



**HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY
ADMINISTRATIVE APPLICATION - CERTIFICATE OF NEED PROGRAM**

Application Number: **#11-11A** RECEIVED Date of Receipt:
To be assigned by Agency

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APPLICANT PROFILE

Project Title: Ownership Change of Portable Diagnostic Imaging Services
Project Address: 1010 S King Street Suite B6 Honolulu, HI 96814
Applicant Facility/Organization: Pacific Mobile Imaging, LLC.
Name of CEO or equivalent: Raynette Raymond
Title: Administrator
Address: 1010 S King Street Suite B6 Honolulu, HI 96814
Phone Number: **(808) 748-7552** Fax Number: **(808) 593-7776**

Contact Person for this Application: Raynette Raymond

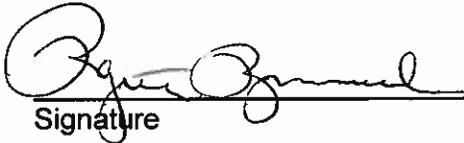
Title: Manager

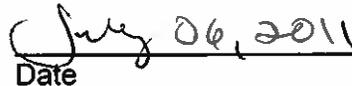
Address: **1010 S King Street Suite B6 Honolulu, Hawaii 96814**

Phone Number: 808-748-7552 Fax Number: 808-593-7776

CERTIFICATION BY APPLICANT

I hereby attest that I reviewed the application and have knowledge of the content and the information contained herein. I declare that the project described and each statement amount and supporting documentation included is true and correct to the best of my knowledge and belief.


Signature


Date

Raynette Raymond
Name (please type or print)

Administrator
Title (please type or print)

REPLACEMENT PAGE

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

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

2. PROJECT LOCATION INFORMATION

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

- Statewide: _____
- O`ahu-wide: X
- Honolulu: _____
- Windward O`ahu: _____
- West O`ahu: _____
- 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) **See Exhibit A**
- 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.).

-Radiology License State of Hawaii

-Department of Health Certificate

C. Your governing body: list by names, titles and address/phone numbers

Name	Title	Phone	Address
Antony Clarke	VP, Secretary, Member	949-355-5212	P O Box 4117 Newport Beach, CA 92661
Eric Hannum	VP, Member	808-277-6816	718 Kaulana Place Honolulu, HI 96821
Richard DeJournett, MD	Member VP, Medical Director	808-599-4471	128 Kainalu Way Kailua, HI 96734
Raynette Raymond	Administrator Member	808-382-7746	95-202 Holokia Place Mililani, HI 96789

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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:

See Exhibit B

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- Articles of Incorporation: Articles of Organization; Name Change Amendment
- By-Laws: Operating Agreement
- Partnership Agreements: Operating Agreement
- Tax Key Number: **2-1-42-10-23,24**

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					
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.

- NOT APPLICABLE -

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

6. PROJECT COSTS AND SOURCE OF FUNDS

A. List All Project Costs:

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AMOUNT:

- 1. Land Acquisition \$ _____
- 2. Construction Contract \$ _____
- 3. Fixed Equipment \$ _____
- 4. Movable Equipment \$ 85,000
- 5. Financing Costs \$ _____
- 6. Fair Market Value of assets acquired by lease, rent, donation, etc. \$15,000
- 7. Other: Architectural/Planning \$ _____

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TOTAL PROJECT COST: \$ 100,000

B. Source of Funds

- 1. Cash \$ 25,000
- 2. State Appropriations \$ _____
- 3. Other Grants \$ _____
- 4. Fund Drive \$ _____
- 5. Debt \$75,000
- 6. Other: Assets transferred from Koolau Radiology To Pacific Mobile Imaging, LLC \$ _____

TOTAL SOURCE OF FUNDS: 100,000

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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.

The proposed project is a change of ownership of an existing service currently provided by Koolau Radiology, Inc. It is believed that operating Portable Diagnostic Imaging Services via an independent entity will optimize the services delivered. Dr. DeJournett as an independent practitioner operating Koolau Radiology Inc will be relieved of the administrative obligations, marketing and promotions and other non-medical responsibilities that the organization requires for its management, growth and development. Pacific Mobile Imaging, LLC is a for-profit limited liability corporation based in Hawaii and will be the sole owner and operator of the existing Portable Diagnostic Imaging Service. The current owner, Koolau Radiology, Inc. is located at 1380 Lusitana Street Second Floor Honolulu, HI 96813. The new owner will be Pacific Mobile Imaging, LLC is located at 1010 S King Street Suite B6 Honolulu, Hawaii 96814.

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: 07/01/2011
- b) Dates by which other government approvals/permits will be applied for and received: 12/23/2010 received and approved and 3/30/2011 received and approved.
- c) Dates by which financing is assured for the project: N/A
- d) Date construction will commence: N/A
- e) Length of construction period: N/A
- f) Date of completion of the project: N/A
- g) Date of commencement of operation: Upon receipt of CON approval

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.

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.

The proposed project is a change of ownership of an existing service currently provided by Koolau Radiology, Inc dba Pacific Mobile Imaging. Dr. DeJournett is the sole owner of Koolau Radiology and its principal. It is believed that operating Portable Diagnostic Radiology Services via an independent entity will optimize the services delivered and provide administrative and financial relief for the Koolau Radiology organization. Pacific Mobile Imaging, LLC is a for-profit limited liability corporation based in Hawaii and will be the sole owner and operator of the existing Portable Diagnostic Radiology Service. Ownership of Pacific Mobile Imaging, LLC is a four member partnership which includes Dr. DeJournett.

Relationship to the State of Hawaii Health Services and Facilities Plan.

The proposed project only involves a change of ownership of an existing portable service. The relationship of the existing Portable Diagnostic Radiology Service to the Hawaii Health Services and Facilities Plan was previously addressed in the original Certificate of Need application (#10-04A) with subsequent review and approval. Pacific Mobile Imaging will follow the guidelines of the Hawaii Health Services and Facilities Plan.

a) Need and Accessibility

The proposed project only involves a change of ownership of an existing portable service. The need for the existing Portable Diagnostic Radiology Service was addressed with the original Certificate of Need application (#10-04A) at the initial launching of these services. The change of ownership will not have any impact on the need for this service or on accessibility of this service.

b) Quality of Service/Care

The change in ownership will not result in any degradation of quality of service or care. Pacific Mobile Imaging, LLC has the clinical and administrative personnel and resources to meet or exceed the quality of service and care as committed to in the original Certificate of Need application (#10-04A). The members of Pacific Mobile Imaging, LLC have more than 30 years combined experience performing these services. There is a proven track record in delivering and maintaining quality medical services.

Cost and Finances

2011 - Year One	Projected
Revenue	\$200,000
Costs	\$145,000
2013 - Year Three	Projected
Revenue	\$210,995
Costs	\$148,740

d) Relationship to the existing health care system

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The project is expected not to impact the existing health care system as it is simply a continuation of existing service. The proposed project only involves a change in ownership. The need and justification for Portable Diagnostic Imaging Service was reviewed and approved with the original Certificate of Need application (#10-04A). The change of ownership will not change the relationship of the service to the existing health care system.

e) Availability of Resources.

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Pacific Mobile Imaging, LLC will submit initial payment and continue with scheduled monthly payments to Koolau Radiology, Inc. in transfer of ownership. Current portable diagnostic imaging service employees of Koolau Radiology, Inc. will be retained by Pacific Mobile Imaging, LLC.

10. Eligibility to file for Administrative Review. This project is eligible to file for Administrative review because: (Check all applicable)

- It involves bed changes, which will have a capital expense of \$1,000,000 or less, and which will have an increased annual operating expense of less than \$500,000.
- It involves service changes which will have a capital expense of \$1,000,000 or less, and which will have an increased annual operating expense of less than \$500,000.
- It is an acquisition of a health care facility or service, which will result in lower annual operating expenses for that facility, or service.
- It is a change of ownership, where the change is from one entity to another substantially related entity.
- It is an additional location of an existing service or facility.
- The applicant believes it will not have a significant impact on the health care system.