



City and County of San Francisco
Edwin M. Lee
Mayor

San Francisco Department of Public Health

Barbara A. Garcia, MPA
Director of Health

MEMORANDUM

DATE: May 13th, 2015

TO: Dr. Edward Chow, Health Commission President, and Members of the Health Commission

THROUGH: Barbara A. Garcia, MPA, Director of Health

THROUGH: Colleen Chawla, Deputy Director of Health and Director of Policy & Planning

FROM: Sneha Patil, Health Program Planner, Office of Policy and Planning

RE: May 19th, 2015 Proposition Q Hearing on the Closure of Skilled Nursing Facility Beds at St. Mary's Medical Center

This memo is a follow-up to the Health Commission's first Proposition Q hearing on May 5th, 2015 on the reduction of skilled nursing facility (SNF) beds at St. Mary's Medical Center.

SHORT AND LONG-TERM SKILLED NURSING FACILITY BEDS IN SAN FRANCISCO

At its May 5th hearing, the Health Commission requested information on the short- and long-term skilled nursing bed inventory in San Francisco. As previously stated, short-term SNF beds are most often used for rehabilitation and recovery after an acute care hospital stay due to an injury or illness. Long-term SNF beds are often used for patients with chronic medical conditions, permanent disabilities, and ongoing need for help with activities of daily living.

Data provided by the California Office of Statewide Health Planning and Development (OSHPD), presented in the last meeting's materials, does not distinguish between short or long-term licensed beds within a facility. Table 1 below provides an approximation for the number of short-term and long-term beds in San Francisco hospitals and freestanding skilled nursing facilities, using information obtained from interviews cross referenced with OSHPD data. For purposes of this memo and consistent with Medicare reimbursement policy, short-term is defined as a stay of 3 months or less and long-term stay is defined as 3 months or greater.

Hospital-based SNF Beds

Table 1: Estimate of Hospital-based Short- and Long-term SNF Beds in San Francisco (2020 Projection)

	Total Number of Beds	Short-term Bed Estimate	Long-term Bed Estimate
Jewish Home	380	76	304
San Francisco General Hospital	30	30	0
CPMC Davies	38	38	0
Chinese Hospital	23	23	0
Laguna Honda	769	100	669
TOTAL	1,240	267	973

In 2013 hospital-based SNFs had an occupancy rate of 79%, which is higher than the statewide occupancy rate of 67%.

Community-based SNF Beds

Table 2 provides an estimate of the number of beds in San Francisco freestanding facilities that are designated for short-term or long-term services. To arrive at this estimate, the percentage of discharges occurring within three months or less is applied to the facility's total number of licensed beds. For example, if 80% of discharges at a 50-bed facility are occurring within three months or less, then the estimated number of beds designated for short-term stays is calculated as 40.

Table 2: Estimate of Community-based Short- and Long-term SNF Beds (2013)¹

FREESTANDING FACILITIES (15 total)	Discharges 3 months or less	Total Number of Beds	Short-term Bed Est.	Long-term Bed Est.
Kindred Lawton	98%	68	66	2
Kindred Tunnell Center	93%	180	167	13
San Francisco Nursing Center	83%	53	44	9
The Heritage	81%	32	26	6
San Francisco Towers	80%	55	44	11
San Francisco Health Care	65%	168	109	59
Kindred Victorian	58%	90	53	37
California Convalescent Hospital - San Francisco	54%	29	16	13
Sequoias San Francisco Convalescent Hospital	52%	50	26	24
Sheffield Convalescent Hospital	47%	34	16	18
Laurel Heights Convalescent Hospital	46%	32	15	17
Kindred Nineteenth Avenue	45%	140	63	77
Kindred Golden Gate	43%	120	52	68
Hayes Convalescent Hospital	21%	34	7	27
St. Anne's Home	0%	46	0	46
TOTAL OR COMBINED RATE	85%	1,131	704	427

¹ 2013 OSHPD data provides information on 16 freestanding skilled nursing facilities in San Francisco. Since 2013, Mission Bay Convalescent Home has closed and related SNF data is not shown in Table 2.

Community-based SNFs have an occupancy rate of 89%, which is higher than the statewide rate of 86%, leaving little room for surge or expansion in the face of growing need.

Total SNF Beds

Combining for both hospital and freestanding facilities, San Francisco has an estimated 971 (41%) short-term beds and 1,400 (59%) long-term beds, totaling 2,371 (Table 3). The freestanding facilities provide more than three-quarters of all of the short-term beds. Conversely, hospital facilities provide more than 70% of the long-term beds. This is largely due to Laguna Honda, which is considered a hospital-based facility and provides approximately 50% of the long-term beds.

Table 3: Estimated Short- and Long-term SNF Beds in San Francisco by Length of Stay

	Total Number of Beds	Short-term Bed Estimate	% of all Short-Term Beds	Long-term Bed Estimate	% of all Long-Term Beds
Hospital-based (2020)	1,240	267	27%	973	71%
Freestanding (2013)	1,131	704	73%	427	31%
TOTAL	2,371	971	100%	1,400	100%

POTENTIAL IMPACT OF SKILLED NURSING BED REDUCTION

As discussed in the previous memo to the Health Commission and at the Commission’s May 5, 2015 hearing, the standard of care for post-acute services, such as skilled nursing care, has been moving from institutions to community-based skilled nursing and other support service alternatives. As the Commission noted, the elimination of more costly and more restrictive institutional post-acute care options represents rational care and is consistent with national care trends and preferences.

To maintain the overall capacity of post-acute care services, however, such rational reductions need to be accompanied by corresponding increases in community-based care alternatives. San Francisco’s community-based skilled nursing resources are already stretched by existing capacity and the high cost of doing business in the city. As these shifts continue, community-based settings may not be able to continue to absorb the business decisions of institutions. Non-profit institutions have a responsibility to support their patients and the overall system of care in the community and will need to assist in the development of transitional care alternatives. The Department of Public Health believes that a reduction in hospital-based skilled nursing care without a corresponding increase in community-based transitional care alternatives puts a burden on community systems and for this reason are a detriment to the health care of San Francisco.