



HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

ADMINISTRATIVE APPLICATION – CERTIFICATE OF NEED PROGRAM

Application Number: #07-28A

Applicant: CARE Hawaii, Inc.
606 Coral Street, 2nd floor
Honolulu, Hawaii

Phone: 808 791-6158

Project Title: Addition of Special Treatment Facility (STF) Developmental Disabilities
Emergency Shelter/Emergency Respite services

Project Address: 94-483 Apowale Street, Waipahu, Hawaii

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

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

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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 Attachment A-Lease Agreement
- 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 Certificate of Need Application this current calendar year, you may skip the four items listed below. All others, please provide the following:

Articles and bylaws submitted previously in calendar year. See application #07-18A.

- Articles of Incorporation See application #07-18A
- By-Laws See application #07-18A
- Partnership Agreements N/A
- Tax Key Number (1-9-4-029-011-0000)

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. **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
TOTAL			

6. PROJECT COSTS AND SOURCES OF FUNDS

A. List All Project Costs:

	AMOUNT:
1. Land Acquisition	<u>0</u>
2. Construction Contract (Renovation)	<u>0</u>
3. Fixed Equipment	<u>0</u>
4. Movable Equipment (Appliances, Furniture, Phone System)	<u>0</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>0</u>

B. Source of Funds

1. Cash	<u>0</u>
2. State Appropriations	<u>0</u>
3. Other Grants	<u>0</u>
4. Fund Drive	<u>0</u>
5. Debt	<u>0</u>
6. Other: <u>Rental Income</u>	<u>0</u>
TOTAL SOURCE OF FUNDS:	<u>0</u>

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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.

CARE Hawaii, Inc. is under contract with the Department of Health, Adult Mental Health Division (AMHD) to provide Licensed Crisis residential Services (Contract #06-150).

As a revision to our Certificate of Need Application #07-18A approved August 29, 2007 CARE Hawaii, Inc. is also under contract (#07-078) with the Department of Health, Development Disabilities Division (DDD) for adult individuals with developmental disabilities or mental retardation and behavioral concerns. This revision is to request change in services to include DD ES/ER Population. (Developmental Disabilities Emergency Shelter and Emergency Respite) to adult individuals with developmental disabilities or mental retardation and behavioral concerns at this location

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 | <u>11/1/07</u> |
| B. Dates by which other government approvals/permits will be applied for and received | <u>N/A</u> |
| C. Dates by which financing is assured for the project | <u>11/1/07</u> |
| D. Date construction will commence | <u>N/A</u> |
| E. Length of construction period | <u>N/A</u> |
| F. Date of completion of the project | <u>11/1/07</u> |
| G. Date of commencement of operation | <u>12/1/07</u> |

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.

9. **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.

CARE Hawaii, Inc. is has been approved to provide 8 Special Treatment Facility Beds to be utilized for crisis residential services in Waipahu, on the

island of Oahu for the developmentally disabled population under Certificate of Need application #07-18A. We are proposing a change in services to include DD ES/ER (Developmental Disabilities Emergency Shelter / Emergency Respite) Adult Population.

This change in project's services will help to better meet the needs of this population as well as reduce the number of inappropriate hospital admissions, thereby reducing the costs of psychiatric health care state-wide.

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

- A. Relationship to the Hawai'i Health Performance Plan (H2P2), also known as the State of Hawai'i Health Services and Facilities 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 supporting 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 best 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 CARE advisory board as well as the employment of consumers by CARE
- positively impact the Hawaii Health Performance Plan's (H2P2) 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), BHO-6 (consumer satisfaction), BHO-7 (relapse/recidivism), and BHO-8 (positive involvement after treatment program)

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B. Need and Accessibility

The target population for this project is developmentally disabled individuals, 18 years or older, who are in need of emergency crisis/emergency respite services. The project will provide services for the residents of Oahu as well as those individuals residing on the neighbor islands for whom this level of services is not available.

There has been an increased demand for crisis shelter beds since the Rainbow House crisis shelter closed. The Developmental Disabilities Division, of the Department of Health has identified approximately 3000 individuals that are and will be in need of this service in the State of Hawaii.

Therefore there continues to be a deficit of beds to meet the need/demand for services. Crisis Mobile Outreach Services on Oahu are identifying individuals eligible for this service on the average of 3 calls per week, with at least 1 of these individuals requiring housing options that provide 24 hour monitoring otherwise available only in an acute hospital setting.

The proposed services accept all referred individuals (once referred the individual is considered to be a participant) from the DOH access line without regard to income, race, ethnicity, gender, disability, or age. Services will be accessible regardless of financial status, thus there is no financial barrier for consumers requiring these services. Funds from the DOH/DDD are the primary source of payment.

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 per week
- providing services in a home-like atmosphere
- providing on-going quality assurance monitoring
- encouraging PARTICIPANT involvement and PARTICIPANT choice
- continuous quality improvement through the activities of the Quality Assurance Committee
- utilization of internal policies and procedures to monitor and evaluate quality of CARE
- continuing high standards for treatment outcomes and PARTICIPANT satisfaction
- maintaining appropriate staff to PARTICIPANT ratios
- maintaining a qualified staff of registered nurses, crisis shelter direct care workers, bachelors level residential crisis managers, psychiatrists, etc.
- providing continuing education in MANDT and Positive Behavioral Support strategies CPR and safety issues
- Obtaining licensure as a Special Treatment Facility with the Office of Health Care Assurance
maintaining CARF accreditation

D. Cost and Finances (include revenue/cost projections for the first and third year of operation)

There is no capital cost associated for this proposal to include DD ES/ER Population (Developmental Disabilities Emergency Shelter/Emergency Respite). There will be no Change in staffing requirements from Certificate of Need Application # 07-18A. The project will reduce health care costs by providing less expensive alternatives to emergency room visits (\$1000 or more per visit), and acute hospitalizations (\$700-\$1000/day). Alternatives for the proposed project include the more costly hospitalization and emergency services that do not adhere to the evidenced based best practices in providing services in the least restrictive environment. Less costly alternatives would require less qualified or fewer staff which would compromise safety for the consumer and the community as well as the quality of care and services.

E. Relationship to the existing health care system

CARE Hawaii, Inc. on Oahu currently maintains collaborative relationship with Developmental Disabilities Division, The ARC of Hawaii, Goodwill Industries, Kōkua Villa, Lanakila Rehabilitation Center, SECOH, Hale Nui community Services, Nurse Finders, Child and Family Services and other community based agencies. CARE works with these entities in the development of effective discharge planning for PARTICIPANTS for whom CARE is providing services, provides consultation for agencies who may also be providing support services to these PARTICIPANTS, and works with these agencies to facilitate admission of CARE PARTICIPANTS when necessary. The proposed project for Special Treatment Facility providing behavioral rehabilitation services fills the gap between psychiatric hospitalization and community living for developmental disabled PARTICIPANTS. The 24 hour emergency shelter/emergency respite services provide housing and support for a maximum of 30 days or longer when approved by the Developmental Disabilities Division. These services also provide supportive environment for PARTICIPANTS who do not meet the criteria for hospitalization but would not be appropriate for community living or adult foster care living. This would increase the availability of service options for health care in the community. The proposed project will free up hospital beds that are needed for more acute situations such as suicidal or homicidal incidents as well as offer other providers of health care the option of placing PARTICIPANTS in a safe, supportive environment. Behavioral Specialist support services will be available to develop positive behavioral support plans that will address behavioral issues and allow appropriate transition for participants to return to their care givers or foster home care givers.

F. Availability of Resources.

- 1) CARE Hawaii, Inc. has an experienced management team who has been Successfully operating community-based and residential services on Oahu Since 2001. This team includes:
 - Dr. Dennis McLaughlin, Chairman, Dr. Tina McLaughlin, President, Dr. Joseph Giannasio, Medical Director, Maria Kinsler, CEO, Stephanie Agnew Miller, Controller and Donna Tompkins, Quality Assurance Manager.
- 2) There will be no additional staffing requirements to the changes in services to include DD ES/ER Population (Developmental Disabilities

Emergency Shelter/Emergency Respite) as approved in Certificate of Need Application #07-18A

3) There is no capital funds required for this project. All other expenditures including rent payments will be paid for by operating funds.

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.

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