

REPORT TO THE TWENTY-EIGHTH LEGISLATURE
STATE OF HAWAII
2016

PURSUANT TO SECTION 326-25.5, HAWAII REVISED STATUTES, REQUIRING THE
DEPARTMENT OF HEALTH TO SUBMIT AN ANNUAL REPORT TO THE
LEGISLATURE ON INITIATIVES AND IMPROVEMENTS IN KALAUPAPA
SETTLEMENT AND TO TRACK PATIENT AND NON-PATIENT COSTS
SEPARATELY, WHENEVER APPROPRIATE AND POSSIBLE

PREPARED BY:

STATE OF HAWAII
DEPARTMENT OF HEALTH
NOVEMBER 2015

EXECUTIVE SUMMARY

In accordance with Section 326-25.5, Hawaii Revised Statutes (HRS), the Hawaii Department of Health (DOH) is submitting a report to the 2016 Legislature on initiatives and improvements in the Kalaupapa Settlement and patient and non-patient costs, whenever appropriate and possible. The initiatives and improvements are to address deficiencies identified by an audit (Auditor's Report No. 03-15, Audit of Kalaupapa Settlement Operations and Expenditures) conducted during the summer of 2003.

All of the six audit recommendations for the DOH identified in the Audit of Kalaupapa Settlement Operations and Expenditures have been addressed and corrected. Act 232, Session Laws of Hawaii (SLH), 2004 identified nine areas of concern that required DOH to report to the Legislature regarding our remediation and improvements in these areas. All nine areas have been addressed, corrected and are delineated in the DOH's previous report to the Twenty-Third Legislature, 2005 and updated in subsequent annual reports. The DOH's report to the Twenty-Eight Legislature, 2016 is an update to previously addressed issues.

The focus for the DOH during this past year has been continuing the transition of infrastructure and non-health care responsibilities to the United States National Park Service (NPS), and promoting a positive living environment for the remaining patient residents.

In 2012, the NPS contracted a study to identify potential hazardous wastes sites in Kalaupapa. A number of possible hazardous sites were identified in that study. The Hansen's Disease Branch (the Branch) consulted with the Department of Health's Environmental Health Division, Hazard Evaluation and Emergency Response Office (HEER) for their technical assistance. HEER did a sampling and field observations of select sites on April 15-16, 2014. Preliminary results and recommendations found no major risks. A follow-up trip by HEER was made on July 30, 2014 to collect surface soil samples at additional sites. These samples also tested negative for hazardous waste.

The Branch worked with the Department of Accounting and General Services, Public Works Department to select a contractor to execute the MSW landfill closure. With a contractor selected, we began work on the formal closure of the municipal solid waste (MSW) landfill with completion scheduled for the summer of 2015.

Kalaupapa's archaic hardwired telephone system has reached the end of its useful life. Continuous problems with no connections, dropped calls and loud static have only been marginally mitigated through repeated repairs to the system. A long-term plan in which new distribution equipment would be installed in a sealed weatherproof room was developed and executed by Hawaiian Telcom. Complex programming problems continue to hamper the project delaying its anticipated February 2015 completion.

Kalaupapa's incident command system was vigorously exercised this year due to serious weather threats from hurricanes Ana, Kilo, Ignacio, and Jimena. While all

eventually weakened to tropical storm status, heavy rains and winds still lashed Kalaupapa. An 8.3 magnitude earthquake off Chile initially generated a tsunami warning requiring the peninsula to go on alert. The “all clear” was given a few hours later when no tsunami waves were detected.

The decision to supply residents with major household appliances is in its eleventh year of operation and appears to be going smoothly. This year, we replaced one dryer and one refrigerator for two patients.

REPORT TO THE LEGISLATURE

IN COMPLIANCE WITH SECTION 326-25.5, HRS

The Department of Health (DOH) is submitting this annual report to the Legislature on initiatives and improvements in the Kalaupapa Settlement, tracking patient and non-patient costs separately, whenever appropriate and possible. The initiatives and improvements address deficiencies identified by an audit (Auditor's Report No. 03-15, Audit of Kalaupapa Settlement Operations and Expenditures) conducted during the summer of 2003.

The annual report is broken down into nine topic areas consisting of:

1. The Department's provision of medical and basic living needs of the patients;
2. The Department's progress toward defining and addressing the non-medical needs of patients;
3. The Department's progress toward promoting a positive living environment;
4. The Department's management of State resources, including benefits given to employees that are not statutorily defined;
5. The Department's progress toward establishing written policies and procedures for the Kalaupapa store;
6. The Department's progress toward establishing and maintaining a complaint file and adequately addressing complaints;
7. The performance of the Administrator, including compliance with job duties;
8. The Department's progress toward adequate accountability of State property; and
9. Details and justification of approved employee air travel requests and trail pay.

An additional section will address what the Department has done to track patient and non-patient costs separately.

The DOH welcomes the opportunity to report to the Legislature on the progress it has made to address issues identified in the audit. All of the problems identified in the auditor's report from December 2004 were addressed and corrected. They are

described in the 2005 through 2015 Annual Reports to the Legislature. This 2016 report details the Department's continuing efforts to improve patient relations and community operations.

The Department's provision of medical and basic living needs of the patients

Chapter 326, HRS, mandates the DOH to provide adequate health care and other services to the Kalaupapa patient residents for the remainder of their lives and those desiring to remain at the facility (Kalaupapa) shall be permitted to do so for as long as that patient may choose. There are 16 remaining Hansen's disease patients on the Kalaupapa registry. All of the patients have handicapping disabilities related to Hansen's disease and many continue to encounter long-term foot ulcers related to nerve damage and the associated loss of sensation. Chronic diseases such as diabetes, congestive heart failure, various levels of mental impairment, and various types of malignancy commonly afflict this elderly geriatric population.

The patients' age ranges from 74 to 92 years; the median age is 83 years. The patient mortality rate generally averages three to four deaths per year. Only two deaths in the past three years have been recorded. There were no patient deaths this year.

The DOH's goal has been to keep the patients as independent as possible appropriate to their functional capacity and capabilities. To achieve this, the Hansen's Disease Branch (the Branch) developed a number of functional programs and levels of patient care. The Branch runs a meals-on-wheels program for patients who are no longer able to cook for themselves, enabling patients to stay in their homes as long as possible. A contracted dietician provides consultation to the care homes and Kalaupapa kitchen to insure patients' nutritional needs are met.

A home-chore worker program is also available to provide house cleaning services, chore services, and light cooking. The patients also receive lawn services. Approximately nine patients continue to live independently in their homes in Kalaupapa, with one patient living independently on Kauai, and one on Oahu.

We have remodeled patients' homes as needed to accommodate their limited mobility or diminished physical functioning. Ramps into homes, widening of doorways, and grab bars have been installed in accordance with the American Disabilities Act standards. This year, two homes were remodeled, including adding a new room for increased in-house mobility and a new bathroom. Two patient homes and four other DOH buildings were painted for maintenance and upkeep.

Medically fragile patients who choose to remain in their homes are issued a medical emergency alert signaler that is worn to alert care home staff when they get into any situation that requires assistance. As a prelude to a patient moving into the care home full time, some have opted to spend only nights in the care home. These patients spend their day in their homes with assistance from home chore workers. This has proven to be a very effective option in the patients' transition to more dependent care.

Patient-requested physical therapy (PT) services were initiated in December of 2004 at Kalaupapa Care Home (KCH) and at Hale Mohalu Care Home (HMCH). PT has an important role in their health care to maximize function, prevent decline, decrease pain, rehabilitate, and treat various physical illness. For elderly individuals, who often have decreased physical reserve, any medical illness can lead to decline. Inactivity and bed rest, a common consequence of illness, contributes to and intensifies muscle weakness, causing additional deterioration in walking and other activities of daily living. Exercise, activities and other physical therapy interventions have a profound effect on overall health, restoring an individual's ability to perform daily activities required to live independently in the community.

During the period of October 2014 through September 2015, five Kalaupapa patients received 60 PT treatments and three patients received 32 occupational therapy treatments on Oahu during their extended stays at HMCH. Treatments were provided through Leahi Hospital's PT staff, Straub Clinic and Hospital's Physical Therapy Outpatient Center, and Care Resources Hawaii.

For patients who are no longer able to live independently in their homes, the next level of care is provided at the KCH. The care home has five licensed beds and can accommodate patients up to intermediate care and skilled nursing care levels. Physician visits are provided weekly with a collaborative interdisciplinary team of a gerontologist, psychiatrist, dietician, social worker and pharmacist providing consultation for total patient care, consistent with the patient-centered medical care home model. This year, DOH purchased a new van equipped with a wheelchair ramp for KCH to transport patients to and from their homes to the KCH.

Patients requiring higher levels of care are usually transferred to the 14-bed HMCH in Honolulu to be close to tertiary care provided in the community hospitals. HMCH is licensed as an Extended – Adult Residential Care Home Type II facility and frequently accommodates patients at the end stages of life, those recovering from complex medical procedures performed at community hospitals, or those receiving ongoing medical treatments or rehabilitation in Honolulu hospitals. There are currently five, long-term, Kalaupapa registry patients residing at the HMCH facility. Of these patients, two residents aged 89 years and 92 years, have been on three times a week dialysis at Kaimuki Liberty Dialysis.

Patients with acute medical conditions often require air evacuation by air ambulance due to the geographic isolation of the settlement and long periods between scheduled commercial flights. The DOH pays for this cost and, as with all medical services, is the payer of last resort. There was one patient air evacuation this year.

In addition to medical services described above, the Kalaupapa patients are provided with ancillary services and devices such as hearing aids, dental services, eyeglasses or contact lenses, prostheses, orthotics, shoes, and wheel chairs.

The DOH provides most of the patients' basic living needs. Care and residence at KCH or HMCH are provided to all patients free of charge. The National Parks Service (NPS) and DOH provide water and electricity, respectively. All patients receive a \$45.00 per week food credit to purchase goods from the Kalaupapa store. Patients on the "meals on wheels" program have the cost of their meals deducted from their food allowance. Patients who receive all their meals through the "meals on wheels" program retain a \$10.00 per week credit of their ration at the Kalaupapa store for personal items and incidental purchases. The patients also receive a quarterly \$30.00 cash allowance and a \$70.00 clothing allowance twice a year. For those patients without any third party medical insurance, the DOH pays their Medicare Part A and Part B premiums to save on medical costs, and Medicare Part D premiums to save on drug costs.

As part of the preventive health plan for our patient residents, all residents received their annual influenza immunization along with the annual tuberculosis skin test and the Pevnar 13 pneumococcal immunization.

Currently, HMCH staff is reviewing all Physician Orders For Life-Sustaining Treatment (POLST) for all residents. A recent patient admission to the emergency room required clarification on the differences between comfort care only and limited interventions. Patient POLSTs have been reviewed with them to insure the specific level of medical care is applied when necessary.

The Department's progress toward defining and addressing the non-medical needs of patients

The DOH continues to encourage two-way communication between the DOH and the patients by holding monthly community meetings. The NPS also attends these meetings. In addition to addressing patients' concerns and getting patient input on issues that concern them, the meetings provide a venue for the DOH and NPS staff to announce activities occurring within the settlement, to introduce new staff to the patient community, or to address common community issues. A frequent patient complaint prior to the monthly community meetings was, "I didn't know they (DOH/NPS) were doing that" or "There are many new faces in the settlement we don't know." In a small isolated community such as Kalaupapa, such changes can be unsettling. The community meetings have mitigated much of the uneasiness. We have utilized Quarterly meetings with the Patient Advisory Council (PAC) since June 2003. The Kalaupapa Administrator hosts these meetings and forwards the information discussed to the Branch administration.

Kalaupapa is a "closed" community by State law, enacted to protect the privacy of the patient residents. Visitors to the settlement may only enter the settlement at the invitation of a Kalaupapa resident if they are not on the official NPS sanctioned tour. With the high profile status of Saints Damien and Marianne, there has been a large increase in the numbers of sponsored visitors to the settlement. This has placed a heavy burden on the patients, as they often feel obligated to host visiting groups, often while dealing with their own medical issues. There have been several incidents of

patients hosting visiting groups at the detriment of their own fragile health. Options and procedures were offered to the patients to help relieve some of the sponsorship burdens, but so far have been declined by the patients in favor of maintaining control of who can visit the settlement.

The Healthcare Association of Hawaii (HAH) has provided emergency incident/preparation training to the DOH and NPS staff annually. This year's training scenario was a mass casualty rescue response. In addition to annual training, the HAH also updates and restocks vital emergency supplies stored in Kalaupapa.

This past year numerous storm systems threatened the islands. Kalaupapa faced several serious weather threats from hurricanes Ana, Kilo, Ignacio, and Jimena. The last three achieved category 4 status before threatening the islands. While there were no direct hurricane effects on the islands, Kalaupapa had to deal with heavy winds and rains from the remnants of the storms. Kalaupapa's incident command center was called up numerous times to take preventive actions in the event that hurricane winds and flooding might occur. Repeated emergency preparation exercises by both the DOH and the NPS has insured effective and confident responses to these threats.

In addition to the storms, Kalaupapa's incident command was also called up in response to an 8.3 magnitude earthquake off Chile. Staff took preventive measures before an all clear was giving a few hours later when no tsunami waves were detected.

House Bill 849, Relating to Emergency Management, was passed in the 2014 legislative session. The bill gives the Maui County Mayor the responsibility and authority to coordinate all emergency responses and actions for Kalawao County. Kalawao previously reported directly to Hawaii Emergency Management Agency (State Civil Defense) and the Governor. This change will standardize reporting and coordination for Kalaupapa in the event of a disaster.

Kalaupapa's archaic hardwired telephone system has reached the end of its useful life. Repeated repairs to the system have only marginally mitigated continuous problems with no connections, dropped calls and loud static. A long-term plan in which new distribution equipment would be installed in a sealed weatherproof room was developed and executed by Hawaiian Telcom. Complex programming problems continue to hamper the project delaying its anticipated February 2015 completion.

In addition to a purchased voice over IP (VoIP) program utilizing the internet, a number of cell phone signal amplifiers were purchased and placed around the settlement. They help boost cell phone signals, but are not always reliable to produce a strong steady cellular signal. Additional cell phone towers on the pali above Kalaupapa were too costly to be pursued as an option.

The essential air service provider for Kalaupapa, Makani Kai Airlines, continues to provide excellent service to the Kalaupapa patients and staff. They recently acquired a patient lift for their Honolulu site, complementing the patient lift in Kalaupapa. With

patient lifts on both ends, wheel chair bound and handicapped patients are now easily accommodated on flights.

In 2004, we initiated a patient household appliance replacement program this audit issue. The appliance replacement program was developed after surveying the patients for their input as to how the program should be run. A collection of each of five major appliances (washer, dryer, refrigerator, stove, and water heater) was brought in on the 2004 barge. Microwave ovens were added to these options in 2005. This year, we replaced one dryer and one refrigerator for two patients.

The Department's progress toward promoting a positive living environment

Kalaupapa Settlement received their annual barge supplies from Young Brothers Tug and Barge on July 18, 2015. These essential supplies include building materials, fuel, vehicles and other durable goods from Oahu. Young Brothers subcontracts with American Marine whose barge is the only vessel in the state that is small enough to fit into the tight harbor, and large enough to accommodate gasoline tankers with roll-on/roll-off capability.

The NPS is the lead party in negotiating the barge contract. In the past, the NPS Superintendent was in charge of the negotiation, but all contract responsibilities have now been transferred to the contracting office at Hawaii Volcanoes National Park. This past year, the NPS executed a five-year contract with Young Brother to continue the annual barge delivery. The DOH splits the cost of the annual barge with the NPS. DOH and the NPS executed a Memorandum of Agreement to share the cost for the annual barge delivery.

The DOH formally closed the Kalaupapa municipal solid waste landfill this fall. A new capital improvement project (CIP) funding will be requested this next legislative session to close the construction and demolition (C&D) landfill. Initial CIP funding will be required to develop a C&D landfill closure plan with additional funding requested once the closure cost is identified.

Landfill statutes require closed landfills to be maintained and monitored for 30 years post-closure. The two Kalaupapa landfills will need to be periodically maintained to insure the integrity of the soil cap and erosion barriers as well as monitored quarterly for leachate and gas discharge. The annual cost is estimated at \$20,000, which may require some level of DOH participation even after the patients are gone.

In 2012, the NPS funded a study to identify hazardous waste sites in Kalaupapa. The study, *2012 Preliminary Site Assessment of Accumulated Waste at Kalaupapa National Historical Park* identified a number of potentially hazardous sites. The Branch consulted with the DOH's Environmental Health Division's Hazard Evaluation and Emergency Response (HEER) office for their technical assistance. HEER conducted selected site samplings and field observations. All sampled sites tested negative for hazardous

material. The HEER office did a second sampling of additional sites and those samples also tested negative.

The NPS is now proposing a comprehensive Phase I Environmental Site assessment of all potential hazardous waste in Kalaupapa. A Phase II remediation plan and action will be required upon completion of the Phase I study. The DOH will coordinate a response and remediation with the NPS, the Department of Hawaiian Home Lands, the Department of Land and Natural Resources, and the Department of Transportation.

In the summer of 2015, the Kalaupapa Mutual Aid Compact between the DOH and Maui County to provide reciprocal fire and police service expired. A new agreement was executed for another 25 years. The agreement was exercised this spring when Kalaupapa administration requested Maui County Police assistance to investigate a possible felony assault case.

The DOH has been active in promoting and providing a positive living environment in Kalaupapa. The following extracts, previously provided in quarterly reports to the Legislature, provide a chronology of DOH-supported activities and events for the period October 2014 through September 2015.

October

The Director of Health, Communicable Disease and Public Health Nursing Division (CDPHND) Chief, and Branch Chief attended the community meeting and the PAC meeting.

The annual legislative report was submitted regarding initiatives and improvements to address deficiencies identified in a 2003 audit of Kalaupapa's operations and expenditures.

The Branch purchased cell phone signal boosters for the Administration Building and Care Home due to continuing problems with the landline phones in Kalaupapa. A voice over internet protocol system was purchased as an alternate communication option.

Kalaupapa and the NPS staff coordinated community preparations for Tropical Storm Ana. No major damages occurred beyond downed tree branches.

The CDPHND Chief, Branch Chief, Branch Public Health Administrative Officer (PHAO), Branch Planner, Kalaupapa Administrator and the Chief of Health Information Systems Office met with Hawaiian Telcom's HATS Program Manager, Government Accounts Manager and Network Engineer to develop a long-term solution to the continuous problems with Kalaupapa's landlines. Failing distribution equipment/boards will be replaced and moved to a weather secured room in the care home.

Monthly activities for the patients and community were initiated with Kanikapila (ukulele jam session) and sing along sessions held on the first Monday of each month and Scrabble nights held on the second Tuesday of each month.

November

The Kalaupapa Administrator met with Verizon management to explore the possibility of bringing cell phone service to Kalaupapa. The high cost of erecting a cell tower and continuing maintenance cost make this a nonviable solution.

Toby Clairmont and the staff of the HAH provided a two-day Community Emergency Response Teams training, focusing on a casualty rescue scenario.

The Legend of Koolau was performed in Kalaupapa for the entire community. Deputy Director Gary Gill was instrumental in obtaining a commitment from the play's director to hold a performance in Kalaupapa and attended the performance.

December

The Director of Health issued an Executive Directive allowing Ka Ohana O'Kalaupapa a permanent residence in Kalaupapa and to travel in Kalawao unescorted when conducting patient monument business.

The Branch Chief and Public Health Administrative Officer met with Kalaupapa staff regarding personnel issues.

One patient and two residents were medivac out of Kalaupapa for life threatening medical conditions.

The CDPHND Chief, Branch Chief, and Kalaupapa Administrator met with Hawaiian Telcom staff to finalize a timetable for action items to repair Kalaupapa's landlines.

The annual community Christmas caroling and the Lion's Club sponsored Christmas party were held for the community.

January

Per the Director of Health's Executive Order dated November 28, 2014, a former Kalaupapa patient's residence was turned over to Ka Ohana O'Kalaupapa for their usage.

The Branch held an after-action review following the medical air evacuation of a Department of Transportation employee.

The Branch Chief met with the Sisters of Saint Francis to discuss Kalaupapa's medical air evacuation procedures.

Kalaupapa staff responded to the New Year's weekend windstorm that downed a palm tree and knocked out electrical power and phone lines.

The MSW landfill closure project for Kalaupapa was awarded to Goodfellow Brothers Inc.

American Electric Company was contracted to install new conduits to move existing telephone wires and computer circuit boards into a weatherproof structure.

The Branch received a draft report from the DOH HEER Office regarding three potentially contaminated sites in Kalaupapa. No contamination was identified at all three sites.

February

The Director of Health met with representatives of the Ka Ohana O'Kalaupapa to discuss their future activities in Kalaupapa.

A meeting between the Branch Social Worker, Hale Mohalu Care Home Nursing Supervisor and the Federal Bureau of Prison Social Worker was held to coordinate the return of an incarcerated Kalaupapa patient.

The Branch staff and the Department of Accounting and General Services (DAGS) staff met for an initial coordination and orientation meeting on the Kalaupapa municipal and solid waste closure.

The annual barge contract between the DOH and the NPS was initiated for execution between both parties.

The Director of Health met with Congresswoman Senator Mazie Hirono to discuss DOH issues. One of the issues raised was the DOH's concern over slowed infrastructure transfer from the DOH to the NPS as DOH's presence in Kalaupapa starts to phase out.

March

The Branch Chief attended the Kalaupapa Community meeting.

The re-authorization of the Kalaupapa Mutual Aid Compact between the DOH and the Maui County to provide fire and police assistance was initiated.

A four-day fire-fighting training for all DOH staff with NPS fire trainer was held. Training included the use of the fire truck.

Hale Mohalu Care Home staff escorted Kalaupapa patients to the Hale Mohalu Pearl City Senior Affordable Housing dedication ceremony.

The Director of Health and the NPS Assistant Deputy Director for the Western Region discussed issues concerning the transfer/transition of Kalaupapa's infrastructure by phone.

A meeting was held between the Branch, Goodfellow Brothers Inc., and DAGS project manager to coordinate Kalaupapa's municipal and solid waste landfill closure, scheduled for this summer.

April

The CDPHND Chief and Public Health Administrative Officer attended the Kalaupapa Community meeting and the PAC meeting.

American Electric Company completed the installation of conduit to relocate the telephone switch box.

A teleconference was held with the NPS engineer, HEER Office, and AECOM Technology Corporation's Municipal and Solid Waste consultant to discuss NPS's concerns regarding the landfill closure.

National Pollutant Discharge Elimination System permit to discharge storm water run-off associated with construction activity was awarded. Notice to proceed with the closure was issued to Goodfellow Brothers Inc.

The Branch staff met with NPS staff to discuss NPS's final General Management Plan document before public release.

Mokulele Airlines instituted two round trip flights from Kahului, Maui to Kalaupapa.

May

The Kalaupapa-Maui County Mutual Aid Agreement was exercised to have the Molokai police investigate an off-hours alleged felony assault.

The Branch Chief met with Ken Arima of the Mormon Church to discuss the Mormon Church's request to reinstate monthly visits to upkeep its facilities.

Two Kalaupapa patients attended the dedication of Saint Damien Street in New York City.

May Day luncheon was held with patients, staff, and community members participating in Hawaiian food preparation, a lei making contest, and Kanikapila.

A preconstruction meeting was held with Goodfellow Brothers Inc. in anticipation of the landfill closure project beginning in June of 2015.

The annual barge for Kalaupapa was set for July 18, 2015.

Kalaupapa patients and staff participated in the annual Saint Damien's canonization celebration.

June

An amended Kalaupapa-Maui County Mutual Aid Agreement to extend the provision of police and fire aid between the two entities was sent to the Maui County Mayor for signature and execution.

The Kalaupapa Administrator initiated a formal complaint with the Federal Aviation Administration regarding increased incidents of low flying aircrafts over the Settlement.

The Kalaupapa community celebrated the one-year anniversary of the U.S. Department of Transportation's selection of Makani Kai Airlines as the essential air service provider for Kalaupapa. The Kalaupapa community was instrumental in providing support for Makani Kai's continued provision of air service.

A fishing tournament for the patients was held followed by talk story session and stew lunch prepared by the KCH nursing staff.

July

The Branch Chief, CDPHND Chief, Developmental Disabilities Division Chief and the Dental Health Branch Chief met to determine if the Kalaupapa patients' dental needs are being met through the current arrangements. The current processes are meeting all the patient's needs.

The formal closure for Kalaupapa's MSW landfill was initiated.

The 2015 barge was successfully unloaded in Kalaupapa Settlement.

A new handicap wheelchair van was purchased for patients and shipped to Kalaupapa.

The Branch met with the State Historic Preservation Branch to insure the closure of Kalaupapa landfill met State preservation regulations.

The Kalaupapa incident command center was activated to respond to risks from multiple tropical storms, depressions and hurricanes.

A Bingo night was held for the Kalaupapa community.

August

Meera Senthilingam, reporter for CNN International did a feature story on the status of Kalaupapa and what its future will look like. The Branch Chief assisted with arranging interviews with patients.

The National Hansen's Disease Program's physician visited Kalaupapa and provided consultative services for three patients.

The CDPHND Chief attended the Community meeting and followed up on bloodborne pathogens training with KCH staff.

Six community "pink bikes" were brought to Kalaupapa by Kalihi Valley Community Health Center for free community use.

Historical photos of patients were collected by KCH staff for talk-story sessions with patients recounting their past.

Cooking classes featuring various ethnic dishes with their nutritional information were conducted for the patients and KCH staff.

September

Kalaupapa Mutual Aid Agreement signed by the Department of Health and the County of Maui extends 25 years of fire and law enforcement resources to the County of Kalawao (Kalaupapa).

The Branch staff met with the Federal probation officer in anticipation of a Kalaupapa patient being released from the Federal prison to Hale Mohalu.

The Kalaupapa Administrator announced his retirement effective close of business October 30, 2015.

A new dietician was contracted to provide services for both KCH and HMCH.

The Kalaupapa incident command center was activated in response to an 8.3 magnitude earthquake off Chile. No tsunami was generated and a stand-down was ordered a few hours later.

Numerous meetings were held with the DAGS staff, the landfill closure consultant and the Branch staff over the landfill closure not meeting closure plan requirements.

The final hook up of new equipment for Kalaupapa's landline phones was reinitiated with Hawaiian Telcom. Technical problems have kept the project from being completed.

On Going Annual Events

Annual Bingo night for all community residents.

Easter Egg Hunt, Halloween Party, and Costume Contest for all residents sponsored by a patient resident.

Annual Christmas caroling with DOH staff and patients. The group practices the songs at KCH then drives around the settlement in two large vans, stopping at each patient's home to sing. After caroling, everyone assembles at the church hall for refreshments.

Annual Christmas decorating contest sponsored by a patient resident.

Annual community Christmas party with Santa. The party, sponsored by the Kalaupapa Lions Club, is always a festive event, with Santa giving out numerous presents to patients, a full dinner, and entertainment.

Annual New Year's party for all residents.

Annual Super Bowl party for all residents.

Twice-weekly (Wednesdays and Saturdays) volleyball games for the patients and community sponsored by a patient.

St. John Vianney Choir from Kailua annual summer and Christmas concerts for the patients and community.

The Department's management of State resources, including benefits given to employees that are not statutorily defined

No new benefits that were not statutorily defined have been given to the Kalaupapa employees during 2015. The DOH continues to manage state resources according to the State's policies and procedures for purchasing goods and services, expending goods, and disposing of expired durable goods, as originally described in the 2005 Legislative Report.

The Department's progress toward establishing written policies and procedures for Kalaupapa store

The Kalaupapa store has effectively utilized the policies and procedures developed in January 2004 to dispose of inventory that expired or was deemed unsellable. The audit identified the lack of written policies and procedures for the disposal of inventory at the Kalaupapa store as contributing to an appearance of potential abuse. This was addressed in the first report to the Legislature in 2005.

The inventory management policy that has been in place for the past ten years insured "first in, first out" utilization of inventory. Quarterly inventory counts reconciled the actual inventory on hand with the database, determining annual purchase projections for each store item. Accurate annual usage data resulted in precise ordering and decreased overages for any given item.

For the period from October 2014 to September 2015, annual store purchases totaled \$100,913.91 with \$848.98 worth of store goods disposed of due to spoilage or expired sell dates. All disposals were requested by the store supervisor, authorized by the Kalaupapa Administrator, and witnessed and signed off by two other employees at the time of actual disposal.

The Department's progress toward establishing and maintaining a complaint file and adequately addressing complaints

Both the Branch Administration and the Kalaupapa Administrative Office set up a formal complaint process as of January 2004. It was patterned after the complaint process used by the Office of the Director of Health. All complaints are logged with the date

received, how the complaint was received (e.g. phone call, letter), nature of the complaint, what actions were taken, and when the actions were taken. All complaints are followed up with a written response or a phone call to the person filing the complaint. As of September 2015, the Branch office received no complaints.

The performance of the Administrator, including compliance with job duties

The current Kalaupapa Administrator has been on the job for six years. He has performed capably under severe budgetary constraints as well as debilitating staff shortages. A number of patients have commented favorably on his performance. He has developed a positive relationship with the NPS.

The current Administrator has recently tendered his resignation. Recruitment for a new administrator is in process.

The Department's progress toward adequate accountability of State property

Inventory control policies that were developed and implemented in June of 2004 have been utilized effectively for the annual barge visits. All new state property brought in on the barge are affixed with a decal. The state employee delivering the item must report the item/description, decal number, and location delivered to the administration office while the receiving party must sign for the item to acknowledge receipt. All state property shipped out on the barge for disposal must have a state-approved Disposal Application Form and be logged on the Kalaupapa Administration Office's Outgoing Barge Form to facilitate inventory control.

DAGS has raised the minimum per item cost required to be reported on each program's inventory forms from \$500 to \$1,000. Many purchased items for Kalaupapa no longer reach this threshold for inventory reporting. The program instituted an inventory log to keep track of high cost items that do not necessarily meet the inventory threshold. Items such as chain saws, power tools, and appliances have been added to the internal program log.

Details and justification of approved employee air travel requests and trail pay

Each bargaining unit contract contains a specific article that allows a Kalaupapa employee whose permanent residence is on "topside" Molokai, and who is provided quarters in Kalaupapa as a matter of convenience be granted either three roundtrips by air per month, or two hours of travel pay for walking up and down the trail once a week to topside. Employees whose permanent residence is in Kalaupapa will be granted one roundtrip by air to topside each month or in lieu of the once a month round trips to topside, an employee may take one inter-island round trip per quarter.

Employee air travel procedures that were modified, implemented, and reported in the 2005 Legislative Report continue to be utilized. All employee requests for air travel reimbursement must be substantiated by a valid airline receipt. In addition to submitting

the receipt, the employee must also complete and sign a reimbursement application at the end of each month for that month's travel. These reimbursement requests are then sent to the Branch Office for review and approval by the administrative officer. The paperwork is forwarded through the CDPHND Office to the DOH's Administrative Services Office for submission to the DAGS to generate the reimbursement check.

For the period October 2014 through September 2015, the DOH expended \$13,914 for employee authorized trail pay. During the same period, the DOH expended \$31,383 on employee authorized air travel.

PATIENT AND NON-PATIENT COSTS

Act 232, SLH 2004, amended Section 326-13, HRS on expenses at Kalaupapa, to include a new subsection (b) in which "expenses related to patients shall be tracked separately from non-patient costs, whenever appropriate and possible." There are a number of costs that can be tracked separately, but the majority of the costs for Kalaupapa cannot be separated.

The following is a summary of expenses that were tracked or that could be readily calculated.

Patient Expenses for the period October 1, 2014 through September 30, 2015:

	<u>COST (\$)</u>
Home Care Staff Salaries	121,210
Home Care Staff Overtime	2,489
Medications	36,673
Miscellaneous Medical Supplies	74,033
Medical & Ancillary Services	19,962
Medical Insurance Premiums (HMSA & Medicare)	12,964
Medicare Reimbursement	8,676
Nursing Facility Staff Salaries	780,400
Nursing Facility Staff OT	2,557
Patient Employee Program Salaries	34,526
Physician Services	46,157
Travel Cost for Medical Care	
Pharmaceutical Services	2,160
Dietary & Nutrition Services	1,244
Physical Therapy Services	146
Cash Food Allowance	7,029.90
Food Rations (\$45 per patient per week drawn at the store)	19,440.00
Meals (5,505 @ \$5.00 ea.)	27,525.00
Clothing Allowance (\$70 per patient per 6 months)	2,240.00
Cash Allowance (\$30 per patient per quarter)	1,920.00

Patient Employee Program Pensions	38,532
Appliances (washer, dryer, refrigerator, stove, water heater, microwave oven)	7,504.92
Beautician	0
Stamped Envelopes (10 per patient per month)	210.80

Non Patient/Employee Expenses for the period October 1, 2014 through September 30, 2015:

Trail Pay/Air Travel	45,297
Employee Meals (13,486 meals @ \$5.00)	67,430.00
Salaries (Admin, Food Services and Const. & Mtnce.)	960,934
Overtime (Admin, Food Services and Const. & Mtnce.)	29,778
Standby Pay	10,709
Employee Safety Equipment Cost (steel toe shoes, gloves, goggles, respirators, scaffolds/harness, etc.)	2,200.00
Store Disposals	848.98

Expenses that would be difficult to track as either patient or non-patient include:

- Administrative/clerical Services: labor cost, supplies, facility maintenance, utilities
- Housekeeping Services: labor cost, supplies, facility maintenance, utilities, and equipment
- Food Services: labor cost, supplies, facility maintenance, equipment cost and maintenance, utilities
- Kalaupapa Store: labor cost, supplies, facility maintenance, utilities, shipping, and spoilage
- General Construction and Maintenance Services: labor cost, supplies, facility maintenance, utilities, equipment cost and maintenance
- Electricity Cost: (State buildings are not metered and one bill is generated)
- Trash Pickup and Landfill Operations
- Upkeep of Common Areas

In all the above examples, the DOH staff provides services for patients, staff, visitors, and in some cases, the NPS. It is difficult to separate most costs in Kalaupapa and even if possible, would be at great cost in time, energy, and staffing with questionable accuracy. As an example, the Housekeeping Unit provides janitorial and housekeeping services for the nursing facility, state offices, community buildings (e.g. McVeigh Hall), and all the visitor's quarters. The community building and visitor's quarters are used by patients and non-patients daily. Assigning costs for supplies used, cost of utilities, facility or building maintenance, and equipment purchased or used would be very difficult in this case. It would have to be done for every different function or activity that each service section provides.

The General Construction and Building Maintenance Units provide general construction and maintenance services and are responsible for repair and maintenance of all

buildings within the settlement. Painting, carpentry, common area yard maintenance, vehicle repair and maintenance, garbage pickup, and landfill operations are subunits under the two units. As in the previous example above, all subunits would have to be evaluated making assignment to either a patient or non-patient category difficult. In order to separate patient and non-patient cost, each activity would have to be evaluated separately to assign a cost estimate rather than actual costs in most cases.

The DOH is greatly appreciative for the opportunity to share with the Hawaii Legislature all the actions it has taken to address the auditor's report and improve the quality of life for the patients of the Kalaupapa Settlement. The DOH feels that most of the issues identified in the audit have been addressed over the past years.