

LOUIS J. GIRAUDO

50 Francisco Street, Suite 235, San Francisco, CA 94133

April 1 , 2016

John Rahaim
Director of Planning
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94102

Re: 2014 annual compliance findings for CPMC Development agreement

Dear President Breed and Members of the Board of Supervisors:

Section 8.2.2 of the CPMC Development Agreement (DA) with the City and County of San Francisco identifies me as a “third party monitor”, charged with reviewing the City’s annual compliance findings and presenting to the Board of Supervisors my agreement or disagreement with the City’s findings. I have received and reviewed the Certificate of Compliance, dated January 15, 2016, from Planning Director John Rahaim and Health Director Barbara Garcia. The following are my comments on that document:

I am in agreement with Directors Rahaim and Garcia that CPMC has met the burden of compliance with the requirements of the DA, and in some cases exceeded its obligations, but I also share some concerns expressed in their letter and believe that CPMC must not only meet the minimum requirements of the DA, but must also live up to its obligations as a care provider in San Francisco. I would suggest that members of the Board of Supervisors continue to be aware in the coming years of CPMC’s performance in the following areas:

1. **2014 BASELINE CHARITY CARE SHORTFALL:** CPMC fell short of the 2014 obligation, but the two-year rolling average provision in the Development Agreement allows CPMC to make up this shortfall in 2015. I understand that CPMC has been working with DPH to make up the 2014 shortfall, as well as improve access to critical services for DPH patients.
2. **MEDI-CAL MANAGED CARE BENEFICIARIES IN THE TENDERLOIN:** CPMC is required to provide care to 1,500 Medi-Cal beneficiaries coming from a new partnership with a Tenderloin-based management services organization (MSO) or independent physician

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association (IPA) that has the ability to contract with Medi-Cal managed care. I understand that, as of the end of the 2014 reporting period, no MSO or IPA had been identified to meet this obligation. However, I am happy to report that I have worked with CPMC and DPH on this issue and, in August, 2015, CPMC created a partnership to meet this commitment. The creation of this critical partnership prior to December 31, 2015, prevents the expiration of this very important DA obligation.

3. **CULTURALLY AND LINGUISTICALLY APPROPRIATE SERVICES (CLAS) STANDARDS:** CPMC is in compliance with national CLAS standards, however I understand that some questions remain. I understand that Director of Health Garcia requested additional information for future annual reports. I agree that CPMC is in compliance but I encourage them to do much more and continue to work with DPH on improving cultural and linguistic appropriateness of CPMC services.
4. **POST-ACUTE CARE AND SUBACUTE BEDS:** CPMC agreed to work with DPH and other hospitals to propose specific recommendations around subacute care in San Francisco in anticipation of the agreed upon closure of subacute beds at St. Luke's. Additionally, in 2014 CPMC notified DPH of its intention to realign its skilled nursing facility (SNF) services across its San Francisco campuses. In 2015 CPMC engaged a subject matter expert to lead a post-acute care assessment to study the current post-acute care landscape and form recommendations for improving future access to post-acute care. CPMC worked with DPH, community based organizations and other hospitals and produced a comprehensive post-acute care report. The report was presented to the Health Commission on February 16, 2016 and I encourage CPMC to continue participating in follow-up activities to implement the recommendations.
5. **COMMUNITY ENGAGEMENT:** At the December hearing, Director Garcia echoed community feedback that there is still room for CPMC to improve community engagement, especially at the St. Luke's campus. While I do understand that CPMC has made additional efforts since that hearing and that the City is optimistic about their work in late 2015/early 2016. I urge CPMC to continue this work with DPH and the community to improve overall community engagement.
6. **HIRING GOALS AND GOOD FAITH EFFORTS:** CPMC met its 2014 obligation for local workforce hiring for construction activities but did not meet its hiring goal for 50 percent new entry-level apprentice referrals through the system because of availability shortages in local apprentice iron workers. In addition, while CPMC met its hiring goal

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for its operations activities in 2014, this hiring was not sufficient to overcome a small hiring deficiency that was rolled over from the 2013 annual hiring target. I am happy to confirm that CPMC has largely overcome the initial challenges with its good faith efforts for the 2013 reporting period and that, in 2015, CPMC is making significant progress towards erasing its operational hiring deficit.

Sincerely,

A handwritten signature in blue ink, consisting of a large, stylized 'L' followed by a horizontal line extending to the right.

Louis J. Giraud