programs<br>Goal 2) Safety/Security<br>Goal 3) Finance<br>Goal 4) Information Systems<br>Goal 5) Human Resources<br>Goal 6) LHH Replacement Project<br>Goal 7) Community Relations and Leadership<br>Goal 8) Performance Improvement, Licensing & Regulatory Preparedness |

At the second retreat the group spent a significant amount of time discussing clinical programs to address change in patient population, security programs and the current budget issues faced by DPH and the impact they will have on LHH. Discussion focused on possible solutions for both increases to support the programs and revenue enhancements/cost reductions to help meet the budget targets. The Executive Staff is planning a final all-day off-site retreat for January (date TBD), at which time the group will work on completing the 18-month strategic plan. Once the plan is complete and approved by the JCC, Health Commission and Director of Health, Mr. Kanaley intends to present the plan to staff, medical staff, residents and the community.

#### Financial Report

The FY 2004-05 first quarter financial report was presented to the Health Commission on November 9, 2004 and there have been no significant developments since this time. As has been

reported to the Health Commission, the Mayor recently issued an overview of the City's financial position and instructions for the FY 2005-06 budget. The City's budget issues are of significant concern at LHH, and though specific targets for reduction have not been clarified, LHH leadership is working to find ways to increase revenue and reduce costs. At the same time, LHH is also considering initiatives, specifically around behavioral health care for residents and safety/security. Though these programs may increase costs in the short run they are important improvements to explore for the hospital. In the long run these types of initiatives may actually reduce costs, and the Mayor has invited City departments to propose ideas that will have a long term cost reduction impact even if they require a short-term investment.

#### Staffing Report

The LHH hospital staff vacancy rate is 5.42 percent as of December 1, 2004. This is decrease from 7.64 percent in October and 9.9 percent in September. However, the last position for which LHH gained approval was on November 2, 2004. It appears that the Mayor's office is currently holding requisitions in light of the current budget shortfall and the failure of the revenue-related ballot propositions.

#### Targeted Case Management

Representatives from TCM and LHH leadership representatives (including nursing, medical, social services, quality management, and IS) have been meeting regularly to fully operationalize TCM services at LHH. The last meeting was held on December 7 and covered a number of topics including the TCM documentation process, the referral system into the TCM program, workspace for TCM staff, educational meetings, coding issues and more. Although staff from both LHH and TCM are experiencing complications coordinating this new program, they are both working to see residents reach their highest level of independence.

#### Holiday Party

The LHH Volunteer's Holiday Show celebrated its 46 consecutive year of performance on December 10, 2004 in the Gerald Simon Theater. The Gerald Simon Theater was packed with LHH residents, staff and volunteers. This show always succeeds in bringing the joy of the holiday season to hundreds of long-term care residents who live at LHH and are cared for by staff and volunteers. This year's show was hosted by Terry Lowry and Fred LaCosse, and featured outstanding talent from some of the Bay Area's most talented and celebrated entertainers, including Bud E. Luv and the Luv Orchestra; juggler Frank Olivier of Sugar Babies fame, magician Patrick Martin, and many more.

Thanks to the cooperation of four of Comcast Cable's local systems, the show will be televised in San Francisco, and other Bay Area locations. San Francisco times are listed below:

##### Comcast Channel 11

- Monday (12/20): 7pm
- Tuesday (12/21): 8pm
- Wednesday (12/22): 6:30pm
- Saturday (12/25): 8:30pm
- Sunday (12/26): 6:30pm

Dr. Isakson gave an update on the admissions policy. The policy was presented to the medical staff, and everyone has approved it, so as of this past Tuesday, it is in effect and posted on the website.

## Commissioners' Comments

- Commissioner Illig is pleased to see that Mr. Kanaley is working collaboratively on the concerns that have been raised. He is glad that the vision statement includes a least restrictive environment and highest level of independence, and also that part of the mission statement is to serve San Francisco's diverse populations.
- Commissioner Chow is pleased to see "center of excellence" as part of the vision. He asked if the mission and vision reflects consensus among hospital staff. Mr. Kanaley replied that both are fully endorsed by the executive staff.
- Commissioner Illig asked if Liz Gray could present an update on TCM at a future LHH JCC meeting. He also noted that budget deliberations are rapidly approaching, and Laguna Honda must make its budget needs known.

### Public Comment

- Patrick Monette-Shaw – written summary attached\*

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

Mr. Kanaley presented an update on the Laguna Honda Hospital Replacement Project. The project team is still waiting for final bids to come in on the first phase. Initial bid prices were too high, so they reopened the bid process and solicited additional contractors. They are expecting these bids back in the middle of January.

### Commissioners' Comments

- Commissioner Chow asked if the project is still on schedule. Mr. Kanaley replied that the project is probably a couple of months behind schedule, but nothing significant. Work continues on the project.

#### 5) **OPERATIONS REPORT**

Robert Christmas, LHH Chief Operating Officer, presented the Operations Report.

### Medication Management

As part of LHH's ongoing efforts to provide a safe environment for the dispensing/administration of medications, staff has requested an automated unit dose-packaging machine to be located in the pharmacy. This unit dose-packaging machine will interface with the pharmacy computer system to perform automated filling and refilling functions. All drugs will be bar-coded, thereby allowing the hospital to maximize reimbursement while minimizing waste.

Staff additionally requested five automated supply and medication dispensing cabinets, which will be located on our patient care units. The units, which will house the dispensing cabinets, will be reflective of high volume users, both SNF and Acute. The automated dispensing machines will store medications and supplies. This system will allow nurses to dispense medications and supplies from a patient specific profile. A "value added" feature will be the ability to automate billing functions that currently are being performed manually.

Both of the aforementioned requests, once implemented, will substantially reduce medication errors and enhance revenue.

### Parking

Staff continues processing the implementation of the paid parking program at Laguna Honda Hospital.

Accomplishments to date:

- Assessment of parking demand;
- Implementation of parking permit program;
- Implementation of Phase I paid parking as off September '04 to Senior Managers, Medical Staff;
- Develop/implement lottery for remaining staff;
- Implement full paid parking program January 1, 2005

### Commissioners' Comments

- Commissioner Illig encouraged staff to share budget proposals with members of the LHH JC so that they can help advocate. The automated unit-dose packaging machine is a priority for DPH. It is very important to quantify how much this will improve staff efficiency. With regard to paid parking, Commissioner Illig understands that this is a difficult change for employees. However they must understand that most people who work in San Francisco do not have parking, and if they do they must pay for it. He encouraged continued availability of shuttle service to make it easier for employees to use public transportation.
- Commissioner Chow said that under funding of capital equipment has been a chronic problem. It is how the City balances the budget. It is appalling that large, complex facilities such as Laguna Honda and San Francisco General Hospital get such little money for capital equipment and maintenance. Commissioner Chow asked what provisions are being made for visitor parking. Mr. Christmas replied that there are concerns about having adequate visitor parking, and his staff is developing a plan for this. Commissioner Chow asked for an update on this plan in the next few months.

### Public Comment

- Patrick Monette-Shaw – written summary attached\*

## 6) **CLINICAL CARE REPORT**

Paul Isakson, M.D., Medical Director; Tim Skovrinski, M.D., Assistant Medical Director; Gayling Gee, R.N. and Mivic Hirose, R.N., Co-directors of Nursing, presented the Clinical Care Report (Attachment A).

### Commissioners' Comments

- Commissioner Illig noted that Commissioner Roma Guy is going to be on the advisory board for the California HealthCare Foundation grant. He is committed to connecting this group to people in the field.

- Commissioner Chow noted that Self Help for the Elderly and Chinese Hospital have been able to reduce the number of patients they send to Laguna Honda by emphasizing placement in independent living arrangements or being able to send the patients home.

Public Comment

- Patrick Monette-Shaw – written summary attached\*

7) **PUBLIC COMMENT**

- Patrick Monette-Shaw – Mr. Kanaley told neighbors at a December meeting that the mission of Laguna Honda Hospital was not going to change. He is using spin control by saying the hospital will serve more diverse communities.

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. Present in closed session were Commissioner Chow, Commissioner Illig, Cheryl Austin, Health Information Services, Robert Christmas, Chief Operating Officer, John Kanaley, Executive Administrator, Gayling Gee, Co-director of Nursing, Mivic Hirose, Co-director of Nursing, Valerie Inouye, Deputy CFO, Paul Isakson, M.D., Medical Director, Tim Skovrinski, M.D., Assistant Medical Director, Adrienne Tong, 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**  
(Quality Improvement Staff)

D) Reconvene in Open Session

The Committee reconvened in open session at 11:35 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 Item)

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

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 10:36 a.m. Present in closed session were Commissioner Chow, Commissioner Illig, Cheryl Austin, Health Information Services, Robert Christmas, Chief Operating Officer, John Kanaley, Executive Administrator, Gayling Gee, Co-director of Nursing, Larry Hecimovich, Deputy City Attorney, Mivic Hirose, Co-director of Nursing, Valerie Inouye, Deputy CFO, Paul Isakson, M.D., Medical Director, Tim Skovrinski, M.D., Assistant Medical Director, Adrienne Tong, 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, ENCISCO v. CCSF, ET AL, SAN  
FRANCISCO SUPERIOR COURT, No. 433-927**

- D) Reconvene in Open Session

The Committee reconvened in open session at 11:04 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.

**10) ADJOURNMENT**

The meeting was adjourned at 11:35 a.m.

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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 150 Words or Less That Have Been Submitted by the Members of the Public

Patrick Monette-Shaw, Agenda Item 3, Executive Administrator's Report (150 words):

On December 16, John Kanaley, LHH's Executive Administrator, addressed neighborhood associations during a Town Hall meeting co-sponsored by the Committee to Save LHH; he baldly asserted LHH's mission was not changing. Just seven days later, today Mr. Kanaley now tells you that a change to LHH's mission and vision statement was unanimously approved by the entire LHH Executive Committee during a retreat held on either November 23 or December 9, and that change involves removing the phrase "long term care" from LHH's mission statement. It is patently obvious that use of the new buzzword "diverse" to refer to LHH's patient mix is designed to obscure from the public that the changing demographics of LHH has been artificially engineered in order to get DPH out of the business of providing long-term care to San Francisco's frail, elderly population. Dropping long-term care from LHH's mission statement is a huge, not insignificant, change.

Patrick Monette-Shaw, Agenda Item 5: Operations Report (150 words):

LHH's Chief Operating Officer, Robert Christmas, just indicated LHH isn't allowed to buy furniture, fixture, and equipment (FFE) for the LHH replacement facility until 2007. Why is it then, that earlier Department of Public Health documents indicated that the LHH Replacement Project Manager, Michael Lane, had been asked to submit annual estimates between now and 2007 describing FFE expenditures that should be included in DPH's annual budget submissions? Which is it: That Lane is expected to estimate FFE expenses to procure in budget cycle before the replacement facility opens, or that you can't procure FFE until 2007? Incidentally, Ms. Austin just noted that a packet containing information regarding the parking fees being imposed on LHH staff to be conducted in a lottery January 4 was delivered today, but she failed to note that staff were being given less than four-working-days notice to return an application to participate in the lottery.

Patrick Monette-Shaw, Agenda Item 6: Clinical Care Report (150 words):

The Targeted Case Management (TCM) program has discharged an abysmal total of five residents since implementation at great expense; reportedly, one resident went AWOL and a second discharge was sent out-of-country, which is far worse than being sent out-of-county. The TCM team cannot take credit for AWOL's, because AWOL's are hardly planned discharges. The TCM program's assertion that someone given a one-way plane ticket to a foreign country was "re-integrated" into a San Francisco community is laughable, at best. The TCM statistics need to be more honestly reported. As for news that a change to LHH's admission policy was unanimously accepted by the Medical Staff, Medical Executive Committee, and the hospitalwide Executive Committee on December 21, it appears a policy bait-and-switch occurred, giving Dr. Katz the improper authority he had sought all along to determine admissions to LHH, paving the way for "social rehabilitation" and "behavioral health" programming at LHH.