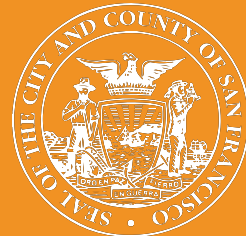


San Francisco Health Network
Laguna Honda Hospital
and Rehabilitation Center

Laguna Honda Hospital Closure Plan Update

July 21, 2022



CLOSURE PLAN


Overview

- The Centers for Medicare and Medicaid Services (CMS) terminated Laguna Honda's participation in the Medicare and Medicaid Provider Participation Programs in April 2022.
- Laguna Honda worked with partners to develop a plan requiring recertification milestones be met prior to a closure plan being implemented. CMS and the California Department of Public Health (CDPH) rejected this proposal.
- Laguna Honda then developed an 18-month closure plan with information about recertification. CMS/CDPH rejected this plan.
- Instead, **CMS and CDPH required Laguna Honda close and transfer or discharge all patients by September 13, 2022**, with the possibility of a two-month extension to allow more time to transfer all patients.



CLOSURE PLAN

Overview

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- The mandated Closure and Patient Transfer and Relocation Plan is prescribed and required by CMS and CDPH.
 - **In weekly meetings, CMS and CDPH have repeatedly informed Laguna Honda that it must transfer or discharge patients faster.**
 - CMS and CDPH also required that after July 15 patients must accept placement. **Patients have a right to appeal placements.**
 - We continue to await responses from CDPH, DHCS, and CMS to answer important questions from patients and families on issues such as patient payments, and the appeals process. In some instances, the answers have been pending for over a month.
 - Laguna Honda staff and leadership remain committed to serving our patients and their families during this difficult time and prioritizing patient safety and wellbeing.



CLOSURE PLAN

Payments



- CMS has reported that they will provide reimbursements through September 13 while we work to find facilities that can appropriately care for patients and has said payments might extend for two more months.
- Reimbursements fund the majority of patient care, accounting for approximately \$550k a day or **more than \$200 million annually**.
- **SFDPH stills need clarity from CMS, CDPH and DHCS when and if Medi-Cal will no longer pay for an individual patient's stay at Laguna Honda.**
- CMS also reports that **extended funding is contingent on progress in transferring and discharging patients**, but they have not communicated progress metrics to Laguna Honda.
- Laguna Honda also awaits clarification from CDPH, DHCS, and CMS about payment obligations during the appeals process.



CLOSURE PLAN

Appeal Process

- All patients and their decision makers were provided the Closure Plan and a 60-day notice on May 16, 2022.
- No residents were required to transfer before the 60-day notice expired (July 15, 2022).
- **Residents can still decline a transfer or discharge after July 15; however, they must appeal to the state.**
- Again, we are still awaiting clarity on the appeals process including number of appeals allowed and what happens if appeal is denied.
- We provide information about this important right to appeal, and on-site patient advocates also inform patients and their families about their rights.

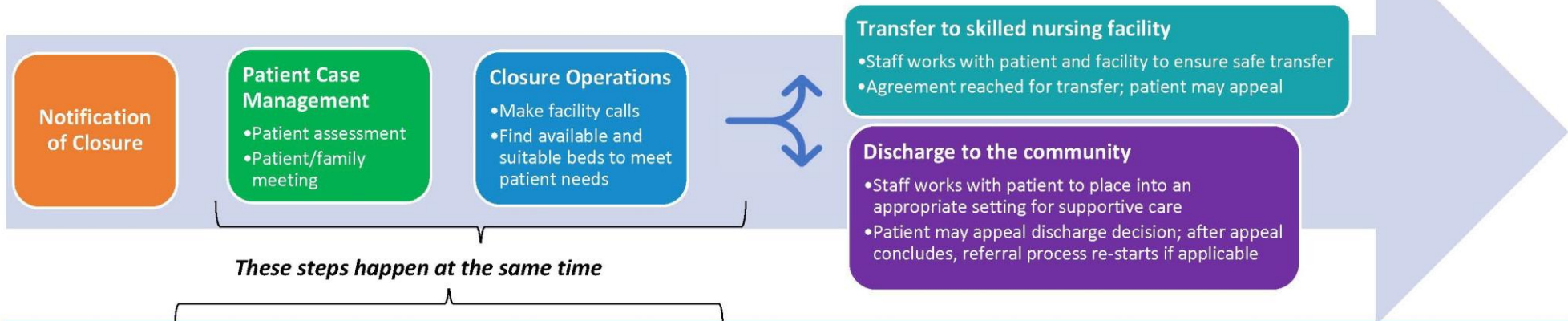


CLOSURE PLAN PROCESS



San Francisco Health Network
Laguna Honda Hospital
and Rehabilitation Center

CLOSURE PLAN PATIENT TRANSFER AND DISCHARGE PROCESS



| 1 Notification | 2 Patient Case Management | | 3 Closure Operations | 4 Transfer to a skilled nursing facility for clinical care | 4 Discharge to the community |
|--|---|--|---|--|--|
| <p>All patients given 60-day notice of closure plan on 5.16.22</p> | <p>Patient assessment</p> <p>Patient and/or representative family meeting</p> | <p>Whole-person understanding of patient needs</p> | <p>Staff calls facilities to find available beds best suited to patient needs</p> | <ul style="list-style-type: none"> Staff identifies options of facilities to meet patient needs Staff meets with patient to present possible option for placement: <ul style="list-style-type: none"> If patient accepts, move to transfer If patient declines, identify alternative facility Patient may appeal Staff meets with facility to present patient file: <ul style="list-style-type: none"> If facility accepts, meet with patient to place If facility denies, find another facility | <ul style="list-style-type: none"> For placement into supportive care To their own homes For patients who are experiencing homelessness, San Francisco is committed to finding appropriate placement within the city's coordinated homeless response system <ul style="list-style-type: none"> For example: board and care, medical respite, residential treatment, shelter |

CLOSURE PLAN



Closure Plan Data - From May 16, 2022 – July 17, 2022

Total of 56 Transfers & Discharges to date

- **40 transfers**
 - San Francisco: 1
 - San Mateo County: 35
 - Alameda County: 4
 - Outside of the Bay Area: 0
- **16 discharges**
 - Home/Housing: 3
 - Medical Respite: 3
 - Board and Care / Residential Care: 7
 - Shelter: 3

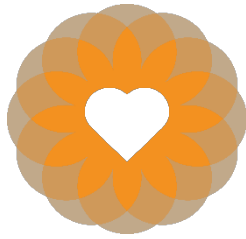


LAGUNA HONDA NEXT STEPS



- The hospital is working diligently to ensure patient safety and wellbeing, provide the highest quality care and successfully recertify Laguna Honda in the Medicare Medicaid programs, so that current patients and future generations in San Francisco have access to quality skilled nursing healthcare when they need it most.
- **Laguna Honda remains committed to serving our patients and their families during this difficult time.**
- We are committed to continuing to work with CMS, CDPH and DHCS to improve the process for our patients and get the answers we need to alleviate patient and family concerns.





San Francisco Health Network Laguna Honda Hospital and Rehabilitation Center

