



San Francisco Health Network
Laguna Honda Hospital
and Rehabilitation Center

Laguna Honda Hospital Closure Plan and CMS Recertification Update

September 13, 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.



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 expert consultants, we are confident we have the team in place for a successful recertification.



Closure Plan - *Paused*



Extension of Pause in Transfers/Discharges of Residents and Medicaid/Medical Payments

- **May 14:** CMS and CDPH required implementation of a Closure and Patient Transfer and Relocation Plan to be completed by September 13, when Medicaid/Medicare funding would be halted.
- **July 28:** Regulators agreed to a request by the City to pause all transfers and discharges. A total of 57 transfers and discharges occurred as part of the Closure Plan.
- **August 15:** Laguna Honda reached an agreement with CMS and CDPH to extend Medicare and Medicaid payments to residents until November 13 and to continue the Closure Plan pause during this extension.
- During this pause, resident-initiated transfers and discharges will continue to occur, which is a right our residents are entitled to and aligned with hospital policy.



CMS Recertification



Preparing the Facility for Recertification

- Laguna Honda continues to work hard to meet all regulatory requirements. We are making 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 are conducting a comprehensive organizational assessment and making recommendations on gaps and improvements, and Laguna Honda is implementing those improvements and tracking to ensure sustainability.



CMS Recertification



The First Mock Survey

- Laguna Honda completed the first mock survey on July 21, 2022.
- Laguna Honda has implemented 371 corrective actions as a result of the first mock survey.
- Each corrective action has a monitoring plan to ensure sustainability.
- Every day, hospital leadership review the status of the corrective actions – this close monitoring ensures progress and sustainability.
- The second mock survey will take place after the corrective actions from the first mock survey have been sustained.



CMS Recertification



Recertification Education

- All Laguna Honda staff are participating in education trainings and accompanying skills checks in preparation for CMS recertification.
- More than 1,000 staff completed the trainings thus far with the remaining 100-200 staff completing make-up sessions.
- The trainings are a comprehensive and sustainable workforce training program with content based on the mock survey findings and other facility assessments.
- All staff participated in weeks 1-3 with nursing staff participating in the additional fourth week.

Week 1

- Infection Control
- Administration and Emergency Services
- Freedom from Abuse

Week 2

- Residents' Rights
- Quality of Life
- Behavioral Health

Week 3

- Quality Assurance & Performance Improvement
- Physical Environment
- Food & Nutrition

Week 4

- Pharmacy and Medication Pass
- Comprehensive Care Plan
- Resident Assessment



CMS RECERTIFICATION



Recertification Education



CMS Recertification



Key CMS Survey Preparation Work

- Additional recertification activities:
 - 24/7 in-person observations for infection prevention and control and the environment of care
 - Using the same tool regulators use to assess the hospital – Laguna Honda assess 10 per week on average using this tool
 - Severe Findings Strike Team to respond to severe findings.
 - Pilot reorganization to better align staffing model with high-performing skilled nursing facilities.
 - Focus on nursing staffing including hiring 40 patient care assistants this month and an updated staff assignment process that support strong unit culture.



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.
- This has reduced our bed count by 120 beds from 769 SNF beds to 649 SNF beds.
- 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 our license and we hope to again occupy them.



COVID-19 Outbreak Mitigation



Keeping residents safe during an increase in cases

- Laguna Honda responded to the largest COVID-19 outbreak to-date among residents. Resident cases peaked on August 25th at 55 cases. There are now 11 cases as of September 12th.
- Laguna Honda responded swiftly and effectively:
 - All visitors are now being tested upon entry
 - 24/7 staff observations to ensure proper PPE use and hand hygiene
 - Temporarily closing staff gathering spaces like the cafe and moving most meetings to virtual
 - A second COVID unit was prepared (although not used)
 - Staff continue to test twice weekly, wear N95s and eye protection in resident care areas and perform many daily infection prevention and control measures
- Laguna Honda is now in the process of rolling out the bivalent COVID vaccines.



Laguna Honda Updates



Tracking Laguna Honda's Path to Recertification

- Closure Plan and recertification updates are provided at the Health Commission at the second meeting of each month in both open and closed session.
- Closure Plan and recertification updates are provided monthly at the Laguna Honda JCC in both open and closed session.
- A summary of the mock survey findings and corrective actions was made available to the public.
- Dedicated webpages to the Closure Plan and recertification efforts can be found at lagunahonda.org





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