



HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

ADMINISTRATIVE APPLICATION – CERTIFICATE OF NEED PROGRAM

Application Number 02-18A

Applicant: St. Francis Healthcare System of Hawaii

Project Title: Emergency Room Renovation and Expansion from 12 to 25
Beds

Project Address: St. Francis Medical Center West
91-2135 Fort Weaver Road
Ewa Beach, Hawaii

1. TYPE OF ORGANIZATION: (Please check all applicable)

Public _____
Private X
Non-profit X
For-profit _____
Individual _____
Corporation X
Partnership _____
Limited Liability Corporation (LLC) _____
Limited Liability Partnership (LLP) _____
Other: _____

2. PROJECT LOCATION INFORMATION

A. Project will be located in:

State Senate District Number: 20

State House District Number: 41

County Council District Number: 9

Neighborhood Board District Number (O`ahu only): 23

B. Primary Service Area(s) of Project: (please check all applicable)

Statewide:
O`ahu-wide: X
Honolulu: X
Windward O`ahu: _____
West O`ahu: X
Maui County: _____
Kaua`i County: _____
Hawai`i County: _____

3. DOCUMENTATION (Please attach the following to your application form):

- A. Site Control documentation (e.g. lease/purchase agreement, DROA agreement, letter of intent)
- B. A listing of all other permits or approvals from other government bodies (federal, state, county) that will be required before this proposal can be implemented (such as building permit, land use permit, etc.)
- C. Your governing body: list by names, titles and address/phone numbers
- D. If you have filed a Certificate of Need Application this current calendar year, you may skip the four items listed below. All others, please provide the following:
 - Articles of Incorporation
 - By-Laws
 - Partnership Agreements
 - Tax Key Number (project's location)

4. **TYPE OF PROJECT.** This section helps our reviewers understand what type of project you are proposing. Please place an "x" in the appropriate box.

	Used Medical Equipment (over \$400,000)	New/Upgraded Medical Equip. (over \$1 million)	Other Capital Project (over \$4 million)	Change in Service	Change in Beds
Inpatient Facility			X		
Outpatient Facility			X		
Private Practice					

5. **BED CHANGES.** Please complete this chart only if your project deals with a change in your bed count and/or licensed types. Again, this chart is intended to help our reviewers understand at a glance what your project would like to accomplish. Under the heading "Type of Bed," please use only the categories listed in the certificate of need rules.

Type of Bed	Current Bed Total	Proposed Beds for your Project	Total Combined Beds if your Project is Approved
TOTAL			

7. **CHANGE OF SERVICE:** If you are proposing a change in service, then please briefly list what services will be added/modified. Be sure to include the establishment of a new service or the addition of a new location of an existing service. Please reference the Certificate of Need Rules Section 11-186-5 for the categories of services. If you are unable to determine which category best describes your project, please consult with agency staff.

8. **IMPLEMENTATION SCHEDULE:** Please present a projected time schedule for the completion of this project from start to finish. Include all of the following items that are applicable to your project:

- a) Date of site control for the proposed project, **upon Bond sale/closing – March 2003 (anticipated)**
- b) Dates by which other government approvals/permits will be applied for and received, **upon Bond sale/closing – March 2003 (anticipated)**
- c) Dates by which financing is assured for the project, **February 2003 (anticipated)**
- d) Date construction will commence, **April 2003 (anticipated)**
- e) Length of construction period, **3 to 4 months (anticipated)**
- f) Date of completion of the project, **August 2003 (anticipated)**
- g) Date of commencement of operation, **not applicable – business operation will continue through duration of the project.**

Please remember that the Agency does monitor the implementation of Certificates approved. Non-implementation of a project as described in your application may result in a fine and/or withdrawal of the certificate of need.

9. **EXECUTIVE SUMMARY:** Please present a brief summary of your project. In addition, provide a description of how your project meets each of the certificate of need criteria listed below. If a new location is proposed, please attach an easy to read map that shows your project site.

- a) Relationship to the Hawai'i Health Performance Plan (H2P2), also known as the State of Hawai'i Health Services and Facilities Plan.
- b) Need and Accessibility
- c) Quality of Service/Care
- d) Cost and Finances (include revenue/cost projections for the first and third year of operation)
- e) Relationship to the existing health care system
- f) Availability of Resources.

Executive Summary: Proposed Emergency Room Renovations

Facility renovations and department expansion are essential due to the increasing volume of patients coming to the St. Francis Medical Center West Emergency Service Department. The current set-up of 12 beds is inadequate for the increasing demands of an ever-growing community that includes young families and elderly retirees who both have a variety of healthcare needs. The current bed capacity cannot sufficiently accommodate the volume of patients during situations with multiple unstable patients or multiple ambulance arrivals, resulting in diversions to other hospitals. St. Francis Medical Center West is the only facility providing emergency services to West Oahu, and anytime a diversion occurs, it results in significant transport time for the ambulances who have been diverted – jeopardizing patient safety and health. Patient safety is additionally compromised during periods of peak traffic where there is virtually no mobility from the west side to east side of Oahu.

The Emergency Service Department expansion planning would increase bed capacity to 25 beds, which includes a “fast-track” area for efficient, quality care of non-urgent patients. This will have fast-track triage and corresponding medical decision-making room. Construction of additional exam rooms and an observation area provides complementary alternatives for expanded care.

Expansion of the “urgent/emergent” area of the department will include construction of a dedicated code room adjacent to the ambulance bay for immediate urgent care needs such as defibrillation, as well as a trauma area that encompasses several beds, as well as an observation area. An expanded nurses’ station for efficient monitoring of patients. Functional, organized and efficient workspaces will enhance the required “administrative” portion of nursing duties. Functional storage areas, clean & dirty rooms, paramedic lounge, expanded waiting rooms, as well as physician sleep/shower room all are essential ‘support’ areas of the ER that complement the overall redesign and help to maximize operational efficiencies.

Relationship to the Hawai`i Health Performance Plan (H2P2), also known as the State of Hawai`i Health Services and Facilities Plan

The proposed project is directly related to the overall goals of the Hawaii Health Performance Plan, as stated in page II-1, section C.1:

“...The Hawaii Health Performance Plan draws on the goals of national and local efforts...these are integrated with community specific concerns as well as age-group sub-goals...and achieve equitable and effective access at a reasonable cost for all Hawaii’s residents...responsive to the holistic needs of the community’s members...”

The proposed St. Francis Medical Center West Emergency Room renovation and expansion directly meets the abovementioned goal. The community gains increased, effective access to the St. Francis Medical Center West Emergency Services Department via the proposed increase in ER capacity, as well as the dedicated “Express Care” fast-track area for non-urgent care.

In addition, the proposed project also further supports two of H2P2’s overall objectives, found on page II-2, section C.2:

(1) **Reducing morbidity and pain through timely and appropriate treatment**

- ⇒ The proposed project facilitates timely and appropriate treatment, by increasing the capacity of the ER at St. Francis Medical Center-West, enabling a greater portion of the community to be served.
- ⇒ The “Express Care” fast-track area allows for faster service turnaround times for non-urgent care – again providing timely and appropriate treatment for the growing communities in West Oahu.

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(2) Establishing regionalized health care delivery systems that include community input, are cost-effective and foster improved access to quality healthcare services

- ⇒ St. Francis Healthcare System of Hawaii provides Hawaii with comprehensive, multi-facility, multi-island services that span the entire continuum of care, from educational and preventive services to ongoing medical care to hospice care at the end-of-life.
- ⇒ St. Francis Healthcare System leads the state with its multi-island regional presence. Our services are oftentimes developed due to specific community request. We also constantly seek to develop efficient, quality and cost-effective services that benefit the community yet also maintain and support the integral Mission of St. Francis Healthcare System: "Committed to creating healthy communities in the Spirit of Christ's healing ministry...".

West Oahu Subarea Values and Priorities (a combination of Central Oahu and Waianae areas) are also listed on pages III-6 and III-7. The listing identifies West Oahu regional healthcare priorities – some of which are directly supported by our proposed project:

- ⇒ **West Oahu Values: Integrated, Accountable and Responsible (Page III-6, item D-1)**
- ⇒ **West Oahu Critical Need Areas: (1) Emergency Medical Services (Page III-6, item D-2b); (2) Improved access and outreach of all existing services (Page III-7, item E-2b)**

Need and Accessibility

St. Francis Healthcare System of Hawaii was established based on community need in the early 1980's, there were no emergency services was available in the area, and continually seek ways to better serve the community. We are the largest healthcare provider in West Oahu.

When the medical center's initial Certificate of Need was submitted to build this hospital, the projections at minimum, showed that St. Francis Medical Center West could capture the closed Pearlridge Hospital's 53 – 56% ER market share – approximately 10,000 emergency room visits. The Ewa population in 1980 was 35,554 residents. The current 12 bed ER at St. Francis Medical Center West was built to service 10,000 to 12,000 visits per year (an average of 32 patients per day). Today, the need has now grown to serving 20,000 emergency room visits per year – at times over 90 patients per day. The utilization of the ER has grown by over 100% since the Medical Center first opened. When the St. Francis ER is unable to meet the volume of patients that arrive at one time and cannot treat the patient during the "golden hour", the hospital goes on "divert" which results in patients being transferred to other facilities further away.

Community need has significantly exceeded initial projections as well as initial population growth projections. The "second city" of Kapolei was not included in the initial growth projections as the land where Kapolei is now located was only used for agricultural purposes in 1980. The surrounding Ewa & Kapolei area has more than doubled in size, from 26,000 residents during the 1990 census to 53,000 residents for the 2000 census. Campbell Estates, the largest landowner in the area, has projected that the population will increase from 53,000 residents to over 126,000 by 2010.

The current ER at West is unable to adequately serve a community of over 126,000 population base with a 12-bed capacity (average of 30 – 40 patients per day). The growth is evident by the growing number of diversions at St. Francis Medical Center West that require ambulances to transport patients to another emergency room. Again, this compromises patient safety, as rush hour traffic causes the freeways to

significantly back up, making the transfers literally impossible, as the wait time on the freeway could exceed an hour, as well as the actual distance to the nearest emergency room.

St. Francis Medical Center West is located directly off of the H-1 Kunia exit, and is adjacent to major highways in West Oahu (Farrington Highway, Fort Weaver Road) that serve as the primary transportation routes for this region of Oahu. The proposed project will additionally maximize accessibility by renovating the ambulance entrance by constructing a 'protective' ambulance awning / external area as well as expanding and covering the walk-in entrance and its external and internal waiting areas to comfortably accommodate greater volumes of walk-ins. All persons in need of emergency room care will have access to our services.

Quality of Service / Care

St. Francis Healthcare System must comply with a multitude of Federal and State regulations as well as maintaining accreditation of both medical centers (Liliha & West) by complying with the standards of the Joint Commission of Accredited Healthcare Organizations (JCAHO). Our detailed operational policies and procedures ensure quality of care, as well as our clinical pathways, well-defined job descriptions, process improvement program and ongoing physician and employee education/training.

Cost and Finances

The statement of revenue and expenses for the first three years of operations indicate there is sufficient revenue generated to fund operating expenses as well as provide adequate cash for debt servicing. (Please refer to Attachment F).

Relationship to the Existing Healthcare System

The project will meet the need of the patient population and communities that are served by St. Francis Healthcare System of Hawaii. The expansion and renovation of our existing ER is necessary to keep up with the current needs for emergency care in West Oahu. The project allows St. Francis Medical Center West to continue its to serve the community with appropriate ER care for this region of Oahu.

Availability of Resources

The majority of project financing will be provided by debt financing insured through the U.S. Housing and Urban Development Department (HUD). Additional project costs will be funded through the St. Francis Healthcare Foundation and alternate sources. Operational revenues will provide debt payments for the life of the loan.

The healthcare system has two fully staffed Emergency Rooms, sufficient management resources as well as a contract with EmCare to provide Emergency Physician coverage. Related services will be provided by St. Francis Healthcare System.

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