



# STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

LINDA LINGLE  
GOVERNOR OF HAWAII

CHIYOME L. FUKINO, M.D.  
DIRECTOR OF HEALTH

DAVID T. SAKAMOTO, M.D., M.B.A.  
ADMINISTRATOR

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June 22, 2004

## CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Peter A. Galpin, M.D.  
200 Kalepa Pl, Suite 203  
Kahului, HI 96732

Dear Dr. Galpin:

The State Health Planning and Development Agency has evaluated your application for administrative review for Certificate of Need ("Cert.") #04-02A for the establishment of an outpatient surgery center at 200 Kalepa Pl, Suite 203/204 at a capital cost of \$142,000.

As provided under Section 11-186-99.1 of the Hawaii Administrative Rules (HAR), the Agency has determined that:

1. This proposal is eligible for administrative review as it meets the criterion in Section 11-186-99.1(b)(6), i.e.: "any proposal which is determined by the agency not to have a significant impact on the health care system."
2. The Agency has determined that the applicant has proven by a preponderance of evidence that its proposal meets the Cert. criteria in Section 11-186-15, HAR:
  - a. The applicant states that its proposal addresses the vision and guiding principles, the statewide and regional priorities, and Chapter V of the Hawaii Health Performance Plan (H2P2).
  - b. The applicant states that "While the primary reason for this facility has been to service my cosmetic surgery patients, as the only fellowship trained Hand Surgeon in Maui County, I am needed to supply emergent care for a variety of traumatic injuries. Having this facility available allows these patients often to be treated without the expense of an emergency room visit or hospital charge."
  - c. The applicant states that "This facility is open to all patients of Dr. Galpin, regardless of ethnic, racial, social, or economic status depending upon the medical appropriateness of this facility for their individual cases."
  - d. The applicant states that the proposed facility will have 3 FTE staff: "One MD, one fully licensed RN and one administrative employee... Both clinicians are ACLS certified. The doctor is certified by the American Board of Plastic Surgery, licensed by the State of Hawaii and has full surgical privileges at MMMC."

- e. The applicant projects income and expenditures to be \$384,905.04 and \$342,653.22 respectively, in year one of the proposal and \$416,312.24 and \$370,613.50 respectively, in year three.
- f. The applicant states that "As the cases done at this facility are primarily cosmetic cases that fall outside the scope of existing facilities, the continued operation of this facility will have no impact on outside providers."
- g. The applicant states that "There will be no new debt incurred for this project as it is an ongoing operation established ten years ago."
- h. The applicant states that the staffing requirements will remain unchanged at: Clinical Staff: 2 FTEs and Administrative Staff: 1 FTE.

There is no compelling public interest which will be served by requiring the application to go through the standard review process.

As required under Section 323D-43(b), Hawaii Revised Statutes (HRS), the Agency finds that:

- 1. There is a public need for this proposal.
- 2. The cost of the service will not be unreasonable in light of the benefits it will provide and its impact on health care costs.

Accordingly, the State Health Planning and Development Agency hereby APPROVES and ISSUES a Certificate of Need to Peter A. Galpin, M.D. for the proposal described in Cert. #04-02A. The maximum capital expenditure allowed under this approval is \$142,000.

Please be advised that pursuant to Section 323D-47, HRS and Section 11-186-99.1(g) HAR, any person may, for good cause shown, request in writing a public hearing for reconsideration of the Agency's decision within ten working days from the date of this decision. Accordingly, if no person makes such a timely request for reconsideration, this decision shall become final immediately after the deadline for making such a request has expired.



David T. Sakamoto, M.D.  
Administrator

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the attached Administrative Review Decision was duly served upon the applicant by sending it by certified mail, return receipt requested, in the United States Postal Service addressed as follows on June 22, 2004:

Peter A. Galpin, M.D.  
200 Kalepa Pl, Suite 203  
Kahului, HI 96732

HAWAII STATE HEALTH PLANNING  
AND DEVELOPMENT AGENCY



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David T. Sakamoto, M.D.  
Administrator