



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

NEIL ABERCROMBIE
GOVERNOR OF HAWAII

KEITH R. RIDLEY
ACTING DIRECTOR OF HEALTH

RONALD E. TERRY
ADMINISTRATOR

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January 7, 2011

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Sandra Shim
Manager
SYS East, LLC
2220 McKinley Street
Honolulu, HI 96822

Dear Ms. Shim:

The State Health Planning and Development Agency has evaluated SYS East, LLC's Certificate of Need application #10-16A for the transfer of ownership of the 42 bed skilled nursing facility/intermediate care facility (SNF/ICF) services at 2787 Winam Avenue, Honolulu, Hawaii from SYS Land Corp. to SYS East, LLC and for the deletion of 15 SNF/ICF beds, at a total capital cost of \$100,000.

Pursuant to Title 11, Chapter 186 of the Hawaii Administrative Rules (HAR), the Agency has determined that:

- (a) The proposal is eligible for administrative review as it meets the criteria in HAR 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." and HAR 11-186-99.1(b)(4), i.e.: "Any change of ownership, where the change is from one entity to another substantially related entity."
- (b) The applicant, SYS East, LLC, has proven by a preponderance of the evidence that its proposal meets the Certificate of Need criteria in HAR 11-186-15.
- (c) 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), Hawai'i Revised Statutes (HRS), the Agency finds that:

1. There is a public need for this proposal.
2. The cost of this proposal 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 SYS East, LLC for the proposal described in Certificate of Need application #10-16A. The maximum capital expenditure allowed under this approval is \$100,000.

#10-16A, Administrative Review Decision
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Please be advised that pursuant to Section 323D-47, HRS, 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.

C: OHCA


Ronald E. Terry
Administrator