



San Francisco Health Network
Laguna Honda Hospital
and Rehabilitation Center

Laguna Honda Hospital Executive Team Report

December 20, 2022



About Laguna Honda



The largest publicly-run skilled nursing facility in the country

- For more than 150 years, Laguna Honda has been a pillar of San Francisco's healthcare system, providing healthcare services to approximately 700 residents.
- The hospital cares for people coping with the effects of complex or chronic conditions such as stroke, traumatic brain injury or degenerative diseases such as multiple sclerosis.
- Rehabilitative services include physical therapy, occupational therapy, speech therapy and audiology.
- Specialized care includes monolingual care in Spanish and Chinese, palliative care, positive care (AIDS/HIV) and memory care.



Status Update



De-Certification with CMS in April 2022

- Laguna Honda has an obligation to report many types of incidents with the goal of improving care. In 2021, Laguna Honda self-reported two non-fatal overdoses, which resulted in several surveys.
- The Centers for Medicare and Medicaid Services (CMS), as a result of those surveys, found the hospital out of substantial compliance.
- In April 2022, CMS terminated Laguna Honda's participation in the Medicare and Medicaid Provider Participation Programs.
- CMS Reimbursements fund the majority of resident care, accounting for approximately \$550k a day or more than \$200 million annually.
- **Laguna Honda remains open and licensed during the recertification process. We continue to provide quality healthcare to our residents as we work toward successful recertification.**



Status Update



The Path to CMS Recertification

- Laguna Honda continues to work hard to meet all regulatory requirements and make rapid improvements to prepare for recertification.
- This includes long-term operational, institutional, and cultural changes needed to achieve recertification and to ensure the long-term success of the hospital.
- Certification experts conducted a comprehensive organizational assessment and made recommendations on gaps and improvements, and Laguna Honda is implementing those improvements and tracking to ensure sustainability.
- Between the Laguna Honda staff and our expert consultants at Health Services Advisory Group (HSAG) and Health Management Associates (HMA), we are confident we have the team in place for a successful recertification.



Status Update



Settlement Agreement with CDPH and CMS – Extended Payments and Closure Plan Pause

- On November 10, 2022, the City and County of San Francisco signed the Settlement and Systems Improvement Agreement with CMS and CDPH.
- Under the agreement, CMS will continue paying for care at Laguna Honda until November 13, 2023.
- CMS also agreed to continue the pause on involuntary discharges and transfers of residents until February 2, 2023. CMS will have the option to further extend that date, depending on Laguna Honda's progress in complying with the settlement agreement.



Path to Recertification



First CMS Monitoring Survey

- Per the Settlement and Systems Improvement Agreement, CMS will conduct monitoring surveys every 90 days.
- These are unannounced, extensive, full recertification surveys.
- The first of these monitoring surveys began on November 28th, with over 20 surveyors engaging with the organization, and concluded on December 16th.
- Laguna Honda staff worked collaboratively with the survey teams to ensure they had everything they need.
- Items noted through the survey process were addressed in real time.



Path to Recertification



Responding to the CMS Monitoring Survey

- While Laguna Honda does not have the official results of the first monitoring survey yet, the outcome of this survey will provide a benchmark for recertification.
- A successful survey will also help Laguna Honda to assert that CMS should continue the pause on transfers and discharges.
- As we await a statement of findings, Laguna Honda is proactively monitoring all potential findings and the completion of the associated work.
- Once the statement of deficiencies 2567 is received, Laguna Honda will have 10 days to submit a plan of correction.



Safety



COVID-19 and Respiratory Illness Update

- Laguna Honda is working diligently to keep residents, visitors and staff safe over the winter holidays.
- Staff and visitors continue to wear N95 respirators and eye protection in all resident care areas.
- Screening testing for COVID-19 has temporarily increased to twice weekly for all staff and residents to quickly identify and isolate cases.
- Laguna Honda continues to encourage and make available the COVID-19 “bivalent” booster as well as the flu vaccine for all eligible staff and residents.





San Francisco Health Network Laguna Honda Hospital and Rehabilitation Center



PHOTO CREDIT: HEIDI ALLEZHAUSER
PHOTOGRAPHY

CMS RECERTIFICATION



Bed Reduction Update

- Laguna Honda is required to change policies, procedures and operations to meet current regulations and allow for successful recertification. Current directive from CMS and CDPH is that Laguna Honda must comply with updated CMS 2016 standards related to skilled nursing facility resident occupancy.
- One of those standards is to have no more than two residents per room.
- Laguna Honda now has a maximum of two residents per room
- Laguna Honda has 120 beds in a room designed for 3 residents, however, we are not de-licensing the third bed in order to keep options open as we go through recertification with CMS.
- We do not yet know if the beds will be certified by CMS but we will maintain the beds on our license and we hope to again occupy them.

