

# San Francisco health commission names Laguna Honda Hospital spaces after strange bedfellows

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Jack Davis and others formed the Laguna Honda First committee to ensure passage of the LHH bond.



Renne stepped in after the Laguna Honda First committee stopped the de Young Museum bond measure.



Mitch Katz appointed John Kanaley as LHH's executive administrator to "kick the MD's asses."

San Francisco's health commissioners have named spaces in the Laguna Honda Hospital replacement facility after some very strange bedfellows.

On November 2, LHH's current executive administrator, Mivic Hirose, presented a poorly written, grammatically sloppy resolution to San Francisco's health commission requesting that spaces in the new facility be named after Louise Renne and John Kanaley, a pair of strange bedfellows if there ever were one.

The Health Commission approved the resolution, although it lacks a process to consider naming rights for Department of Public Health (DPH) facilities.

It's clear that the health commission is involved in hagiography — the practice of writing biographies that idealizes or idolizes subjects, and the critical study of the lives of saints.

Clearly Renne and Kanaley are not saints, despite the revisionist histories being written about their combined involvement with LHH.

It's as if the health commission doesn't understand that the undeserved veneration of domineering and imposed "leaders" is one hallmark of cults.

For her part, Hirose skipped presenting the proposed resolution to the Laguna Honda Hospital Joint Conference Committee — a subcommittee of the Health Commission — hopskotching chain-of-command protocol.

The indoor second floor hallway running the length of LHH's new Pavilion building will be named the "Louise H. Renne Esplanade," and a multi-purpose meeting room will be named — with great irony — the "John T. Kanaley Community Center."

It's kind of like the marriage of Saint Louise to Saint John.

During discussion of the resolution, health commissioner's Dr. Edward Chow and Margine Sako expressed reservations about the naming rights process. The health commission agreed informally to develop in the future a policy on naming DPH facilities.

For their part, Commissioners Jim Illig and Sonia Melara expressed reservations that resolutions should go through the respective JCC subcommittee before being presented to the full health commission. That didn't stop the health commission from approving Hirose's resolution on November 2.

The choices for these naming honors deserve careful scrutiny and critical study.

The resolution claims that Kanaley had served for 14 years in "facilities management" at San Francisco General Hospital, but was considered to be a so-called "turn around change agent" during his four short years running LHH.

Among other things, the resolution failed to note that at the time director of public health Mitch Katz appointed him, Kanaley had no experience whatsoever running a skilled nursing facility.

Indeed, Kanaley came from SFGH's plant services department. He had earned a master's degree in public health in 2001 — just three years before being appointed LHH's executive administrator — for a thesis titled "The Evaluation of a Hazardous Waste Operations and Emergency Response Student Manual," hardly a public health credential to run a 1,200-bed skilled nursing facility.

At the time of his appointment to LHH in 2004, many people believed he was sent to perform hazardous employee removal of LHH's staff.

As this Examiner has reported, within weeks of his appointment, Kanaley set in motion changes to the LHH patient gift fund, which resulted in the depletion of the \$2 million gift fund, in part by creating staff education sub-accounts that ended up raiding the patient gift fund for staff aggrandizement.

The audit of LHH's patient gift fund — which has now been delayed by a month — has already resulted in the restitution of \$139,000 to the patient gift fund, and will hopefully yield further restitution of raided patient funds Kanaley's "leadership" set in motion.

Also within weeks of his appointment, a contingent of LHH's high-level senior administrators met with Dr. Katz regarding concerns about Kanaley's appointment and lack of credentials, experience and qualifications. Katz reportedly told the contingent it didn't matter because he wanted somebody who would "kick the [LHH] doctor's asses."

At the time, Katz remained angry that LHH's medical staff and hospital administrators had refused to take dangerous psychiatric patients from SFGH. Mayor Newsom eventually ordered Katz to reinstate LHH's admission policy to its pre-2004 level following political pressure.

Although LHH's then Chief Operating Officer offered himself for the CEO position, Katz declined, telling him "you are too nice" for the job. Shortly thereafter, Kanaley managed to oust the then-COO in an unlitigated deal at unknown expense to the City, setting in motion future purges of LHH staff.

Also within weeks of his appointment to LHH, Kanaley summoned Sister Miriam Walsh, doctor Maria Rivero, and this Examiner into his office, one by one, seeking to silence our collective First Amendment right concerns about LHH.

As I reported February 6, 2010 in an article titled "In Memoriam: Laguna Honda's Torchbearer, Sister Miriam Walsh, Has Died" on [www.stopLHHdownsize.com](http://www.stopLHHdownsize.com), Sister Miriam told Kanaley in 2004 she would agree to no deal with him to keep LHH's name out of the media. Dr. Rivero and I told Kanaley essentially the same thing, but that didn't prevent him from pursuing each of us.

Kanaley sent threatening e-mails to Dr. Derek Kerr and I regarding our relationships with Sister Miriam. He also verbally threatened Dr. Rivero about her relationship with Sister Miriam and Rivero's work on the patient Admissions Committee.

He accused me of engaging in elder abuse of Sister Miriam, which was patently untrue and which took the intervention of Service Employees International Union to make him withdraw his untrue allegation. He curtailed Sister Miriam's access to admission records she needed to minister to her patients, and forced her to remove a bulletin board on which she posted news stories about LHH.

One striking example of Kanaley's paternalism surfaced in a *Wall Street Journal* article which described a patient's distress at being institutionalized at LHH. The *WSJ* ended its article quoting Kanaley as saying "[The patient] seems happy," perhaps unwilling to admit the patient was distressed.

In 2007, LHH received a double-A citation from the State and a \$100,000 fine over an 82-year-old patient who fell to her death from a third floor window. During a KGO TV I-Team investigative story, Kanaley distinguished himself by trying to dispute the coroner's report of the patient's death and was shown boorishly swigging from a water bottle during the interview.

This public relations fiasco is thought to have led to the appointment of Louise Renne's protégé, Marc Slavin, who announced to this Examiner that he (Slavin) had been hired to keep negative news about LHH out of the media.

Slavin, as readers will recall, set in motion public outrage over his handling of the I-Team who aired an investigation of LHH's patient gift fund abuse on May 20.

Other employee casualties set in motion under Kanaley's leadership are thought to include a senior quality improvement analyst, possibly the former quality improvement director, LHH's medical director and assistant medical director, and other staff. Some observers believe Kanaley was a "change agent" like Attila the Hun.

After Kanaley eventually suspended holding meetings in 2008 with community members and neighbors surrounding LHH to discuss their concerns about LHH's rebuild and its changing patient population, it is sadly ironic the space being named for him is being called a "Community Center."

Kanaley was no saint, if at least one quarter-million-dollar settlement against LHH was any indication.

San Francisco's Board of Supervisors authorized paying \$268,452 on October 19, 2010 to settle a lawsuit filed against the city in San Francisco's Superior Court by a Laguna Honda staff member who alleged Kanaley had discriminated against the employee between the time he was hired at LHH in November 2004 and his untimely death in 2009.

Saints neither engage in potential discrimination and harassment, nor do they end up costing the city a quarter of a million dollars that could better have been spent on providing healthcare services to the elderly and disabled residents of LHH.

Perhaps the naming of space within LHH after Kanaley was to assuage collective guilt about having put him into a position he wasn't qualified to hold.

The naming of LHH's new Pavilion building esplanade after former City Attorney Louise Renne involves more hagiography.

The resolution the Health Commission approved last Tuesday claims Renee "spearheaded the campaign" to rebuild LHH, and that her advocacy convinced voters that the best use of the city's tobacco settlement revenue should be spent on rebuilding LHH for the frail elderly and disabled.

In truth, political consultant Jack Davis convinced columnist Warren Hinckle, SEIU's Sal Rosselli, the Residential Builder's Association president Joe O'Donoghue, and Ted Fang, publisher of the *Independent* newspaper, to form the Laguna Honda First committee. Their committee, more than anyone, spearheaded the drive to rebuild LHH.

According to Davis' 2006 op-ed piece "Back to Laguna Honda" in the *San Francisco Bay Guardian*, their committee developed TV ads showing patients in crowded conditions while the Simon and Garfunkle song "Old Friends" played in the background.

They asked voters to take a pledge not to support new general obligation bonds until LHH's needs were addressed first. The first "victim" of the Laguna Honda First committee was the de Young Museum bond measure, which was defeated at the polls.

At that point, Davis asserts, Renne stepped in. It is thought by some that San Francisco's elected establishment at the time, of which Renne was a part, had initially opposed the Laguna Honda First committee, wanting the de Young bond measure to pass.

But as this Examiner has previously reported, Renne had also tried to stop then San Francisco supervisor Angela Alioto's groundbreaking legislation to sue the tobacco companies, which Renne continues trying to take credit for using revisionist-history spin control.

The Health Commission's resolution also blathers that Renne had been a "visionary leader who moved architects, administrators and planners" to rebuild LHH as a "humane skilled nursing" facility.

If anything, that accolade should go to Larry Funk, LHH's former administrator who was forced out by Dr. Katz and replaced by Kanaley. If anyone, it has been Funk's leadership that provided the vision for the LHH rebuild.

As for the Health Commission's resolution that claims Renne has been a fervent advocate for the elderly and disabled at LHH, she wrote in a June 3, 2004 op-ed in the *Chronicle* that "... the residential population mix receiving services at Laguna Honda [should be] a policy decision in the hands of the city's director of public health," implying that Katz should be permitted to determine what kind of patients will be served at LHH.

She claimed in that essay that the new LHH would move from a traditional "medical model" of care to a "social residential model of care," and she asserted that the non-profit Laguna Honda Foundation she had formed would set about raising \$15 million in a capital campaign to purchase furniture, fixtures, and equipment for LHH's replacement facility.

She abruptly suspended operations of the Laguna Honda Foundation in 2005 without consulting the Health Commission before shuttering it, much to the Commission's consternation.

To date, it is believed Renne's foundation has not raised one penny towards furniture, fixture and equipment, which is thought to have been entirely funded from San Francisco's general fund and certificates of participation (long-term debt that requires repayment of interest), despite the IRS designation that granted her foundation its non-profit status, in part, to raise capital for the furniture and equipment.

As this Examiner has also previously reported (in *Donors beware: San Francisco's Laguna Honda Foundation refuses to disclose financial data*), Renne now refuses to disclose any details about the financial performance of her foundation, nor will she divulge how much money was recently raised during LHH's June 2010 black-tie gala dinner that benefitted both Laguna Honda Volunteers, Inc. and Renne's Laguna Honda Foundation.

It's clear the Health Commission didn't vet the naming of spaces at LHH, nor did it have any process for doing so publicly. Is it any wonder that strange bedfellows are now being graced with spaces named after them in the new LHH?

The Health Commission should have considered other people — Larry Funk, Angela Alioto, Sal Rosselli, Sister Miriam Walsh, and Jack Davis, among others who come to mind — before reaching into their Cracker Jack box and awarding naming rights to Renne and Kanaley.

Perhaps we should just be grateful the place hasn't been renamed the Louise Renee Social Rehabilitation Facility.

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