



City and County of San Francisco

Edwin M. Lee, Mayor

San Francisco Department of Public Health


Barbara A. Garcia, MPA
Director of Health

MEMORANDUM

DATE: March 2, 2011

TO: Christina Olague, Planning Commission President, and Members of the Planning Commission

CC: Steven Tierney, Health Commission President, and Members of the Health Commission

FROM: Barbara A. Garcia, MPA, Director of Health 

RE: March 10, 2011 Joint Planning Commission/Health Commission Hearing

In preparation for the joint Health Commission/Planning Commission meeting on March 10, 2011 regarding the health-related aspects of California Pacific Medical Center's (CPMC) proposed hospital projects, I am forwarding two resolutions passed by the Health Commission on the topic. These two Health Commission resolutions create the framework for the Health Department's position on the rebuild of the hospitals in the CPMC system.

Resolution No. 10-09 (included as Attachment A), passed by the Health Commission on July 21, 2009, supported rebuilding CPMC facilities and resolution of the land-use issues. In addition, Resolution 10-09 made eight recommendations to ensure the best possible health plan for the City. Among the recommendations was the creation of the Health Commission's Task Force on the CPMC Institutional Master Plan. The work of this task force resulted in the second resolution.

Resolution No. 02-10 (included as Attachment B), passed by the Health Commission on March 16, 2010, memorialized agreements reached between the Department of Public Health and CPMC on the recommendations contained in Resolution 10-09.

I am looking forward to attending the joint hearing and hearing the community's perspectives on the health aspects of this project.

The mission of the San Francisco Department of Public Health is to protect and promote the health of all San Franciscans.

We shall ~ Assess and research the health of the community ~ Develop and enforce health policy ~ Prevent disease and injury ~

~ Educate the public and train health care providers ~ Provide quality, comprehensive, culturally-proficient health services ~ Ensure equal access to all ~

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ATTACHMENT A

**HEALTH COMMISSION
City and County of San Francisco
Resolution No. 10-09**

**RESOLUTION DECLARING FINDINGS ON THE CALIFORNIA PACIFIC MEDICAL
CENTER INSTITUTIONAL MASTER PLAN**

WHEREAS, it is the role of the Health Commission to ensure that the health needs of all San Franciscans are addressed; and,

WHEREAS, the Institutional Master Plan (IMP) process provides the City and its policy bodies, including the Health Commission and the Planning Commission, with an opportunity to ensure that proposed changes related to health care institutions are reviewed to ensure the protection of public health and consideration of neighborhood and environmental integrity; and,

WHEREAS, City and County of San Francisco Ordinance 0279-07 amending the IMP process calls for, "the Department of Public Health (DPH) to analyze the relationship between the city's long-term health care needs and facility planning for medical institutions. . .to provide the Planning Department with an important perspective for review of medical institutions' master plans. Such analysis will help prevent loss of services and inefficient or redundant development of healthcare services in San Francisco"; and,

WHEREAS, Sutter West Bay dba California Pacific Medical Center (CPMC) submitted its IMP to DPH, which contracted with the Lewin Group to conduct an analysis, which has been forwarded to the Planning Commission within the 90-day timeline; and,

WHEREAS, the CPMP IMP will impact the quality and equitable access to health care in San Francisco for the next 40 to 60 years; and,

WHEREAS, the Health Commission has reviewed the Lewin Group report on this IMP, as well as the 2007-08 Lewin Group's Local Market Assessment, which, while they were primarily directed at the Department in its capacity as the primary entity for assuring health care in the City, they are very relevant to our planning process and, therefore, to all of the Department's partners; and,

WHEREAS, in addition to the Lewin Group report, the Commission took extensive public testimony on the CPMC IMP; and,

WHEREAS the Health Commission appreciates the efforts by CPMC to engage the community and the Department in this thorough planning process and to meet the needs of the citizens of San Francisco for effective, efficient and culturally competent health care; and ,

WHEREAS CPMC has historically partnered with Chinese Hospital and the Chinese community to provide culturally competent obstetrical and pediatric and tertiary services and has indicated its intent to continue such partnership; and,

WHEREAS, the IMP is not just a "land-use matter," and CMPC is a key partner in meeting the health needs of San Francisco residents; and,

WHEREAS, the Health Commission needs to ensure that the proposed plan, with all of its campuses and services, reflects a thoughtful approach to the present and future demographics of the City; and,

WHEREAS, the IMP process needs to be transparent and refined with the input of affected stakeholders; and,

WHEREAS, based on the Commission's review of the IMP, the Department shares in the goal of rebuilding CPMC's facilities as CPMC cannot operate three of its current four acute care hospital campuses (Pacific, California, or St. Luke's) as acute care facilities beyond 2015 due to California's statewide seismic requirements; and,

WHEREAS, were CPMC not to build new hospitals, the City would lose one-third of all acute care beds, two full-service emergency departments, and one specialty care emergency department, which would be a crushing loss for the City; now,

THEREFORE BE IT RESOLVED, that the Health Commission supports rebuilding CPMC facilities to meet the State's current seismic requirements; and,

BE IT FURTHER RESOLVED, that the Health Commission supports resolution of the land-use issues recognizing that San Francisco sits at the intersection of two seismic faults, and were the City to lose hospital capacity and especially emergency department capacity prior to the rebuilding of these facilities, the health of San Franciscans would be compromised; and,

BE IT FURTHER RESOLVED, that the Health Commission supports and applauds CPMC's decision to rebuild St. Luke's Hospital, and believes that it is commendable that CPMC established the Blue Ribbon process and that the CPMC Board approved the recommendations as the southeast sector of the City needs St. Luke's Hospital and the Health Commission looks forward to working with CPMC to ensure that it is a vibrant campus; and,

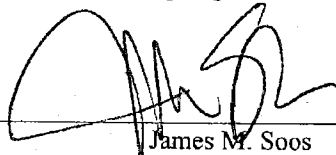
BE IT FURTHER RESOLVED, that to ensure the CPMC IMP results in the best possible health plan for the City and County of San Francisco, the Health Commission makes the following recommendations:

1. CPMC should increase its charity care, including but not limited to Healthy San Francisco, to a share comparable to other hospitals in San Francisco.
2. CPMC should increase its care of patients with Medicaid to a share comparable to other hospitals in San Francisco. Since hospital admissions other than those that come through the emergency department are determined by doctors associated with the hospital, the Health Commission believes that CPMC will best achieve this through establishment of a Foundation for physicians at St. Luke's campus, which was a recommendation of the Blue Ribbon Taskforce.
3. CPMC should replace lost skilled-nursing facility (SNF) beds with appropriate long-term care services for an equal number of persons. In this regard, the Health Commission recognizes that institutional care is not necessarily the best option for seniors and younger adults with disabilities who need long-term care.
4. CPMC should replace lost sub-acute beds with placements for all individuals currently in those beds.
5. CPMC should make a commitment that the St. Luke's campus will be operated as a community hospital for at least 20 years (barring significant changes in medical technology – the Health Commission does not favor the maintenance of empty hospitals).

6. CPMC should ensure that all of the recommendations of the Blue Ribbon Taskforce be fully implemented. (The issue of SNF beds can be resolved through the creation of alternative services for those needing this level of care, as noted in recommendation number 3).
7. The Health Commission, DPH should establish a working group with representation of a dedicated membership* to work with the Planning Department, Permit Appeals Board, and Board of Supervisors to analyze progress realizing these recommendations.
8. CPMC should continue its partnership with all sectors of the community, including Chinese Hospital, its affiliates and the Chinese community to provide fair and affordable access to its services.

*Suggested membership would be three CPMC members, three DPH/Commission members, one City Hall representative, and two community representatives.

I hereby certify that the San Francisco Health Commission at its meeting on July 21, 2009 adopted the foregoing resolution.



James M. Soos
Acting Commission Executive Secretary

ATTACHMENT B

HEALTH COMMISSION RESOLUTION 02-10 RESOLUTION MEMORIALIZING THE AGREEMENTS REACHED BY THE HEALTH COMMISSION AND THE CALIFORNIA PACIFIC MEDICAL CENTER REGARDING ITS INSTITUTIONAL MASTER PLAN

WHEREAS, the Institutional Master Plan (IMP) process provides the City and its policy bodies, including the Health Commission and the Planning Commission, with an opportunity to ensure that proposed changes related to health care institutions are reviewed to ensure the protection of public health and consideration of neighborhood and environmental integrity; and,

WHEREAS, City and County of San Francisco Ordinance 0279-07 amending the IMP process calls for, "the Department of Public Health (DPH) to analyze the relationship between the city's long-term health care needs and facility planning for medical institutions...to provide the Planning Department with an important perspective for review of medical institutions' master plans. Such analysis will help prevent loss of services and inefficient or redundant development of healthcare services in San Francisco"; and,

WHEREAS, California Pacific Medical Center's (CPMC) IMP was presented to the Health Commission in May 2009 and at its July 21, 2009 hearing, the Health Commission adopted Resolution 10-09 supporting CPMC's plans to rebuild facilities to meet the State's current seismic requirements; and,

WHEREAS, to ensure the CPMC IMP results in the best possible health plan for the City and County of San Francisco, the Health Commission put forward eight specific recommendations that stemmed from four public hearings; the Health Commission Task Force on CPMC's IMP, a work group using a consensus model, met to discuss and analyze progress in fulfilling these recommendations which resulted in the following agreements with CPMC:

1. Recommendation: CPMC should increase its charity care, including but not limited to Healthy San Francisco, to a share comparable to other hospitals in San Francisco.
Agreement: CPMC will increase its charity care contribution 79% in a five-year period, from \$5,315,000 in 2007 to \$9,500,000 by 2012.
2. Recommendation: CPMC should increase its care of patients with Medicaid to a share comparable to other hospitals in San Francisco.
Agreement: CPMC will continue to serve Medicaid patients throughout its system, retaining its Medicaid contract with the State of California providing access through the Sutter Pacific Medical Foundation clinics and the St. Luke's Health Care Center. CPMC will also increase its amount of Medicaid shortfall (the uncompensated portion of providing care to Medicaid patients) by 22% in a five-year period, from \$53,369,000 in 2007 up to \$65,000,000 by 2012.
3. Recommendation: CPMC should replace lost skilled-nursing facility (SNF) beds with long-term care services for an equal number of persons.

Agreement: CPMC will provide a total of 100 skilled nursing beds, retaining the 38 beds currently located at the Davies Campus and adding 62 new SNF beds. Because of the shortage of SNF beds in the community, no existing community-based beds will be utilized. CPMC will maintain ongoing reports to the Commission concerning these options and future decisions.

4. Recommendation: CPMC should replace lost sub-acute beds with placements for all individuals currently in those beds.
Agreement: CPMC chairs the San Francisco Hospital Council work group, to develop concrete solutions for providing sub-acute care beds in the community. The recommendations will be heard by the Hospital Council in June 2010. When the St. Luke's inpatient tower is decommissioned, CPMC will place all remaining sub-acute care patients in its other hospital campuses, or in community facilities.
5. Recommendation: CPMC should make a commitment that the St. Luke's campus will be operated as a community hospital for at least 20 years.
Agreement: CPMC is constructing a new \$250,000,000 inpatient facility at St. Luke's and is committed to maintaining St. Luke's as an integral part of their larger healthcare system. In September 2008, CPMC's Board of Directors unanimously accepted the recommendations of the Blue Ribbon Panel, directing executive management to include a revitalized St. Luke's Campus, with all the services of a community hospital, as part of CPMC's IMP.
6. Recommendation: CPMC should ensure that all of the recommendations of the Blue Ribbon Taskforce be fully implemented.
Agreement: CPMC will implement all the recommendations of the Blue Ribbon Panel, with the two exceptions. SNF beds will be provided within the CPMC system and through new community-based facilities. Inpatient pediatric beds will be built into the new Cathedral Hill Hospital where all the support services and specialties necessary for safe and effective care will be available. These actions will provide for the services to patients envisioned by the Blue Ribbon Panel.
7. Recommendation: The Health Commission, DPH should establish a time-limited working group with representation of a dedicated membership to analyze progress realizing these recommendations.
Agreement: The Health Commission convened the CPMC IMP Task Force.
8. Recommendation: CPMC should continue to partner with all sectors of the community, including Chinese Hospital, its affiliates, and the Chinese community to provide fair and affordable access to its services; and,
Agreement: CPMC has committed to continuing its long standing partnership with Chinese Hospital, its affiliates and the Chinese community; and

WHEREAS, on March 2, 2010, the Health Commission heard the final report of the Task Force outlining the agreements that had been reached through the consensus process; now

THEREFORE BE IT RESOLVED, the Health Commission confirms the agreements listed above as progress towards but not full implementation of the Commission's specific recommendations regarding charity care, Medicaid, sub-acute services and commitment to operate St. Luke's as a community hospital for twenty years; and,

BE IT FURTHER RESOLVED, CPMC will continue to provide the Health Commission separate charity care information for St. Luke's for as long as the hospital licenses are separate. When the hospital licenses are consolidated in 2012, CPMC will no longer provide campus-specific reporting. At that time, CPMC's charity care reporting will be revisited by the Commission. CPMC will report discharges of patients who live in St. Luke's primary service area for all campuses; and,

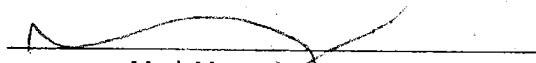
BE IT FURTHER RESOLVED, commencing one calendar year after acceptance of the Report of the CPMC Task Force by the Health Commission and coinciding with the hospital's reporting cycle to OSHPD, CPMC will provide written annual updates to the Commission progress towards full implementation of the recommendations in the prior year.

BE IT FURTHER RESOLVED, CPMC will report quarterly to the Health Commission through its Finance and Planning Committee on progress of the agreements listed above and the Van Ness/Cathedral Hill and St. Luke's facility development plans; and,

BE IT FURTHER RESOLVED, the Health Commission expects CPMC to continue its upward trajectory level of charity care and services to Medicaid patients and to ultimately commit to a percentage amount comparable to other hospitals in San Francisco; and,

BE IT FURTHER RESOLVED, the Health Commission is forwarding this resolution to the Planning Commission and to the Board of Supervisors for incorporation into the Planning Commission's Conditions of Approval for CPMC's future facilities building plans. This will ensure accountability and oversight and keep the public informed of CPMC's progress as the Institutional Master Plan is implemented.

I hereby certify that the San Francisco Health Commission at its meeting of March 16, 2010 adopted the foregoing resolution.


Mark Morewitz
Health Commission Executive Secretary

