

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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July 31, 2006

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Art Gladstone
Chief Operating Officer
Straub Clinic & Hospital
888 South King St.
Honolulu, HI 96814

Dear Mr. Gladstone:

The State Health Planning and Development Agency has evaluated Straub Clinic & Hospital's Certificate of Need application #06-17A for the closure of pharmacy services at 98-151 Pali Momi Street, Aiea, Hawaii, at no capital cost.

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 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."
- (b) The applicant, Straub Clinic & Hospital, has proven by a preponderance of the evidence that its proposal meets the Certificate of Need criteria in Section 11-186-15, HAR.
- (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.

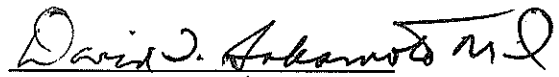
Accordingly, the State Health Planning and Development Agency hereby APPROVES and ISSUES a Certificate of Need to Straub Clinic & Hospital for the proposal described in Certificate of Need application #06-17A. There is no capital expenditure authorized under this approval.

#06-17A, Administrative Review Decision

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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.



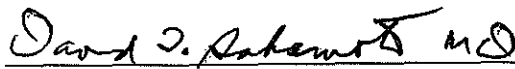
David T. Sakamoto, M.D.
Administrator

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 July 31, 2006.

Art Gladstone
Chief Operating Officer
Straub Clinic & Hospital
888 South King St.
Honolulu, HI 96814

HAWAII STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY



David T. Sakamoto, M.D.
Administrator