



# Certificate of Compliance

March 1, 2017

CITY AND  
COUNTY OF  
SAN FRANCISCO

Edwin M. Lee  
Mayor

Dr. Warren S. Browner, MD, MPH, CEO  
California Pacific Medical Center  
633 Folsom Street, 1<sup>st</sup> Floor  
San Francisco, CA 94107

Re: **2015 Annual Compliance Findings for the CPMC Development Agreement (Planning Case No. 2012.0403W; Ordinance No. 138-13)**



**San Francisco  
Planning  
Department**

**John Rahaim**  
*Director of Planning*

1650 MISSION ST  
SUITE 400  
SAN FRANCISCO  
CA 94103

**San Francisco  
Department  
of Public Health**

**Barbara A. Garcia,**  
**MPA**  
*Director of Health*

101 GROVE ST  
ROOM 308  
SAN FRANCISCO  
CA 94102

Dear Dr. Browner:

The San Francisco Planning Director and Director of Health find California Pacific Medical Center (“CPMC”) in compliance with the obligations described in the Development Agreement for calendar year 2015 (Case No. 2012.0403; Ordinance No. 138-13). The directors’ compliance findings, along with a discussion of key issues, are detailed below.

## **BACKGROUND**

CPMC’s Development Agreement became effective on August 10, 2013. This compliance review, the third, covers the period of time from January to December 2015.

Consistent with the schedule outlined in Section 8.2.1 of the Development Agreement, CPMC submitted their third of ten annual Compliance Statements to the Planning Department on May 19, 2016 (reporting on 2015 obligations), in accordance with Section 8.2.1 of the Development Agreement. Public comments on CPMC’s 2014 Compliance Statement were accepted from May 23, 2016 through June 23, 2016. After reviewing CPMC’s Compliance Statement, the Planning Director published a report (the “City Report”) regarding CPMC’s compliance with the Development Agreement on August 9, 2016. On February 9, 2017, the Planning Commission and Health Commission held a joint public hearing on CPMC’s 2015 Compliance Statement.

Concurrent with the mailing of this Certificate of Compliance to CPMC, the Planning Director will forward the City Report and his Compliance Findings to an independent third party monitor. The Third Party Monitor will review the Findings, and send a letter to the Board of Supervisors within thirty (30) days, stating whether he or she concurs with the findings.

## **Compliance Findings on Healthcare Obligations**

The Director of Health finds CPMC to be in compliance with the 2015 Healthcare Obligations of the Development Agreement, as detailed in the City Report. CPMC has met, and in some cases exceeded, its Healthcare Obligations. Some issues of concern detailed in the 2014 Certificate of Compliance were resolved, though others remain. These issues are discussed below, along with the specific actions that the Director of Health and CPMC are undertaking to address these concerns.

### **2015 BASELINE CHARITY CARE SHORTFALL**

In 2014, CPMC fell 1,849 patients short of serving 30,445 charity care patients, as required by the Development Agreement. The Development Agreement contains a 2-year rolling average provision that required CPMC to make up for this shortfall in 2015 by serving at least 32,294 patients. CPMC exceeded this requirement by serving 37,771 charity care patients in 2015. (This figure was verified by an independent third party, as required in the Development Agreement.) CPMC reports that the increase in charity care patients was primarily due to:

- The increase in enrollment into CPMC's existing Medi-Cal managed care partnership with North East Medical Services (NEMS);
- Provision of ancillary services for NEMS patients;
- Provision of diagnostic services for Department of Public Health patients; and
- Service delivery partnerships with community clinics.

### **1,500 MEDI-CAL MANAGED CARE BENEFICIARIES IN THE TENDERLOIN**

CPMC is required to participate in a Medi-Cal managed care partnership with a Tenderloin-based primary care provider to serve up to 1,500 Medi-Cal beneficiaries. On August 1, 2015, CPMC initiated a new partnership with NEMS and St. Anthony's Medical Clinic that provides a pathway for CPMC to meet this commitment.

As of February 2017, 125 beneficiaries were enrolled in this new partnership. CPMC is obligated to remain open to new enrollees in this partnership for the remainder of the Development Agreement or until it reaches 1,500 participants, whichever is sooner. The partnership provides beneficiaries with a new choice when they choose or change their primary care provider. Beneficiaries may not be transferred to the new partnership without their consent. Thus, increased enrollment will be reliant on outreach, education, and patient choice.

To support the development and expansion of this partnership, the CPMC Innovation Fund has provided St. Anthony's with \$420,000 to support the development of the billing and patient tracking infrastructure required to participate in the Medi-Cal program, as well as outreach and education to promote enrollment into this new partnership. Outreach and education activities have included:

- Direct outreach to 250 St Anthony's Foundation Dining Room guests and brochures provided to 700 guests each week;
- Discussions with St. Francis to create a formalized referral process that would allow the St. Francis Discharge Care Coordinator to refer patients that are being seen in the Emergency Department and have no medical home;
- Quarterly outreach and enrollment events at Hamilton Family Center and Compass Family Services to target families that have recently arrived into the shelter program;

- Access for St. Anthony's eligibility workers to the Medi-Cal eligibility system from the Human Services Agency;
- Direct application and enrollment assistance; and
- Commitment to participating in future Project Homeless Connect events.

The Department of Public Health is committed to continuing to work with NEMS, St. Anthony's, and CPMC to continue to grow participation in this new partnership.

### **CULTURALLY AND LINGUISTICALLY APPROPRIATE SERVICES (CLAS) STANDARDS**

Although CPMC was found to be compliant with the Development Agreement provisions regarding CLAS standards, the Health and Planning Commissions expressed as part of both the 2013 and 2014 Annual Compliance Report review that they continued to have questions as to the cultural and linguistic appropriateness of CPMC services. Additionally, the coalition of San Franciscans for Healthcare, Housing, Jobs and Justice continues to express concerns specifically about the cultural competence of the services offered in the St. Luke's Diabetes Clinic.

In 2015, CPMC conducted an outside assessment of their compliance with the CLAS Standards. Department of Public Health CLAS experts reviewed this assessment. As a result of their findings and at the agreement of the parties, CPMC agreed to report additional CLAS standards-related information in future annual compliance reports. Additionally, specifically in response to concerns raised about the St. Luke's Diabetes Clinic, Department of Public Health diabetes care experts met with St. Luke's Diabetes Clinic staff in April 2016. At that meeting, the parties discussed four key issues for follow-up, as detailed below, that CPMC agreed to report on in future annual compliance reports:

- Additional Spanish language capacity is warranted;
- Spanish language classes should be offered;
- Reception staff would improve patient care and experience; and
- The HealthFirst program provides positive connections for clinic patients.

Recently, CPMC reported that they had hired a bilingual Registered Dietician/Certified Diabetes Educator, had begun classes at St. Luke's, and had made improvements in reception desk signage and in their patient satisfaction surveys.

The Director of Health encourages CPMC to continue to focus on care improvements to ensure the highest quality of culturally and linguistically appropriate services for CPMC's Spanish-speaking patients. The Department of Public Health looks forward to learning more about CPMC's progress from the supplemental information CPMC agreed to include in future annual compliance reports.

### **ST. LUKE'S HOSPITAL COMMUNITY ENGAGEMENT**

As in previous Annual Compliance Report Hearings, the Health and Planning Commissions highlighted the importance and value of transparency and community input. While CPMC is continuing to hold quarterly meetings with interested community stakeholders, the Commissions encouraged CPMC to continue to find ways to meaningfully engage with and be responsive to the communities they serve. CPMC was encouraged to reach outside of their historical partners and venues to gain insight directly from residents and neighbors.

## **Compliance Findings on Non-Healthcare Obligations**

The Planning Director finds CPMC to be in compliance with the 2015 Non-Healthcare Obligations of the Development Agreement, as detailed in the City Report. The Workforce Agreement between the City and CPMC establishes hiring goals for CPMC in both construction and operations. It also outlines “good faith efforts” that CPMC must make to meet these hiring goals. CPMC has met its Non-Healthcare Obligations by either fully meeting hiring goals or demonstrating good faith efforts. Areas for continued improvement are discussed below.

### **HIRING GOALS**

In the third hiring year, CPMC met its obligation for local workforce hiring for construction activities based on the overall 30 percent hour requirement. However, CPMC did not meet its hiring goal for 50 percent new entry-level apprentice referrals through the system due to availability of local apprentices in various trades. Despite the shortfall, CPMC and its contractors demonstrated good faith efforts in trying to achieve the goals through sponsoring training and hiring through the CityBuild program of OEWD. CPMC met its hiring goal for its operations activities in 2015, as hiring was sufficient to overcome a hiring deficiency of 9 entry-level positions that was rolled over from the 2014 annual hiring target.

### **GOOD FAITH EFFORTS**

The Workforce Agreement requires CPMC to make good faith efforts to meet its construction and operations hiring obligations. For operations hiring, these obligations include, but are not limited to:

- Prompt delivery to OEWD of job notifications for all entry-level positions as soon as they become available;
- Exclusive consideration of system referral candidates during the ten business day period following delivery of the job notification;
- Written notice to OEWD of any “urgent need” hires, as defined in Section 4(a)(iii) of the Workforce Agreement, that preclude CPMC from following the two obligations listed above; and
- Completion and submittal of a Non-Construction First Source Employer’s Projection of Entry Level Positions, attached to the Workforce Agreement, as soon as reasonably practical after the Agreement’s effective date of August 10, 2013.

The City has determined that CPMC was in compliance for the third hiring year and has largely overcome the initial issues with its operations activities noted in the City Report and Certificate of Compliance for the 2013 and 2014 reporting periods. CPMC’s actions to comply with hiring requirements include daily submittals of entry-level job notices, monthly reporting, weekly meetings/conference calls with OEWD staff, CPMC hiring manager trainings, and participation in hiring events and applications workshops in priority neighborhoods. The City will continue to closely monitor CPMC’s adherence to the good faith requirements outlined in the Development Agreement.

## **Conclusion and Summary**

CPMC is in material compliance with their 2015 Obligations. CPMC has met and, in some instances, exceeded its obligations. While some issues of concern detailed in previous Certificates of Compliance were resolved, others remain, such as access to culturally and linguistically appropriate care for CPMC’s Spanish-speaking patients, as detailed above. Further, the Health and Planning Commissions have, in each of their joint hearings, stressed the need for CPMC to establish regular opportunities for community dialogue and to develop long-term community relationships. CPMC continues to hold quarterly meetings

with community to build these relationships. The Director of Health and the Planning Director are encouraged by this commitment and look forward to working with CPMC to ensure CPMC's continued compliance with its obligations under the Development Agreement.

Sincerely,



John Rahaim  
Planning Director



Barbara Garcia  
Director of Health

cc: Lou Giraudo  
Supervisor Mark Farrell  
Supervisor Hillary Ronen  
Melissa White, CPMC  
Emily Webb, CPMC  
Michael Duncheon, CPMC

Vahram Massehian, CPMC  
Maynard Jenkins, CPMC  
Ken Rich, OEWD  
Todd Rufo, OEWD  
Colleen Chawla, DPH  
Sonali Bose, SFMTA