



HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

STANDARD APPLICATION – CERTIFICATE OF NEED PROGRAM

Application Number 03-01

Applicant: Mental Health Kokua

Project Title: Establishment of 6 bed Special Treatment Facility

Project Address: 140 Wainaku Street
Hilo, HI

1. **TYPE OR 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: _____

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2. **PROJECT LOCATION INFORMATION:**

A. Project will be located in:

- State Senate District Number: 1
- State House District Number: 1
- County Council District Number: 1

Neighborhood Board District Number (O`ahu only): N/A

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

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

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 Attachment A – Site Control Document

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.)

Special Treatment License application to follow.

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

See Attachment B – Governing Body

D. If you have filed a Certification 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)

See Attachment C
Articles of Incorporation
By-Laws
Tax Key Number

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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					
Private Practice					

5. **TOTAL CAPITAL COST: \$93,000**

6. **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
Special Treatment Facility	0	6	6
TOTAL		6	6

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 consult 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.

We will be converting a house used for agency operations to a Special Treatment Facility to provide Interim Housing to clients referred by the Adult Mental Health Division, Department of Health.

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8. **PROJECT COSTS AND SOURCES OF FUNDS (For Capital Items Only)**

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A. **List All Project Costs:**

AMOUNT:

1.	Land Acquisition	Land Building	<u>90,000</u>
2.	Construction Contract		<u>NA</u>
3.	Fixed Equipment		<u>500</u>
4.	Movable Equipment	and furnishings	<u>2,500</u>
5.	Financing Costs		<u>0</u>
6.	Fair Market Value of assets acquired by lease, rent, donation, etc.		<u>0</u>
7.	Other: _____		<u>0</u>
TOTAL PROJECT COST:			<u>93,000</u>

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B. **Source and Method of Estimation**

Describe how the cost estimates in Item "A" were made, including information and methods used:

1. Actual purchase 3. Appraised price value 4. Furnishing estimate

C. **Source of Funds**

AMOUNT:

1.	Cash	_____
2.	State Appropriations	_____
3.	Other Grants	<u>3,000</u>
4.	Fund Drive	_____
5.	Debt	<u>90,000</u>
6.	Other: _____	_____
TOTAL SOURCE OF FUNDS:		<u>93,000</u>

9. **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: **Completed, own site**
- b) Dates by which other government approvals/permits will be applied for and received: **3/03**
- c) Dates by which financing is assured for the project: **12/02 - Completed**
- d) Date construction will commence: **Completed - Not applicable**
- e) Length of construction period: **Completed - Not applicable**
- f) Date of completion of the project: **Completed - Not applicable**
- g) Date of commencement of operation: **3/03**

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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.

10. **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.

Mental Health Kokua (MHK) is requesting a CON for 6 Special Treatment Facility beds to be utilized for Interim Housing services in Hilo, serving the geographical area of East Hawaii as part of a multi-site program providing Specialized Residential Rehabilitation Services and Crisis Residential Services for the severely mentally ill population. These services in Hilo will address placement and services needs of this population as well as reduce the number of inappropriate hospital admissions, thereby reducing the costs of psychiatric health care state-wide. MHK will staff four (4) beds initially with possible long term expansion to six (6) beds.

A brief description of how this project will meet each of the Certificate of Need Criteria listed below is as follows:

A. Relationship to the Hawaii Health Performance Plan

The proposed services will:

- Reduce health disparities among Hawaii residents
- Reduce the risk of injury and violence by promoting a safe environment and a safe community
- Contribute to the secondary care supports and carry out those more complex health care functions that are specialized beyond basic primary care
- Require supportive collaborative relationships between local, regional and state health care providers, thereby providing the most appropriate care coverage to our communities
- Meet the critical elements of a health care delivery system by providing access to appropriate, efficient, and cost-effective services that benefit the majority of residents; utilizing evidenced-based practices for quality management; providing less costly outpatient, community-based services as an alternative to more costly emergency room visits and hospitalizations; facilitating continuity of care through collaboration with various providers of service in the community; encouraging and promoting constituent participation through active involvement of consumers in the Mental Health Kokua advisory board as well as the employment of consultants by Mental Health Kokua.
- Positively impact the Behavioral Health Process measures of BHP-1 (comprehensive spectrum of care), BHP-2 (continuity of care), BHP-3 (accessibility of services) as well as the Behavioral Health Outcome measures of BHO-5 (incidence/prevalence of mental illness),

B. Need and Accessibility

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The target population for this project are adults, 18 years or older, who have mental illness and are in need of Interim Housing residential services. The project will address needs for this population in East Hawaii.

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There has been an increased need to reduce the usage of more expensive inpatient services and emphasis on providing community support systems that support consumers in the least restrictive environment. The Adult Mental Health Division (AMHD) 2001 Service Development Implementation Plan reports that approximately 9% of mental health consumers are in need of specialized residential services. Based on three studies that report an estimate of seriously mentally ill adults in Hawaii to be between 16,000 to 22,000, approximately 1440 consumers in the state, per year, might be expected to utilize the proposed level of services. Extrapolating these figures to the East Hawaii population of approximately 80,000 (7% of the total Hawaii population), it is estimated that there are approximately 1100 to 1500 seriously mentally ill adults in the Hilo area, and that approximately 100 to 135 of this population during the year might be expected to utilize the proposed Interim Housing services. Mental Health Kokua expects the four (4) beds will be at 100% capacity.

There are no Interim Housing residential services available in East Hawaii. The only other resources now available for potential consumers for these services are hospital emergency room treatment, psychiatric hospitalization, or incarceration.

The beds/services will be accessible to all residents of East Hawaii, including all underserved populations. MHK will accept consumers authorized by the AMHD's Utilization Management process. MHK does not have an exclusionary policy that is inconsistent with AMHD guidelines. The proposed services will accept all referrals without regard to income, race, ethnicity, gender, disability, or age. These individuals are provided with transportation, financial assistance, and other services. Accessibility for low-income individuals is assured through funding for these services without regard to the individual's income status. This financial arrangement is particularly important to the population receiving these services as virtually all of these consumers are receiving some form of public assistance due to their mental health status, are unemployed, and without the financial means to independently access such services. All racial and ethnic minorities will be admitted and will be provided service by a multi-ethnic and racially diverse staff, trained in the delivery of culturally appropriate services. The facility accepts both males and females and is staffed with both male and female staff to increase sensitivity to the needs of each gender.

C. Quality of Service/Care

The proposed services will improve the quality of care by

- Providing medication management/monitoring by psychiatric nurses under the direction of a psychiatrist 24 hours per day, 7 days a week.
- Providing "in vivo" life skills training including, but not limited to, cooking, household chores, shopping, money management and household chores.
- Providing services in a home-like atmosphere.
- Providing on-going quality assurance monitoring.

- Encouraging consumer involvement and consumer choice.
- Continuous quality improvement through the activities of the Quality Management Committee, responsible for MHK's Quality Management Plan. The plan includes objectives and expected outcomes for effectiveness, efficiency, utilization, safety, human resources, and clinical quality improvement.
- Utilization of internal policies and procedures to monitor and evaluate quality of care.
- Continuing high standards for treatment outcomes and consumer satisfaction.
- Maintaining appropriate staff to consumer ratios.
- Maintaining a qualified staff consisting of on-site and on-call clinical and behavioral health specialists, including a full-time Registered Nurse available 24/7. Para-professionals, working under the supervision of a licensed mental health professional, will provide on-site coverage during the day, evening and night shifts. Interim housing staff include part-time consumer peer coaches trained and supervised by a qualified mental health professional. Peer coaches will provide skill building and role modeling.
- Providing training for staff in the following areas on a recurring basis: medication and medication management; psychosocial rehabilitation; DSM-IV diagnosis and treatment; crisis response and management; substance abuse and co-occurring disorder management; CPR and First Aid; cultural competency; and confidentiality. Training is provided that ensures all staff have knowledge of the appropriate use of community resources, crisis intervention techniques, and procedures for involuntary hospitalization. Staff attend in-service training based on a strategic training plan to upgrade the educational and professional qualifications developed in conjunction with the AMHD. At least one (1) training session addresses the areas of substance abuse/dual diagnosis, and forensic issues. Training is also provided to ensure staff understand the goals of the interim residential program, their roles in achieving the program goals, and best practices in person centered residential rehabilitation. Staff surveys, incident reviews, and staff meetings identify additional training needs, with training based on identified need and interest.

D. Cost and Finances

The primary cost of the proposed project is the operating cost. Funding is derived from contracts with AMHD. Personnel costs projected per year total are estimated at \$245,000 for the required staffing total of 6.25 FTEs.

The project will reduce health care costs by providing less expensive alternatives to emergency room visits (\$1000 or more per visit), and acute hospitalization (\$700 - \$1000/day). Projected cost saving per bed day is \$496 - \$796 for Interim Housing services. Alternatives for the proposed project include more costly hospitalization and emergency services that do not adhere to the evidenced based best practices in providing services in the least restrictive environment. Fewer staff would compromise safety for the consumer and the community as well as the quality of care and services.

E. Relationship to Existing Health Care system

Mental Health Kokua has a long history of collaborative working relationships with the Adult Mental Health Division, Community Mental Health Centers, and the Housing and Community Development Corporation of Hawaii. Other long standing collaborative relationships with the Hawaii Island Police Department, Hilo Medical Center, Big Island Substance Council, Puna Counseling Clinic, Hale `Oluea Clubhouse - Hilo, East Hawaii Counseling Services and other

community based agencies. MHK works with these entities in the development of effective discharge plans for consumers for whom MHK is providing services, provides consultation for agencies who may also be treating these consumers, and works with these agencies to facilitate admission of MHK consumers when necessary. The proposed Interim Housing beds will be an extension of our current array of Hilo residential services. Services will be dedicated to consumers being diverted from the hospital or prison, recently released from prison, awaiting AMHD eligibility assessment for placement, and those who without twenty-four hour care would be in danger of further psychiatric decompensation resulting in greater likelihood of hospitalization. Interim Housing services provide short-term housing (up to three (3) months) or as authorized by AMHD's utilization process. These services provide options for those consumers who do not meet the criteria for hospitalization but would not be appropriate for unmonitored community housing. This would increase the availability of service options for health care in the community. The proposed project would free up hospital beds that are needed for more acute situations such as suicidal and homicidal incidents as well as offer other providers of health care the option of placing consumers in a safe, therapeutic environment. The proposed services would also free up correctional space for individuals who have been arrested for serious, violent crimes. The proposed Interim Housing projects will address needs of persons not appropriate for the eight (8) bed crisis service in Hilo.

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F. Availability of Resources Criterion

- 1) Mental Health Kokua has been providing recovery facilities and mental health services on behalf of Hawaii citizens with mental illness since 1973. MHK's management team includes:
 - An Executive Director/CEO, who has more than twenty (20) years experience in administering a mental health agency, and has Masters Degrees in Social Work and Public Health.
 - The Director of Programs, who has a BA degree in Psychology, twenty-three (23) years of experience with Mental Health Kokua and is a surveyor for CARF, The Rehabilitation Accreditation Commission.
 - The Director of Business, who has a Masters Degree in Public Health and thirteen (13) years of accounting experience with Mental Health Kokua.
 - The Director of Hawaii County Services has a Masters Degree in Psychology and has over twenty (20) years experience in the mental health field.
 - The Clinical Director is a licensed psychologist (PhD.) in the state of Hawaii.
- 2) MHK has 122 employees providing mental health services. Employees are screened, credentialed, trained and supervised in their delivery of services. MHK has been successful at recruiting and retaining personnel committed to working with the very special needs population of persons with mental illness. As important as the degree, is the need for caring, sensitive, good humored, accepting role models for clients.

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