



## DEPARTMENT OF HEALTH

DAVID Y. IGE  
GOVERNOR

BRUCE S. ANDERSON, Ph.D.  
DIRECTOR

**FOR IMMEDIATE RELEASE**

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### **Hawai'i Department of Health's Office of Health Care Assurance cites Pacific Quest Corp. for illegally operating unlicensed special treatment facilities or therapeutic living programs**

HONOLULU – The Hawai'i Department of Health's Office of Health Care Assurance (OHCA) is committed to protecting the health, safety and wellbeing of adolescents and young adults by conducting ongoing investigations and taking appropriate action toward unlicensed Special Treatment Facilities (STF) or Therapeutic Living Programs (TLP).

OHCA has issued a Notice of Violation and Order (NOVO) to Christopher Kaiser, Michael McKinney, Suzanne McKinney and Mark Agosto of Pacific Quest Corp. for operating two illegal special treatment facilities or therapeutic living programs located at 15-1973 4th Avenue, Keaau, Hawaii 96749 and 15-1736 22nd Avenue, Keaau, Hawaii 96749. Kaiser, co-founder of the company, Michael McKinney, president, Suzanne McKinney, vice president, and Agosto, treasurer were ordered to immediately cease and desist operations of their unlicensed facilities and to pay an administrative penalty.

Keith Ridley, OHCA chief, said, "We cannot stress the importance for families to research licensed special treatment facilities or therapeutic living programs for their loved ones in need of care. If they are uncertain whether the facility is licensed or suspect unusual activity, they should contact the Department of Health."

Based on OHCA's unannounced visit and investigation conducted in response to complaints, OHCA determined Pacific Quest Corp. was operating two illegal STFs or TLPs for adolescents and young adults. These care homes were operating unlawfully as STFs because they provided a therapeutic residential program for care, diagnosis, treatment or rehabilitation for socially or emotionally distressed persons, mentally ill persons, persons suffering from substance abuse, and developmentally disabled persons. Or, they may have been operating as a TLP which includes a supervised living arrangement that provides mental health, substance abuse services or supportive services for individuals or families who do not need the structure of a special treatment facility and are transitioning to independent living, and did not have valid licenses issued by OHCA. Both types of facilities operate similarly in purpose but Pacific Quest had not contacted the Department of Health to apply for licenses for either program.

In addition to requiring Pacific Quest Corp. to cease operations upon receipt of the NOVO, the company must also comply with other requirements:

1. Transfer or discharge all residents to a licensed Special Treatment Facility or a licensed Therapeutic Living Program or to their legal guardian within seven (7) calendar days of receipt of the NOVO;
2. Notify in writing to OHCA within one (1) calendar day following transfer or discharge of all residents that the illegal STF or TLP identified above has ceased operations and that all residents have been safely transferred to an OHCA licensed or certified facility or legal guardian, and provide the name and address of the licensed or certified facility or legal guardian;
3. Pay a fine totaling \$13,300 based on respondents' first violation of \$100 for each day of unlicensed operation times 133 days as calculated from the date of verified operations of the unlicensed facility to the date of transfer/discharge of all residents (August 27, 2019 to January 17, 2020, inclusive). The transfer or discharge date is seven (7) calendar days from the NOVO receipt date.
4. Disclose to the Department the location of any Special Treatment Facility or Therapeutic Living Program operated by Pacific Quest Corp. or any other entity, agency, or organization owned, managed, or operated or not by Christopher Kaiser, Michael McKinney, Suzanne McKinney or Mark Agosto, in the same manner as 15-1973 4th Avenue, Keaau, Hawaii 96749 or as 15-1736 22nd Avenue, Keaau, Hawaii 96749 and cease and desist operations at those locations.

A Special Treatment Facility (STF) is defined as a facility that provides a therapeutic residential program for care, diagnosis, treatment or rehabilitation for socially or emotionally distressed persons, mentally ill persons, persons suffering from substance abuse, and developmentally disabled persons. A Therapeutic Living Program (TLP) includes a supervised living arrangement that provides mental health, substance abuse services or supportive services for individuals or families who do not need the structure of a special treatment facility and are transitioning to independent living. Special treatment facilities shall include a short-term crisis residential program or a long-term residential treatment program.

Under state law, Pacific Quest Corp. has 20 days to submit a written request to the Department of Health to request a hearing to contest the Notice and Order.

The NOVO does not preclude or limit actions by any other public agency or private party. Whenever OHCA surveyors identify potential abuse or neglect, these incidents are immediately reported to Child Welfare & Adult Protective Services (APS), another state agency, for a thorough investigation.

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