Laguna Honda Hospital

Amid Noise Complaints, City Sues Laguna Honda Hospital Architects

March 2012

by Patrick Monette-Shaw

Most homeowners in the neighborhoods surrounding Laguna Honda Hospital initially had no reason to believe that the \$584.9 million replacement hospital — which has actually cost \$615.8 million, including furniture,

fixtures, and equipment and other costs — may end up lowering their property values.

The Tax Assessor's Office has apparently informed some homeowners that they should ask for a \$50,000 reduction on their tax basis due to on-going noise problems LHH hasn't resolved for over two years. Midtown Terrace homeowners have also been advised by a prominent San Francisco legal observer that they should sue.

Separately, the City is now suing Laguna Honda Hospital's architects in Superior Court for professional negligence in a case filed against Stantec Architecture, Inc. on December 12, 2011.



Generators and air handling equipment were installed on the roof of the new hospital.

Following a decade of listening to the construction noise during LHH's rebuild, surrounding neighbors were happy the new hospital was substantially completed in 2009. But little did anyone realize that the real noise problems at LHH were just beginning.

Thousands of alarms and hospital bells had to be tested, an understandable noise annoyance. But aside from the alarms testing that went off continually throughout the day and night, a new noise began emanating from LHH that proved to make normal life almost unbearable for neighbors surrounding the new hospital.

The hospital installed several generators and air cooling equipment that emit continuous high pitched noises. Unfortunately, the generators and air handling equipment were installed on the roof of the new hospital, at the same elevation as neighboring homes. Hospital administrators claim the noise is just below the legal limit on decibels, but the noise is unbearable to many neighbors who can no longer use their backyards or parts of their homes.

Neighbors have complained continually about the noise problem for the last two years. Although LHH tried a variety of methods to eliminate the source of the noise, all attempts have failed.

Compounding the new noise problem is the completely unfriendly attitude of LHH's hospital staff. LHH's director of communication, Marc Slavin is now trying to blame the neighbors who complain about the incessant noise.

Terry Thompson, a neighbor on Dellbrook Avenue directly behind LHH, was told after making his first noise complaint that LHH had existed for over one hundred years and he should have known about LHH's potential noise problem before purchasing a house adjacent to LHH in 2008. Arla Escontrias, LHH's former Director of Community Affairs, reportedly callously told Thompson early on that he "shouldn't have bought a house near a hospital."

During the December 29, 2011 meeting of the LHH Joint Conference Committee — a committee comprised of senior hospital managers and Health Commissions Sonia Melara, James Illig, and Margine Sako — hospital Executive Administrator Mivic Hirose reported to the JCC that there were only one or two neighbors who were complaining about the noise emanating from LHH. During that meeting, Commissioner Illig peppered Slavin about how many neighbors were complaining. Slavin sought to minimize the problem, focusing principally on Mr. Thompson.

On January 31, 2012, eight neighbors attended the JCC's next meeting to testify to the Health Commissioner's that upwards of sixty-five neighbors had signed a petition circulated by Mr. Thompson regarding the noise nuisance. To Slavin — an expert in spin control — 67 means "2." The three commissioners were joined by Health Commission president Dr. Steven Tierney on January 31. None of the four commissioners looked happy following testimony by the neighbors, who directly challenged Slavin's and Hirose's veracity, testifying that their calls are not being returned, and they aren't getting honest answers about what LHH's administrators are going to do about the noise.

One neighbor, who attended on January 31, was surprised by another item on the agenda, LHH's Resident Satisfaction Survey. This badly designed survey was dreamt up to document that the "built environment" — LHH's new digs — may improve patient outcomes.

Neighbors were under-impressed by the marginal change in Resident Satisfaction Survey scores between the old and new buildings — in part given that taxpayers paid \$615 million for the new buildings.

In the post-move survey in 2011, only 39% of patients rated their Overall Satisfaction as "excellent," up from 28% who had rated their Overall Satisfaction as excellent in the old buildings in 2009. On another measure of Quality of Care, the survey moved just four percentage points — from 32% in 2009 to 36% in 2011 — for those indicating their Quality of Care was "excellent" post-move.

Former LHH physician Dr. Derek Kerr noted during the meeting that expenditures from the patient gift fund during the six-month period between July 1 and December 31, 2011 were just \$48,177, which may annualize to less than \$100,000 for the year. This is the lowest ever gift fund expenditure level, down from \$456,545 in 2006–2007.

Even health commissioners present on January 31 were skeptical about the results of the Resident Satisfaction Survey. Commissioner Illig commented that the drop in expenditures on patient activities could correlate with the satisfaction surveys regarding Quality of Life indicators.

During public comment, Kerr — who was terminated for blowing the whistle on LHH's patient gift fund scandal — commented that one question in the survey reporting the least satisfaction involved staff responsiveness to patient concerns, since patients may mistakenly believe there isn't enough staff — even though LHH has the highest staffing ratio of any skilled nursing facility in the area.

The Eden Alternative — a philosophy of humanizing facilities as places where Elders live in habitats designed for human beings rather than facilities for the frail and elderly — believes that staff treat patients the way that staff are treated by their supervisors. So if staff aren't treating patients well as reflected by patient satisfaction surveys, observers need to look at the way administration treats staff. In other words, Mivic Hirose's top-down management style may not be working well.

Hirose claims LHH has sent 40 staff for Eden Alternative training, but Dr. Kerr and his colleague Dr. Maria Rivero may have been the only trained Eden Alternative Associates at LHH since 1998. Rather than listening to Kerr and Rivero, LHH hired Lumetra Consulting for \$250,000 to teach staff that patients are experts in patient care, and staff know the most about patients.

Logically, LHH's administration should support staff so its staff can better care for patients, but observers agree that no amount of training will fix LHH with Hirose in place, in part because she doesn't dare make a move without Slavin's consent. Her management style, (and possible role in abuse of the patient gift fund) is the antithesis of Resident-Centered Care, a mantra foisted on staff for the past decade with scant improvement in resident satisfaction.

That brings us to the lawsuit the City has filed against Stantec Architects, Inc., a joint venture that began when Anshen + Allen Architects in a partnership with Gordon H. Chong Partners were first awarded the contract to design LHH in 2000. In 2007, Stantec acquired Chong Partners when it dissolved. Throughout construction of LHH's new campus, Turner Construction has also been involved.

The City's lawsuit filed on December 12 alleges, among other issues, that the replacement project's costs exceeded the budget by at least \$100 million, and that architectural design defects include improper building envelope waterproofing; lack of coordination between mechanical, electrical, and plumbing systems; cooling system design deficiencies; building code non-compliance; lack of compliance with the Americans with Disabilities Act; incomplete design of the radiology suites; deficient design of cart-wash areas in the kitchen that resulted in water damage and mold; and other eye-popping defects.

The lawsuit also alleges that the "change order" process — design changes that occur mid-way through a project — resulted in excessive design modifications reflecting an incomplete, inaccurate, and inadequate design that fell below the standard of care. The City alleges construction drawings and specifications in formal Construction Documents were incomplete, inaccurate, inadequately coordinated, not compliant with applicable codes, and contained numerous conflicts, ambiguities, and other design errors and omissions.

As readers may recall, I wrote about LHH's change order snafus in the *Observer's* May 2010 issue ("LHH Lessons Unlearned Impacts All Bond-Financed Projects"). At that point, LHH claimed just \$71.6 million in change orders. As recently as January 26, 2012, LHH now admits the change orders total \$87.45 million, a \$16 million increase in change orders between May 2010 and December 2011 that still doesn't address the full \$183 million in costs overruns.

The lawsuit claims about \$70 million in change orders that the City wants to recover, plus compensatory damages and general damages, among other demands for relief. But there's no relief for LHH's neighbors mentioned in the lawsuit, who have had enough with the noise problem emanating from LHH.

And there's no relief offered for patients, who express dissatisfaction with basic services, like operational elevators.

The City's lawsuit surprisingly alleges it was the architects who recommended eliminating 420 of LHH's planned beds, in order to control costs. Is San Francisco now this much poorer for skilled nursing beds for our frail elderly because an architectural firm (that may not have understood the patient environment it was designing) made multiple goofs?

Along the way, there have been extensive design scope reductions, many of which may have unwittingly contributed to the Resident Satisfaction Survey responses.

For instance, LHH's morgue, which was designed to house a stainless-steel upgrade, was outsourced to Emeryville when the 16-unit freezer was delivered, only to discover that it was too tall to fit into the space the architects had designed. Now, families have to travel 11 miles out of the City to recover the remains of deceased family members.

Galley dining — long touted as an Eden-like alternative to being fed by tray in patient rooms — has been eliminated. A dialysis center at LHH has still not been built, causing patients to still undergo transport off site for dialysis treatment.

Lights in the main lobby of LHH's new entrance periodically and unexpectedly go out, worrying security staff. The two new elevators in the hospital's new entrance have failed on more than one occasion, both at the same time, jeopardizing safe patient transport during emergencies. For that matter, stroke and brain-injured patients admitted for physical medicine rehab at LHH — including physical, occupational, and speech therapy — cannot be transported from their patient rooms to the Rehab Services department on the floor below when both elevators go missing in action simultaneously.

Indeed, LHH staff were shocked to learn in early 2005 that the architects had been unaware when they first designed the buildings that fully 60% of LHH's patients used wheelchairs for mobility. That percentage may have increased since then.

This may explain why one entrance to the Rehab Services training kitchen was built too narrowly to allow wheelchair users to access that training area, and why the Rehab training bathroom was built with a shower too narrow for most patients to enter, or use, safely.

LHH has never enumerated what design scope <u>reductions</u> have been made at each step of the way. San Francisco's Citizen's General Obligation Bond Oversight Committee charged with monitoring bond expenditures, has never inquired about, and has not followed up on for over two years, either the change order debacle or project scope reductions at LHH that may contribute to lower patient satisfaction scores.

Notably, the City's lawsuit doesn't bother mentioning the Board of Supervisor's approved "design-build" and so-called "value engineering" approach that permitted contractors to suggest cost saving design changes during bidding in 2004, and whether either approach contributed to design defects.

No small wonder the City is belatedly suing LHH's architects. Will neighbors be the next ones to sue?

Monette-Shaw is an open-government accountability advocate, a patient advocate, and a member of California's First Amendment Coalition. Feedback: <u>monette-shaw@westsideobserver.com</u>.