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Laguna Honda Hospital: Pot-bellies vs. Beds?

by Patrick Monette-Shaw

One outcome of California Pacific Medical Center's (CPMC) plans to close three of its San Francisco hospitals and build its new Cathedral Hill hospital on Van Ness Avenue, is that the lack of planning for skilled nursing beds in San Francisco has become painfully evident.

There are multiple failures to plan thoughtfully. In March 2005, then-Health Commission president Lee Ann Monfredini requested that Director of Public Health Mitch Katz update his 1998 *White Paper* regarding needs for longterm care skilled nursing facility (SNF) beds. Now four years later, Dr. Katz hasn't produced an updated report. In May 1997 the Hospital Council of Northern and Central California authored its *San Francisco Nursing Facility Bed Study*, which now hasn't been updated in twelve years. Both studies predicted San Francisco faced a potential 4,207 SNF-bed deficit by 2020, but a number of their assumptions proved false.



The Council's 1997 study predicted the then-existing stock of both "freestanding" and "hospital-based" SNF beds would be "maintained." That hasn't happened: San Francisco has already lost 746 SNF beds since 1997, and CPMC plans to eliminate another 180 licensed SNF beds, which will soon bring the total close to 926.

When I reported in "Mortgaging Laguna Honda Hospital's Future" in the *Observer's* May issue that voters weren't told in 1999 that, rather than building critically needed SNF beds at LHH for elderly and disabled San Franciscans, we'd get — instead — community amenities, hiking trails, and street improvement projects, I was unaware of new facts.

First, I didn't know CPMC's plans include reducing its total licensed capacity from 1,498 beds in 2004 to just 842 beds by 2015, a loss of 656 acute, psychiatric, and SNF beds. CPMC's plan to close 180 of its short-term SNF beds will leave it with only 38 SNF beds in-house. CPMC's plans to outsource operation of only 63 short-term SNF beds will supplant, by eliminating, long-term (defined as longer than 90-day) "custodial care" SNF beds in private facilities.

Even while admissions to Laguna Honda Hospital (LHH) have been severely restricted — and while San Francisco faces a twin epidemic of a significant shortage of SNF beds, combined with a huge surge in the number of elderly who will eventually need some level of nursing home care — planning efforts to ensure sufficient bed capacity across various levels of care is woefully inadequate, since the City refuses to plan for long-term care beds in nursing homes, claiming they are "institutions."

Second, I didn't know that on June 11, the Mayor's Long-Term Care Coordinating Council (LTCCC) would pass a resolution calling for citywide health planning for acute care, post-acute care, rehabilitation services, and transitional care, but pointedly eliminated calling for planning for SNF level of care, an obvious planning need. The LTCCC completely eliminated from its final resolution a statement contained in its June 3 initial draft that said CMPC's plans "will have a significant and negative impact on the overall availability" of SNF beds for vulnerable adults.

LTCCC member Herb Levine, who is Executive Director of the Independent Living Resource Center and a fierce hater of anything involving Laguna Honda, stated he couldn't support including long-term care SNF bed planning in the resolution eventually adopted on June 11. This is the same Levine who told me in September 2004 that "If the right supports were in place to provide community-based alternatives to LHH, there would be a need for zero beds at LHH." He's misguided, at best, since he conveniently forgets the LTCCC's mission statement specifically includes guiding development of "institutional" services for older adults.

The Council's resolution claims a nationwide trend to eliminate hospital-based SNF beds. If other San Francisco hospitals follow CPMC's lead closing SNF beds, we may lose another 200 SNF beds on top of the 926 already closed. Although the resolution calls for not closing CPMC's SNF beds until "reasonable alternatives" are established, the Council's April 8 meeting draft minutes expressed concern that people needing long-term care may be shoved out of county.

When LHH cut its beds to only 780, and restricted admissions in January 2008 to only rehabilitation, AIDS, and hospice units, admissions plummeted from 625 in calendar year 2004 to only 242 admissions in 2008 (a 61.3% net reduction, or 383 fewer admissions), according to LHH's January 2009 Board of Supervisors quarterly report publicly available.

Third, although I knew data compiled by the Lewin Group presented to the LTCCC on April 8 claimed San Francisco's population in 2030 would be less than it currently is, I didn't know then the Lewin Group was wrong. California's Department of Finance released new data on April 30 documenting San Francisco's population increased 1.2% between 2008 and 2009 to 845,559 — though it had projected in 2007 we wouldn't reach 844,000 residents until 2020. We've reached this threshold 11 years early; now we're projected to have 855,000 residents, including 179,375 people over the age of 65, by 2030. (Notably, U.S. Health and Human Services Secretary Kathleen Sebelius told *ABC News*' George Stephanopoulos on June 14 the Lewin Group's "public health plan" single-payer data are being questioned.)

Fourth, I later learned the Alzheimer's Association projects a "silver tsunami" by the year 2030 of 26,868 San Franciscans over the age of 55 having Alzheimer's, six percent of whom — or 1,612 people — will at some point need nursing home level of care. Given San Francisco's minimum 4,207 SNF-bed deficit, where will we care for Alzheimer's patients needing nursing home care?

This is crucial, since the Alzheimer's Association also reports that it currently costs Californians \$86,692 annually to provide for a Medicare-certified and licensed home health aide for just 44 hours of care per week for home care, compared to only \$64,068 annually for a semi-private room in a 24-hour-per-day, 168-hour-per-week skilled nursing facility, a difference of \$22,624 more annually for just 44 hours of home care, compared to almost four times as many hours of care in a nursing facility.

Fifth, I didn't know in late April that a prominent observer would question in May whether pot-bellied pigs and gardens planned for the new LHH might be great, but not if there aren't enough beds for patients displaced due to LHH's reduced size. San Francisco's League of Women Voters (LWV) monthly newsletter started a new "Bond Watch" column to track general obligation bond performance. The column is written by LWV's treasurer, Kristin Chu, who is both a member of San Francisco's *Citizen's General Obligation Bond Oversight Committee* and San Francisco's *Sunshine Ordinance Task Force*. In her May column (at www.lwvsf.org/pages/bonds.html) Chu wrote about the LHH bonds: "Pigs and gardens are great but shouldn't we have a bed for each patient from the demolished building?," referring to LHH's loss of one-third of its beds and pot-bellied pigs planned for its farm.

Sixth, Mayor Newsom's Deputy Chief of Staff for Health and Human Services, Catherine Dodd, stated during the Mayor's LTCCC's May 14 meeting that since SEIU Local 1021 members rejected a contract deal the previous day, there was nothing preventing Mayor Newsom from cutting more beds at LHH. Her comment was censored from that LTCCC meeting's minutes.

Although Dodd didn't specify the number of beds being considered for closure, her assertion that the Mayor linked SEIU's contract rejection to LHH's size was unmistakable. She didn't even mention any impact on patients, or that LHH has already lost 420 beds. Prior to SEIU's second contract vote on June 3, anecdotal reports surfaced that a senior LHH nurse also told some LHH units its 780-bed capacity may be cut by another 200 beds.

Finally, I hadn't completed an analysis of San Francisco's current SNF capacity. My research found that rather than having a 4,207 SNF-bed deficit by 2020, San Francisco potentially faces a 5,341 SNF-bed shortage by 2030, assuming no further closure of "freestanding" and "hospital-based" SNF beds, and excluding plans to further cut LHH's beds.

Before any further strategic planning decisions are made, capacity available at short-term care, vs. rehabilitation facilities, vs. long-term care SNF facilities must be updated, and tracked regularly with greater specificity.

Otherwise, the only alternative is to use lipstick on-a-pig to gloss over failures to plan comprehensively for elderly San Franciscans needing affordable long-term care in a skilled nursing facility.

Monette-Shaw, an accountability watchdog, operates www.stopLHHdownsize.com, where reports cited in this column are hyperlinked on-line.

Afterword: Although — due to political pressure (and heavy-handed editorial interference) from the Mayor's Office — the Long-Term Care Coordinating Council eliminated from its resolution concerning CPMC's master plans the Council's initial concern that there will be a significant and negative impact on the overall availability of skilled nursing beds in San Francisco if CPMC's plans for its Cathedral Hill Hospital are implemented, the negative impact throughout the system and throughout the City remains as sure of a tsunami as the predictable "silver tsunami" of people with Alzheimer's among San Francisco's aging population.