



City and County of San Francisco

**Partial Verbatim Transcript  
Board of Supervisors Committee of the Whole Hearing**

June 14, 2022

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**Note:** Material contained in bracketed text — [between brackets] — includes elliptical inferences made by various speakers, or include explanatory information added by the transcriptionist.

<b>Hour:Min:Second on MP3 Audio</b>	<b>Speaker</b>	<b>Verbatim Text</b>
	Roland Pickens, Acting LHH CEO	[The PowerPoint presentation Mr. Pickens presented was not transcribed verbatim here.]  Of note, Pickens made it very clear that there are two processes occurring simultaneously: One is preparing to submit the recertification application to CMS, and the other is to discharge LHH’s current residents. The closure plan that CMS approved requires that LHH must make every effort to, and must actually begin to, transfer and place LHH patients in other facilities.]
4:01:34	Pickens	So, that concludes my presentation. But myself and my team, we are happy to try and address any questions you have for us.

<b>Hour:Min:Second on MP3 Audio</b>	<b>Speaker</b>	<b>Verbatim Text</b>
		[Verbatim transcription resumes here at the start of questions being asked by members of the Board of Supervisors following the three formal presentations made to the <i>Committee of the Whole</i> .]
4:01:20	Board President Shamann Walton	Thank you so much [Mr. Pickens]. Supervisor Mandelman?
4:01:27	Supervisor Mandelman	[Deep sigh.] This is Kafkaesque nonsense. The state and the federal government are coming after San Francisco for providing 700 beds to care for people that the state and federal government have abandoned. ... [Suttering for words.] This is mind-boggling to me. Can you talk about the structure of CMS? Where they are? Who they report to? How they get to do this nonsense?
4:01:54	Pickens	Sure. So, CMS, the Centers for Medicaid [Medi-Cal] and Medicare Services, are part of the [U.S.] Department of Health and Human Services, under Secretary Xavier Becerra. There is a CMS Administrator, Chiquita Brooks-LaSure. She oversees CMS programs for the entire federal government.
4:02:19	Supervisor Myrna Melgar	I think everybody has lots of questions for Mr. Pickens, and we do have another presenter. And I’m wondering if it’s okay to hold the questions until after she presents, and then we can make questions for both of them. Is that okay, Mr. President? Thank you, Mr. Pickens.  So, we do have Teresa Rutherford here from SEIU [Local] 1021 who represents the vast majority of the essential workers at Laguna Honda. Welcome, Ms. Rutherford and she will make a presentation about their

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		efforts, as well.
		[Rutherford's presentation, and a second additional presentation, were not transcribed verbatim here.]
4:22:31	Supervisor Melgar	OK. Thank you so much. That's it for our speakers, President Walton. So, I guess we can go back to questions. Thank you.
4:22:39	President Walton	Thank you so much, Supervisor Melgar. Supervisor Mandelman?
4:22:46	Mandelman	Thank you, President Walton. I still think this is outrageous and infuriating, and I am wondering. You've described in your slides your efforts to comply with this mandate to clear out the hospital, but how much of the hospital do you feel like you have to clear out of the facility? Do you feel like you're going to have to clear out — or realistically are going to clear out — before November, assuming things go well in November?
4:23:19	Pickens	So, that's a great question and one we have posed also to CMS. We've not gotten a clear answer. From the CMS perspective, the closure plan that they approved lists September 15 as the date by which they would expect us to have transferred patients.
4:23:41	Mandelman	All patients?
4:23:43	Pickens	All patients.
4:23:44	Mandelman	600, 700 patients? Out of Laguna Honda by September is what the federal government thinks is a good idea?
4:23:50	Pickens	That is correct.
4:23:51	Mandelman	That's outrageous. The nurse whose name I've forgotten, and I apologize, mentioned the number of folks with behavioral health needs who are in Laguna Honda. What percentage of ... Can you describe the facilities available there for people with behavioral health needs, and what percent of the population may have behavioral health needs?
4:24:24	Pickens	So, 20 percent of the roughly 675 patients have behavioral health needs. [Note: 20% of 675 patients equals about 135 patients who may have behavioral health needs.] So, again Laguna has probably the most robust behavioral health offerings of any skilled nursing facility. So, we have in-house teams of psychiatrists, psychologists, social workers that provide care on-site. In the average skilled nursing facility, if a patient needs behavioral health care, they typically have to be transported off-site to a therapist or a psychiatrist's office. So, that doesn't happen at Laguna [Honda], it's in-house, it's a part of the staff. And so, we have both the mental health component, and we also have the substance abuse disorder treatment also available for our patients.
4:25:23	Mandelman	And you have sub-acute locked facilities [inaudible] there? Some of the places there are locked, right?
4:25:29	Pickens	Yes. [Note: First, Pickens didn't inform Mandelman that LHH is not licensed as any type of "sub-acute care" facility. And second, Pickens neglected to educate and clarify for Supervisor Mandelman that the "locked" units at LHH are in the North Tower's Mezzanine Unit are for "memory care" patients who have a primary diagnosis of dementia with elopement and wandering risks due to their serious cognitive impairments, not locked units for behavioral health patients with a primary diagnosis of serious mental illness who may pose a danger to themselves or others. It's not known if LHH is placing behavioral health patients in the locked units for dementia patients, and if so, whether that would violate LHH's license as a skilled nursing facility.]
4:25:30	Mandelman	So, you have it sounds like 120 to 140 people with pretty significant behavioral health issues at Laguna Honda right now?
4:25:44	Pickens	That's correct.
4:25:37	Mandelman	OK. And do you happen to know how many of them are under conservatorship? [Note: It's not known whether Mandelman had inartfully

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		phrased his question, and whether he was referring to only the number of behavioral health patients who are under conservatorship, or whether his question was about how many of all 675 patients at LHH are under conservatorship.]
4:25:44	Pickens	We don't ... I don't have that number here, but we can certainly get it for you. It's quite a few. [Note: Pickens should have known that the <i>Closure and Patient Relocation Plan</i> that LHH submitted to CMS and CDPH on May 13, 2022 had indicated on page 1 of the Plan that LHH had 101 Public Conservator conserved residents, plus another 8 residents with pending Public Conservator applications as of May 6; however, the Plan did not break out how many of the conserved residents were behavioral health patients, vs. residents without a behavioral health diagnosis.]
4:25:49	Mandelman	I'm going to guess that it's [LHH] a major San Francisco placement for people who are conserved by the county.
4:25:55	Pickens	It is. The [San Francisco] Department of [Disability and] Aging Services [DAS] and HSA [Human Services Agency] are both very active at Laguna. We are a major site for their conservators, conservators in terms of the care that they need.
4:26:10	Mandelman	OK. And so, the federal government, which maybe has some interest in San Francisco addressing its mental health crisis on the streets. Where are they saying ... Are they allowing us to admit new people who need to come in here?
4:26:22	Pickens	No. We have not done any new admissions since getting decertified [inaudible]. [Note: Again, Pickens didn't inform Mandelman that the <i>Closure and Patient Relocation Plan</i> that LHH submitted to CMS and CDPH on May 13, 2022 had also indicated on page 1 of the Plan that new admissions to LHH had been stopped on April 14, 2022 and no new patients would be admitted on or after that date. Had Mandelman read the <i>Closure and Patient Relocation Plan</i> he would have known that, and some observers believe he <b>should</b> have known that prior to the June 14 Board of Supervisors sitting as a Committee of the Whole.]
4:26:31	Mandelman	As I said, it's outrageous. Allright. I'm too infuriated to ask more questions, so [inaudible, about Mandelman's colleagues on the Board]. I may have more questions, but I'll submit them.
4:26:43	President Walton	Thank you, Supervisor Mandelman. Supervisor Mar?
4:26:44	Supervisor Mar	Thank you, President Walton. I want to thank Supervisor Melgar for calling for this hearing. Thank you Dr. Pickens and Laguna Honda staff. [Note: It is thought Mr. Pickens is neither a medical doctor, nor does he have a PhD in order to be addressed with the honorific of "Dr.?" ] And then, of course, the unions and the workers at Laguna Honda. We absolutely cannot allow this incredibly important facility for our most vulnerable residents to close, and it seems like you with the consultants have a solid plan towards recertification later this year. But I did really want to express even more concern about the patient relocation and transfer plan and that aspect of it, because this requirement by CMS that we somehow transfer all the patients out within, by September ... by mid-September just seems incredibly punitive and unreasonable and cruel, given the literally zero available Medi-Cal SNF beds in San Francisco and then even statewide. And CMS is aware of so few [beds] as well. So, I just want to ask what the plan is in dealing with this? It looks like ... I was just looking at what you submitted to CMS, the <i>Closure and Patient Transfer and Relocation Plan</i> where you said we should have to make a good-faith effort to transfer patients, and then there's some opportunity for negotiations?
4:28:34	Pickens	Well, no. Negotiations have not been extended to us [as an option]. Our directive from CMS is to implement the plan they approved, which is to

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		<p>have all the patients moved by September. Now, today is June 14 and we've only discharged six [patients], so that gives you a sense of just how successful we might be in meeting that target. The pace is picking up a little bit, you know the first couple of weeks there only one discharge. There were four discharges last week. But still, we are way behind in meeting that goal and having all the patients placed. And so, thus our dilemma. All we can do is our absolute best to search for the beds, make sure CMS is aware of the [lack of bed] availability, and our efforts.</p> <p>I must also say the California Department of Public Health [CDPH] and the California Department of Health Services [CDHS] have also partnered with us. They are using their resources to help us identify open beds throughout the State of California. Sometimes when we at Laguna will call a skilled nursing facility and they may say 'Well, we don't have any beds.' Well, we ask the state to get involved to use their clout, their authority, to try and part the waters to make room for the Laguna Honda patients that must move per the CMS plan. So, it's all hands on deck and we are doing everything we can to comply with the plan. And that's the charge that we have, while at the same time we are doing all the things we need to do to recertify, to make sure we're in regulatory compliance. So, we've got [two] separate but related processes going on, and from our perspective we have to be successful. As Teresa and Kathleen said, Laguna cannot fail. It must succeed and that's the approach we're taking. We've got the right experts involved and they have told us while there's a lot of work to do, they feel confident that we can be successful in being recertified. So, that's where we're focusing our efforts.</p>
4:30:59	Mar	Thank you, Dr. Pickens. But, I mean, there's ... sort of ... these two separate interrelated processes going on, the recertification and then the patient transfer and relocation. But it just seems like the timelines don't really align. Because, from what you've described, we're supposed to transfer everyone out by mid-September and then recertification won't happen until December.
4:31:26	Pickens	At the earliest; that's the target. I think it's important that ... you are correct, those are two incongruent ideas. But yet, that's where we find ourselves. And all we can do is control what we can control, and so we're making our best effort. We're being very transparent. We're sharing all of the data with the state, with CMS, and we would hope that they will see that we are putting every effort into meeting the requirements and perhaps may offer us some accommodation. But that accommodation has not been extended at this point.
4:32:06	Mar	Thank you, President Walton.
4:32:07	President Walton	Thank you, Supervisor Mar. Supervisor Melgar?
4:32:10	Melgar	Thank you, President Walton. So, in the entire universe of patients there are different categories of patients with different needs, as Supervisor Mandelman talked about. <b>There are folks who are under conservatorship who need extensive care in locked facilities.</b> And Miss Rutherford talked also about a patient who could be served at home, but because of economic reasons. Could you ... This was brought up by some advocates before. If we had in-home supportive services [and] supports, what total percentage of the population could be in that category of folks who with some support could be [placed] in the community if they chose, and if their families were able to take care of them economically and had the room?
4:33:04	Pickens	Thank you for that question. In the most recent data, we have identified approximately about 80 patients who fall into that category who no longer have skilled nursing needs and could potentially go to a community

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		<p>placement — either home, again with supportive wraparound services, or to a board and care with supportive wraparound services. But remember, most board and care [facilities, an admission criteria is that] you have to be pretty independent. So, someone who has high needs, they're [a board and care] are not going to go to accept them. So, we are working closely with [San Francisco's] DAS [Department of Aging Services], HSA [Human Services Agency], and now HSH [Department of Homelessness and Supportive Housing] for their assistance to try and identify appropriate discharge locations that are within the control of a City and County of San Francisco agency. And, in fact, CMS has told us that they expect San Francisco agencies to assist Laguna Honda in its efforts to discharge patients who are appropriate to a community location.</p>
4:34:23	Melgar	<p>But the reality is 80, out of almost 700 patients. So, back to where we are, looking back to where we've been. You have a very illustrious resume. You know how to do a lot of things at a high level, your employees sitting behind you do to, but you're all on loan to Laguna Honda. So, there has been a recent leadership change, which was necessary, but I wonder what's the plan going forward? <b>[Note: Melgar was referring to the sudden disappearance of LHH's CEO, Michael Phillips, on June 2, 2022. A public records request seeking Phillips' resignation letter revealed there were "no responsive records," suggesting Phillips probably didn't leave voluntarily, and was likely pushed out as the fall guy or a scapegoat.]</b> So, suppose we are able to keep working with consultants, with our union partners, [to] get through the recertification process. How do we then ... what's the plan?</p>
4:35:09	Pickens	<p>Absolutely. Thank you for that question. Well, we thought about that at the very beginning. So, the first thing I can say is I'm invested, I'm in this for the long haul, so I will be at Laguna as long as the need is there. And so, I was more than happy to come over 12 days ago when Dr. Colfax [San Francisco's Director of Public Health at the Health Department, who is Pickens' boss] asked me to do that. It's my responsibility and I take ... I take it seriously.</p> <p>One of the things that's in the consultant's scope of work is to assess the organizational structure of Laguna, its operations, and its leadership. The consultants will be making recommendations on: What is the best long-term structure for Laguna in terms of being able to be successful for years in the future? That includes, does the current organizational structure make sense and lend itself to ongoing regulatory compliance? They've already told us that there are parts of the structure that need to change, and, in fact, they included some of those in the assessment that they shared with us yesterday and that's been shared with your staff.</p> <p><b>[Note: Pickens was referring to two preliminary assessments, one from each of the two consultants hired to assist LHH with recertification. Only one of the preliminary assessments has been made public, and the City is slow-walking release of the second preliminary assessment, although potentially both assessments have been shared already with members of the Board of Supervisors the day before the June 14 hearing.]</b></p> <p>One way to think of it is, Laguna Honda has two licenses. They're licensed both as an acute care hospital, just like San Francisco General, CPMC, Saint Mary's. But then they're also licensed as a skilled nursing facility. And what the consultants have said, and CMS has also said through the years, is that most of your patients are skilled nursing, [and] you have very few acute care [hospital] patients. And so, the consultants have made the</p>



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		<p>case that we need to change the mindset and the structure of Laguna to be more that of a skilled nursing facility, as opposed to an acute care hospital. And so, we're actually going to be piloting some of that change in structure over the next few weeks. Again, the consultants have said this will put you in the best scenario for recertification, and more importantly it will send a message to CMS that you get it, and you're changing the structure to meet what they say a skilled nursing facility should look like — a higher functioning regulatory compliance skilled nursing facility.</p>
4:37:32	Melgar	<p>Great. Thank you so much. So, my last question is about the recertification process and how you are involving the employees in it. As you have stated in your presentation, the average tenure of an employee is 11 years. That's a long time. And, you know, folks get used to doing things a certain way, and also, I think some of these are the most dedicated folks that we have employed in the City. So, I'm thinking that making sure that everybody understands the compliance issue it's really valuable to get their feedback as to what they understand, what they know, how to impart that knowledge. So, what is that process?</p>
4:38:14	Pickens	<p>Absolutely. Happy to share that with you. Our union partners also share because we're doing a lot of it together. And so, in fact, we have a weekly meeting with our union leadership in addition to their daily meetings of local union leaders at Laguna Honda. And it's our opportunity to share with them what's going on with the [Recertification] Plan, but also get their feedback in terms of what are they hearing from their members and their concerns.</p> <p>I will tell you that the consultants have told us that they find that the staff is very hungry. They want .... They said '<i>You have some of the most dedicated staff and when you are interacting, they want to know: 'Tell me what I need to do to make sure we are in compliance.'</i>' Because the message is clear to all the staff. They know what's on the line. Both of the consultants, the leadership and even the union leadership, we are all given the same message that: '<i>You may have been doing something a certain way for all these years.'</i>' Well, rules change. Regulations change. '<i>So, we need you to be open-minded to new ways of doing things.'</i>' And so far, the staff has really risen to that occasion. And I think everyone is working together, just saying we're only going to get through this together and if any changes that we need to make, we're going to make them because the future of Laguna is at stake.</p>
4:38:54	Melgar	<p>[Sigh] Thank you. This is my last question is about the data that you're keeping. Thank you for providing that update to us. I know that I've gotten discussions from a lot of my constituents. And that is what, how are you keeping track of all this? I mean, the amount of calls that you're making to other facilities, the number of assessments, the transfers, and then what are you able to provide for the public on a regular basis?</p>
4:39:28	Pickens	<p>So, much of the information that was provided yesterday will now become a standard. [Note: It is not clear what information Pickens or SFDPH may have shared with the Supervisors on June 13, or in what forum or venue.] It will be updated every Monday. It will be available on the website and so will be available for folks to track our progress. How many calls have we made; how many beds are available? How many discharges have happened, how many patients have been referred to other facilities?</p> <p>So, again, our goal is to be transparent. We have nothing to hide. We want everybody to know where we are, because we need everyone's help to make sure we're successful, and we're sharing that information with our</p>

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		staff, as well, and also with the sister City agencies [DAS, HSA, HSH] who are helping us, particularly with some of those community discharges.
4:40:13	Melgar	OK. Thank you, Mister President.
4:40:15	President Walton	Thank you, Supervisor Melgar. Supervisor Safai?
4:40:19	Supervisor Safai	Thank you. So, just listening to the presentation, one of the things I just want to get some clarity on, so you have ... CSM [sic] has given you an extension potentially of four months. Is that correct? To continue to be reimbursed with federal funding? With the potential of an additional two months?
4:40:45	Pickens	Correct.
4:40:47	Safai	And that would take you into what month?
4:40:49	Pickens	That will take us into September ... November.
4:40:52	Safai	November. After that time, if they were not to give you an additional extension and force you to continue to work on the recertification, how much funding would you lose from the federal government in terms of reimbursement?
4:41:05	Pickens	So, the cost to operate Laguna based on the current patient population is half a million dollars a day, and most of that is covered through the [CMS] reimbursement.
4:41:15	Safai	And so, how much would we looking at in terms of the City and County being on the hook for, if we didn't get the federal reimbursement?
4:41:23	Pickens	At least half a million dollars a day.
4:41:26	Safai	And that comes out to how much a month?
4:41:28	Pickens	About \$15 million.
4:41:33	Safai	[Total ?]
4:41:34	Pickens	Correct.
4:41:35	Safai	I was hoping they would answer that on the record, Mr. President.
4:41:39	President Walton	\$15 million.
4:41:40	Safai	OK. Thank you. So, \$15 million. And has the Department [of Public Health] identified a source of funding to be able to pay for that, in case the funding will no longer be reimbursed?
4:41:56	Pickens	So, the Department, through our finance team, are in active discussions with the [City] Controller's Office to identify any available sources of revenue that might be used in the event of the scenario you just said transpires, that there would be a cessation of the CMS continued payment, where we would need to have at least some form of bridge funding until we are recertified, and reimbursement would begin again.
4:42:24	Safai	So, \$15 million a month, even if we did identify [a source for bridge funding], and again, we had this conversation at the Budget Committee. There are certain reserves that are available, but it's certainly not ... sustainable to believe that \$15 million a month spread out over an annual basis that we would have anywhere near that type of money. So that ... that, in and of itself, would necessitate winding down in the [number of] patients in that facility if you were not able to get reimbursement from the federal government, is that correct? I mean ... I don't know where that money would come from.
4:43:05	Pickens	So, that is definitely one of the most dire outcomes available to us. Which is why we are focusing so much of our efforts on recertification, and recertification as soon as possible, so that we would avoid any lapse in federal funding, so that we wouldn't have to address that. But if we do, then hard choices are going to have to be made, that we'll have to make with the Board [of Supervisors], the Controller's Office, and the City leadership in terms of just how much can we cobble together to ensure Laguna Honda stays open.
4:43:41	Safai	OK. Thank you. My next question: I want to shift over to the population

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		of the residents that we talked a little bit about in advance [of this hearing]. It seems to me that over the years, there's been a shift in the age of the residents that are served [at LHH]. Can you talk a little about that, and what the average age is of patients there at Laguna Honda?
4:44:04	Pickens	<p>Sure. It's in the handout ... most of the patients I believe are from 40-ish to 60 and the patient population at Laguna, as you point out, has changed over the last years.</p> <p>I've been with DPH for about 20 years, and I would say about 15 or so years ago we began to see the population of younger patients begin to increase at Laguna. And that was really a reflection I think of just society in general, in terms of what we were seeing going on within the San Francisco community. As you know, younger folks are susceptible to traumatic ... in particular, injuries due to gunshots, car accidents. So, it's a trend [that's] actually increased over the past 15 years or so. The majority of the patients are still that older segment, but there are younger ones. Many of them have disabilities, whether quadriplegic or paraplegic. But there is a younger population and many of them, also then come in with the behavioral health issues — either mental health and/or substance abuse — that we see in the general San Francisco community.</p> <p><b>[Note: Pickens deliberately ignored and downplayed that the shift to LHH admitting younger patients that began 15 years ago was a deliberate choice made by SFDPH's former Director of Public Health, Mitch Katz who decided to change the mission of, and patients to be served at, LHH. It was <i>not</i> a mere change in San Francisco's demographics.]</b></p>
4:45:01	Safai	Right. And ... and would you say that some of the issues that have arisen at Laguna Honda have been because of the mixing of different age groups and [patient] populations?
4:45:12	Pickens	<p><b>[Note: Pickens deflected and misdirected, failing to answer the direct question of whether mixing the different age groups has contributed to LHH's current problems, avoiding the issue. It was, in fact, a deliberate decision to mix different age groups in the same facility, even though the two age groups had different healthcare issues and healthcare needs.]</b></p> <p>I would say that particularly some of these issues are related to illicit substance use — like the overdoses that occurred last summer — are related to having that particular population, because that's a part of their lifestyle. And one of the things about Laguna is historically its served all of San Francisco, and particularly I think with the de-stigmatization of mental health and substance abuse over the last few decades, we've been also seeing that transfer then to the patient population that Laguna takes care of, and so that's the increase in behavioral health and younger clients.</p>
4:46:02	Safai	Is part of your recertification, or part of your reorganization [and] management of the facility, is there a plan to deal with the difference in age and difference in needs of service delivery? And we talked a little about that point. I just want you to share that on the record?
4:46:18	Pickens	Sure, yes. You must have been in some of those rooms where we've been with of the consultants. Because, in fact, that's part of the feedback that they're giving us. Is that the comments they've made about [their] observations about Laguna, one of their recommendations that we've considered, which is very common in healthcare, which is cohorting [grouping] patients with similar issues into areas where they can really get the specialized detailed care that they need. So, it may very well be that as we emerge from this recertification process, when we actually sit for



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		recertification, that we'll establish say, a behavioral health unit or a unit that may cohort a particular patient who right now may be the first among the 13 units, but may then be cohorted into one or two units that can better take care of their needs.
4:47:14	Safai	Would you then ... by the nature of that ... would then put more senior populations amongst themselves and the younger population amongst themselves?
4:47:25	Pickens	<p>That very well could happen. You know ... when you visit Laguna, we basically have two [patient] Towers, in terms of where the nursing units are located. So, it sets itself up for being able to have one set of programming in one Tower and another set [of programming] in another Tower. So, at this point the options are really many for us in terms of how do we best structure the facility going forward, to minimize particularly any regulatory noncompliance as it relates to substance use and behavioral disorders.</p> <p>[Note: Sadly, Safai may not know this himself, but Pickens disingenuously wasn't telling Safai "the whole truth and nothing but the truth" — essentially under oath — by failing to mention that the two Patient Towers are both connected on either end of the so-called "Link Building" (a.k.a., the "Pavillion Building"), so there is no way to physically cohort one set of programming for the elderly in one Tower, and another set of programming for younger patients with substance use and behavioral disorders in the other Tower. The two Towers and the Link Building were designed by the architects to essentially be one large interconnected building.</p> <p>In addition, it's thought the Pavillion/Link building is also connected internally to the entire old Main Hospital, which is now home (or will soon be home) to 500 to 600 SFDPH employees in offices in the renovated old "finger wings" of the old Main Hospital. Pickens must surely know this.]</p>
4:48:07	Safai	So, that is part of the recertification plan that the consultants are advising in terms of re-organizing and managing the facility. Would that [cohorting patients in a unit, or in separate towers] then happen as part of the recertification? [Note: Without trying to beat a dead horse, Safai should have known there's no way to "cohort" (segregate) patients in separate Towers, because it's essentially one large interconnected building; Safai shouldn't have dwelled on this. Indeed, CDPH and CMS survey inspectors probably understand this, even if Safai didn't, or refuses to understand it.]
4:48:18	Pickens	It very well could. I mentioned, we're actually going to be piloting some of the new organizational structure that they've recommended. So, they are still making their recommendations on ... again, what are the areas where we get the biggest bang for our buck in terms of ensuring the best chance for recertification. And so, cohorting of patients is one of those things, and we will be looking forward to consultants giving us their recommendations before we actually submit the application at the end of August.
4:48:53	Safai	<p>I guess I would just say it a little bit more forcefully, regardless of what the consultants recommend it seems to me that if you look at the data, if you look at the trends historically, if you look at what potentially has gotten us into this situation ... and this is just being straight and real based on the population that you are serving. People are bringing in weapons, people are bringing in drugs. People are openly using drugs, people are openly overdosing in that facility, and that's what triggered this reality.</p> <p>I think you have to confront this in a real ... You can't just wait and hear what the consultants have to say. I think we have to say, this is going to be our aggressive plan going forward. Because this is a trend that happened</p>

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		<p>over, as you said, a 15 year period, and then here we are. I just ... I want to hear it more directly that that's part of the management plan to move away from this, and if you have the ability to have a different <b>segmentation</b> of your facility, that's what I'm looking for.</p> <p>[Note: By "segmentation," it is thought that may be Safai's creative euphemism for "cohorting," which as noted above, isn't possible in an interconnected set of three to four buildings.]</p> <p>Because as many of us have said here today this is a sad crisis for San Francisco as one of the premier skilled nursing facilities. I mean, front-line workers have been putting themselves in harm's way for the last two years. The management has been doing what it can, but I think that there's just been a shift in the direction in the management of this service delivery over the last 15 years that's gotten us to the point where we are today that has put us in a crisis. And this is a significant crisis for the City, and the population that's being served. 800 people having to be relocated is a monumental task in any situation and the beds just do not exist.</p> <p>So, I just want to underscore that point and say I appreciate the thoughtfulness. I appreciate the directness, but I would like to see a more aggressive plan to really segment ["cohort"] this population, and not just wait for the consultants' advice.</p>
4:51:05	Pickens	<p>I can assure you we are actually <i>not</i> waiting on the consultants. And thank you for prompting my memory of our discussion earlier. So, we actually have taken steps already. One is, we have installed new state-of-the-art security scanning that will be able to identify illicit substances, including narcotics tracers and weapons. We've also ... the medical staff, the physicians have reviewed and updated their procedures when it comes to discharge of patients who don't follow the rules, who are found to be noncompliant with going out on pass, coming back with inappropriate items. Increased clinical safety searches. And in fact, I received an email yesterday of one of those patients who now we have found a place for that patient to go. And so, we are actively addressing those issues and we'll make sure that part of this recertification plan that <b>we will include the appropriate cohorting of behaviorally-challenged individuals.</b></p>
4:52:39	Safai	<p>Thank you. And that is what we spoke about earlier. I appreciate you putting that on the record. Thank you, Mr. President.</p>
4:52:44:	President Walton	<p>Thank you, Supervisor. Supervisor Ronen?</p>
4:52:47	Supervisor Ronen	<p>Thank you. I just want to associate myself with Supervisor Mandelman's comments. This is so hard to believe. It's so cruel, and so extraordinary in the worst of ways. Just a couple of quick questions. Thank you for the really clear presentation. If we are successful ... which I sort of hope we're not, that's just me speaking ... moving out 700 residents by September, does that count against us in terms of the recertification or re- ... whatever it's called?</p>
4:53:27	Pickens	<p>The recertification? So, no. CMS has made it clear that the two processes are separate. So, that the [re-]survey process is separate from the <i>Closure Plan</i>, although they tied the funding to the <i>Closure Plan</i>. They did not ... funding is not ... the funding <i>is</i> tied ... to [the] recertification to the extent we have got to be [re-]certified in order to receive reimbursement.</p>
4:53:54	Ronen	<p>OK. That's good at least. And then, you know, I went through this not so long ago with my own dad and it was in Los Angeles, but it was a statewide problem from everyone I was talking to. That there's no spaces anywhere. So, I mean ... I don't understand how they can ask you to move people</p>

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		when it is a statewide crisis. That there is no places for Medi-Cal recipients in skilled nursing facilities.
4:54:24	Pickens	So, that's a question we posed to the State. And it is ... this has been a situation in the making for many years. Again, I've been in the San Francisco healthcare delivery arena for almost 30 years, and I can tell you when I first came here in the late '80's, just about every [public- and private-sector] hospital in the City had its own skilled nursing facility units. Well, they're all gone, except for the ones at San Francisco General [Hospital] and Laguna [Honda Hospital]. Only the City's hospitals are operating skilled nursing facilities. So, in a way this [situation] is the making of [and caused by] the industry itself. Having said that, my understanding is the governor through Secretary Mark Ghaly [Secretary of the California Health and Human Services Agency] is making efforts to do something in terms of increasing access for skilled nursing at the State level. I'm just not aware of the details of that, but my understanding is those discussions are happening.
4:55:27	Ronen	Is there anything else that this Board ... just give me a call or send me a text, but I would like to help in any way I possibly can. I know we all feel that way. You know, being creative in any way, shape, or form. I know you guys are doing the daily possible work that's in front of you but is there other ways politically or otherwise that you can just bring to light the insanity, literally, of this requirement, please let us know [inaudible]. Thank you so much to all of the workers. You're heroes. I saw the way that your counterparts in the new facility that was private the care I got for my dad. It was the most extreme everything I've seen in my entire life and it's the hardest work I've ever seen in my entire life, so ... you see we love you, we appreciate you, and I'm so sorry this is happening to you and your patients, who I know you like so much. I just wanted to thank you for the presentation and tell you I'm outraged, I'm mad, and I want to help in any way. Give us a little text or a little call if you can think of any way we can help.
4:56:47	Pickens	Thank you, Supervisor. President Walton, I have one of those numbers that was requested earlier: The number of patients that have a public conservator is 101.
4:57:02	President Walton	Thank you, Supervisor Ronen. Supervisor Chan?
4:57:07	Supervisor Chan	Thank you, President Walton. I just want to confirm ... so help me understand though, in order for us to actually get reimbursements or allow us to have it extended the extra four months, we must commit to the transfers ... that would show there's a transfer and relocation of patients. And what is the timeline for that?
4:57:29	Pickens	Correct. So, the timeline in the <i>Closure Plan</i> approved by CMS is September 15 for all those patients. Obviously, we've only moved six [so far to date]. So, the chances that we're actually going to move all of them? We're going to do everything we can. We're going to look for every bed that we can. But the numbers states we're probably not going to meet that goal, but we're going to do everything we can.
4:57:56	Chan	Alright. Thank you. So, basically, it's to say immediately you must start to transfer the patients?
4:58:02	Pickens	Oh, ya'. We were ... when they [CMS] accepted that plan on May 13, we immediately started the process of again, doing those assessments on all 600 patients. Taking those assessments and then referring them out to other facilities. So, this process has been going for months and through that we've only been able to transfer only six patients so far.
4:58:23	Chan	And I think we had this conversation during our briefing that apparently there's no specific threshold. Meaning, it's not like we actually do

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		understand that like this month if we transfer this percentage or this number of patients, then perhaps we can actually ask for the extension, or have the extension approval, it's basically 700 [patient transferred] or nothing?
4:58:48	Pickens	That is correct. The direction from CMS is that we are being held to what's in that [ <i>Closure</i> ] Plan, and the Plan says that we must transfer those patients by September 15.
4:59:01	Chan	Are there any actions that we are taking? Are there any conversation ... like how can we help? What other conversations are taking place, can we somehow try to negotiate some type of threshold with the transfers?
4:59:18	Pickens	You know, I would say if you know the right people, we would ask you to make the right phone calls. We are working with the federal CMS folks. We're in Region Nine ... San Francisco and Seattle, so those are the folks that we work with. We're also in touch with CMS in Washington, D.C. So, we feel that we are definitely doing everything we can in terms of reaching out, communicating with CMS. We're being very transparent. We're sharing our information with them on a weekly basis so that they can see we're not just sitting on our hands. We're callin' ... making 1,500 calls a week trying to find places for these patients. So, again if you have contacts and influence, we ask you to use it.
5:00:32	Chan	Um ... and then ... I think it's definitely impressive of how many calls that you are making to identify facilities, including those that are out of county. But I think, again, like we had discussed during our conversation, is that out-of-county, it could be 30 miles out-of-county. It could be 60 miles out-of-county, it could be 300 miles out-of-county. That is a significant difference for ... especially for families wanting to visit their loved ones and definitely for our patients. Will there eventually be sort of like a breakdown for us to better understand the availability of facilities?
5:01:10	Pickens	Yes, and thank you. We will have that. I can tell you that of those six discharges already those have happened within the nine Bay Area counties. So, so far no one has gone outside of that radius, but <b>that will be the data we begin to track and make available: The discharge destinations</b> for those individuals.
5:01:31	Chan	So, would you say that overall ... it sounds to me if we have [discharged] only to six patients [to the] neighboring nine counties ... would you say at this moment that we could initially preliminarily conclude that it's actually very challenging to identify facilities available that meet our patients needs within the nine counties?
5:01:52	Pickens	Absolutely. You are correct.
5:01:53	Chan	Thank you [Mr. Pickens]. Thank you, President Walton.
5:01:55	President Walton	Thank you, Supervisor Chan. Supervisor Melgar? Supervisor Melgar, my apologies. Can I do Supervisor Preston, first? Supervisor Preston?
5:02:09	Supervisor Preston	Thank you, President Walton. Just had some questions. Let me just join in the comments Supervisor Ronen made, Supervisor Mandelman, and all of us are expressing the same frustration and outrage, and also appreciation of the incredible work of folks who are caring for the most vulnerable in our community at Laguna Honda. So, I want to thank everyone and also just recognize what an incredibly stressful and difficult time this is, not just in the employment situation but all the folks people are caring for and working with. It was everything up in the air with potential closure, transfers, and this entire situation. I did want to find out a little more on ... like in a normal year ... and thank you Dr. Pickens, for your work, as well. Your team, in a normal year, how many folks are transferred out back into communities or to other facilities?
5:03:29	Pickens	[Long pause on tape before Pickens begins speaking at 5:03:29.] We will get you the actual numbers. When I look at the reports, usually it depends

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		<p>upon the patient. So, as you've heard many of the patients at Laguna actually come from San Francisco General, so they may have come from the [SFGH, Level I] Trauma [Center] route. And they will end up at Laguna for rehab. For them, they may be going back home [following receiving rehabilitation services]. I would venture to say that most Laguna patients actually stay there. I think ... the very ... the majority are <b>not</b> the ones who will be there for a small amount of time and then go back out. There are some, because, again, they're there, they get worked on, they get rehabbed, and able to go home ... but we can get you that number, I just don't have it available today.</p>
5:04:14	Preston	<p>Thank you. I'm just trying to ... I think we're trying to wrap our brains around what this level of transfer and displacement means. And if there's ... I assume there's some smaller subset of folks who in a typical year are getting moved back into the community, moved to other facilities, and then there are folks that account for the vast majority of whom are long-term [residents] and who are there. It's just ... it is hard to think about this, without thinking about the incredible trauma on the long-term [care] folks.</p> <p>Like, displacement, is displacement. Forced ... and whether it's from someone's home, apartment, or from a [skilled] nursing facility, it is traumatic, even when done in the best way possible, right? Even in finding a place, even though we know we lack places for folks to go. I am certainly interested and appreciate a lot of questions folks have asked: What's the price tag? What happens if we don't meet these goals?</p> <p>I think there's ... obviously, there's not a limitless pot of funds, but I think there's also a deep concern held by the Board and desire to make sure long-term that Laguna Honda is not closed, but also short-term ... shorter-term, that we're not pushing folks into a bad situation and out [of county]. I am just curious though, and this is more on sort of the politics of all of this. I'm intrigued by your invitation, which I don't know if it was more sort of rhetorical: "<i>If you know somebody important, give 'em a call.</i>" I'm curious, who drives ... It's not like I'm on speed dial with Nancy Pelosi, and Diane Feinstein, and Kamala Harris, and whoever else has made it further up the political food chain than any of us in this room. But I — and I'm not asking you to name names on that front — but I am curious on like, who does have the power on some of these decisions?</p> <p>So, let's start with the extension that you have referenced. Maybe we get an extension. We saw the extension to September, maybe we would get one 'till November. So, who has the power to grant those extensions? Why are they limited to November? Who would have the power potentially to do an extension beyond that, if that's what it takes?</p>
5:07:07	Pickens	<p>Thank you for that question, Supervisor Preston. So, if you look at the Code of Federal Regulations (CFR), it says that the Secretary of Health and Human Services has the discretion to provide extended funding in the event of a facility becoming decertified. So, that, in fact, is where we are right now. Through the CMS administrator, the [HHS] Secretary provided this four months, with the possibility of two additional funding. So, that is where we are and that's where the authority through federal legislation lives.</p>
5:07:42	Preston	<p>Thank you. And then, what do we have to show for the extensions that are legally available, but what could be through November? What do we have to show in order to justify those extensions?</p>
5:07:56	Pickens	<p>We have to show we are implementing that <i>Closure and Transfer</i> plan.</p>

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5:08:01	Preston	And that's not tied to specific numbers of transfers, it's tied to the efforts that are being undertaken?
5:08:09	Pickens	It's tied to the population. That [ <i>Closure and Transfer</i> ] Plan says that in exchange ... the <i>Plan</i> says that Laguna would transfer patients by September 15, and that is the date that CMS approved.
5:08:28	Preston	<p>Thank you. I will wrap up. This is one of ... I'm just going right back to where Supervisor Mandelman started us off. There is a level ... I'm just in disbelief. I understand that sometimes the rules are structured a certain way and you've got to follow those rules. But the idea that the path to continuing to provide these critical services to the most vulnerable people is to kick them all out so that we can bring them all back, is absolutely bonkers. And I will say this: I may not have the speed dial to the Secretary of Health and Human Services and others, but, you know, maybe one of them or someone within their orbit, is watching this. Like, this is absolutely ... like it makes absolutely no sense.</p> <p>And there is no justifiable reason to kick people out of skilled nursing facilities in order to justify why you can bring them back into a skilled nursing facility. It does not take a genius — and you all are a bunch of geniuses trying to work through this, so this is not a slight on you. It does not take a genius to figure out that is not a good structure for discussion where people stay in place while the issues are being worked out, <i>here's what we need</i>. So, I'm not saying anything that I'm sure you haven't already thought every minute of your day and that's keeping everyone up at night. But I got to say that there are some ... I ... I don't buy that there are <b>not</b> people who have the power to ensure that we don't have to displace 600 to 700 people from Laguna Honda in order to keep Laguna Honda open.</p> <p>I think that's a false premise, but it's one you're forced to work under. I understand it and you're all doing everything you can and what the Board will, as well. But I really hope for the Mayor, the Governor, the Vice President will ... this has to be elevated to that level. This is not a discussion that can begin and end in this building. And I don't buy for a second that there are not folks at the state and federal level that can ensure we don't have to displace this many very, very vulnerable people, some of whom will die as a result of this displacement.</p> <p>And let's be real, right, some of these folks ... and again, Dr. [Pickens] I'm not telling you, I'm not telling Theresa [Rutherford], folks that are working with these patients, I'm not telling you anything you know way better than everyone sitting in this Body. But that's the reality, like people will die, even if this is done perfectly. People will have the shock of moving facilities for this population will kill some of these people, and it's unconscionable.</p> <p>Anything and everything that I can do. And thank you for your work, I appreciate it.</p>
5:11:47	President Walton	Thank you, Supervisor Preston. Supervisor Melgar?
5:11:49	Supervisor Melgar	Thank you, President Walton. I just ... I want to address something that was brought up earlier in the comment about how Laguna Honda has a different patient population than it did 50 years ago. I want it to be on the record that of course it serves a different patient population, because 50 years ago was 50 years ago. And Laguna Honda is a gem of an institution that serves San Francisco as it is <i>today</i> . So, to me, you know, we will get better. We will get recertified, we will come up with new protocols, we'll



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		do training of staff, and do all of the things we need to do to be in compliance. But the cure is not to serve a different population, or serve a population that we served 50 years ago. It is to come up with systems to that deal with the population that we have <i>to-day</i> . That is who we are, that is our values in San Francisco, that's who we need to be ... And we need to do more of that actually. So I just want that to be on the record about that. ...
5:12:44	<b>End of Transcription</b>	Remainder of tape, including public comments presented in person and remotely by phone, were not transcribed.