Resolution retroactively authorizing the Department of Public Health to enter into an emergency contract with Health Management Associates, Inc., in compliance with Section 21.15 of the Administrative Code requiring approval by the Board of Supervisors for any emergency contract in excess of $100,000 for the purpose of providing specialized consulting services, in an amount not to exceed $3,782,365 for a term of thirteen and one-half months, from May 9, 2022, through June 30, 2023; and approving Amendment 1 to the agreement for providing specialized consulting services to increase the agreement by $2,080,937 for an amount not to exceed $5,863,302 with no change to the contract term from May 9, 2022, through June 30, 2023; and to authorize the Department of Public Health to enter into any amendments or modifications to the contract that do not otherwise materially increase the obligations or liabilities to the City and are necessary or advisable to effectuate the purposes of the contract or this Resolution.

WHEREAS, On October 14, 2021, the California Department of Public Health (CDPH) completed an extended survey at Laguna Honda Hospital (LHH) of two incidents of non-fatal drug overdoses; in February 2022, the Centers for Medicare & Medicaid Services (CMS) issued LHH $243,045 in civil monetary penalties based on those deficiencies; between January 21, 2022, and April 13, 2022, CDPH conducted three revisits, where it found additional deficiencies that showed that LHH was out of compliance with all applicable Medicare Conditions of Participation; on April 13, 2022, CDPH and CMS informed LHH that since it was still out of compliance with the applicable Medicare Conditions of Participation,
termination of the CMS Provider Agreement and certification in the Medicare/Medicaid
program would become effective at 12:01 a.m. on April 14, 2022; and

WHEREAS, LHH intends to seek reinstatement of its Medicare/Medicaid program
certification and execute a new CMS Provider Agreement; to obtain reinstatement and a new
Provider Agreement, the Department of Public Health (DPH) must demonstrate that LHH
substantially complies with all applicable Medicare Conditions of Participation; the
reaplication process will include an application, an initial survey, a 3-4-month reasonable
assurance period, and a second survey to ensure that LHH remains in substantial
compliance; and

WHEREAS, Should DPH's reinstatement efforts fail, DPH would begin to lose up to
$17 million monthly in Medicare and Medicaid funding; further, without this funding, DPH
could be forced to close LHH, which would require transfer and relocation of all LHH patients;
and

WHEREAS, There is a need to enter into contracts with qualified providers for
specialized services in support of LHH recertification efforts; and

WHEREAS, The initial consultation has identified additional areas to support LHH
recertification efforts; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby retroactively authorizes the Director
of Public Health and the Director of the Office of Contract Administration/Purchaser, on behalf
of the City and County of San Francisco, to enter into an emergency contract for providing
specialized consulting services in support of LHH recertification efforts, in the amount of
$3,782,365 for the term of thirteen and one-half months, from May 9, 2022, through June 30,
2023; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Director
of Public Health and the Director of the Office of Contract Administration/Purchaser, on behalf
of the City and County of San Francisco, to enter into an Amendment 1 to the agreement for providing specialized consulting services in support of LHH recertification efforts, to increase the original agreement of $3,782,365 by $2,080,937 for an amount not to exceed $5,863,302 for a total agreement term of thirteen and one-half months, from May 9, 2022, through June 30, 2023; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the Department of Public Health to enter into any amendments or modifications to the contract, prior to its final execution by all parties, that the Department determines, in consultation with the City Attorney, are in the best interests of the City, do not otherwise materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the contract, and are in compliance with all applicable laws; and, be it

FURTHER RESOLVED, That within thirty (30) days of Amendment 1 being fully executed by all parties, the Director of Health and/or the Director of the Office of Contract Administration/Purchaser shall provide the final contacts to the Clerk of the Board for inclusion into the official File No. 220920.

RECOMMENDED

/s/ Dr. Grant Colfax
Director of Health
Resolution retroactively authorizing the Department of Public Health to enter into an emergency contract with Health Management Associates, Inc., in compliance with Section 21.15 of the Administrative Code requiring approval by the Board of Supervisors for any emergency contract in excess of $100,000 for the purpose of providing specialized consulting services, in an amount not to exceed $3,782,365 for a term of thirteen and one-half months, from May 9, 2022, through June 30, 2023; and approving Amendment 1 to the agreement for providing specialized consulting services to increase the agreement by $2,080,937 for an amount not to exceed $5,863,302 with no change to the contract term from May 9, 2022, through June 30, 2023; and to authorize the Department of Public Health to enter into any amendments or modifications to the contract that do not otherwise materially increase the obligations or liabilities to the City and are necessary or advisable to effectuate the purposes of the contract or this Resolution.

November 02, 2022 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

November 02, 2022 Budget and Finance Committee - CONTINUED AS AMENDED

November 09, 2022 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

November 09, 2022 Budget and Finance Committee - RECOMMENDED AS AMENDED

November 15, 2022 Board of Supervisors - ADOPTED
Ayes: 11 - Chan, Dorsey, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton
I hereby certify that the foregoing Resolution was ADOPTED on 11/15/2022 by the Board of Supervisors of the City and County of San Francisco.

[Signature]
Angela Calvillo
Clerk of the Board

[Signature]
London N. Breed
Mayor

11/17/22
Date Approved