

# 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

1177 Alakea St. #402, Honolulu, HI 96813 Phone: 587-0788 Fax: 587-0783 www.shpda.org

November 22, 2006

## CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Christie Franklin  
President/CEO  
Bristol Hospice-Hawaii, LLC  
255 East 400 South, Suite 200  
Salt Lake City, UT 84111

Dear Ms. Franklin:

The State Health Planning and Development Agency has evaluated Certificate of Need application #06-22A from Bristol Hospice-Hawaii, LLC (the "applicant") for the establishment of Hospice services at 1667 Pensacola Street, Honolulu, Hawaii, at a capital cost of \$175,000.

1. Pursuant to Title 11, Chapter 186 of the Hawaii Administrative Rules (HAR), the Agency has determined that: this 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."
2. The applicant states that "The Bristol – Hawaii, LLC program will contribute to the H2P2 goals. The proposal for a free standing hospice in Honolulu will improve the existing health-care system by providing certified hospice service to meet the needs of the terminally-ill and their families on Oahu. The hospice focus is to treat the person and the family holistically. The focus includes comfort, pain and symptom control, living life to the fullest with dignity and comfort."
3. The applicant states that "...the hospice program contributes to the H2P2 goals through the Volunteer and Bereavement programs and support provided to the community."
4. The applicant states that "The hospice program will be accessible to patients meeting the hospice criteria for Medicare, Medicaid, and third party insurance. In addition, families and caregivers will receive Bereavement services for thirteen months following the death."
5. The applicant states that "Due to the aging of the population, an increasing interest and concern about end-of-life care and rising health care costs, the need for Medicare-certified hospices will continue to rise. The 2004 American Community Survey ranked Hawaii seventh in the nation with population greater than 65. The survey data reports Hawaii 65+ population at 13.7%."

6. The applicant states that "Additionally, as noted in the US Census Bureau Report dated April 21, 2005, Hawaii's 65+ population will grow 103.6% by 2030."
7. The applicant states that "The availability of the proposed hospice program will improve and allow for greater access of hospice services for terminally ill persons and their families in the community."
8. The applicant states that "The GAO Study 1999-2000 reported on the value hospice services bring to quality of life. The study of hospice patients vs. other nursing home patients presented the following results regarding hospice patients,
  - Were less likely to be hospitalized in the last 30 days, 90 days, and last six months of life.
  - More likely to receive superior pain assessment and treatment.
  - More likely to have dyspnea regularly assessed and treated
  - More likely to have depression and anxiety treated."
9. The applicant states that "Bristol Hospice – Hawaii, LLC will obtain all appropriate permits, licenses, and certification to provide certified hospice services. In addition to meeting local, state, and federal requirements, Bristol Hospice – Hawaii, LLC will also voluntarily seek deem status from Community Health Accreditation Program (CHAP)."
10. The applicant states that "Bristol Hospice, LLC has an extensive Quality Assurance and Performance Improvement program. The program is designed and implemented to promote the following:
  - Operational Compliance with all Hospice Conditions of Participation; Code 42 of Federal Regulations 418.1-418.405.
  - Operational compliance with Community Health Accreditation Program Standards (CHAP). All Bristol Hospice Programs will be CHAP deem status accredited.
  - National Hospice and Palliative Care Organization Standards (NHPCO)...
  - Quality Outcomes benchmarking will be completed through the use of the NHPCO Family Evaluation Satisfaction Survey."
11. The applicant states that "The staff for the hospice program will meet the federal and National Hospice and Palliative Care Organization (NHPCO) guidelines."
12. The applicant states that "Revenue will be \$1.3 Million in the first year and will increase to \$3.2 Million by year three. The project will have net positive cash flow sixteen months after start up. Initial cash will be available from our parent corporation."
13. The applicant states that the staff needed for the start up agency are: 1 Executive Director, 1 Medical Director, 2 FTE RN/LVN, 1 Chaplain, 1 Social Worker, 1 Home Health Aide, 1 Therapy PT, ST, OT.

14. The applicant states that "Although RN's are in high demand, we have a successful recruitment plan."

### CONCLUSIONS

Having taken into consideration all of the records pertaining to Certificate of Need Application No. 06-22A on file with the Agency, including the written and oral testimony and exhibits submitted by the applicant and other affected persons, the Agency concludes as follows:

1. The applicant has failed to show by a preponderance of the evidence that its proposal, as it is currently written, meets the certificate of need criteria in Sections 11-186-15(a) (1) and (12), HAR.
2. The applicant's proposal, if it were modified as specified in the Order below, would meet the said criteria.

### Conditional Certification

### ORDER

The State Health Planning and Development Agency hereby APPROVES and ISSUES a CONDITIONAL Certificate of Need to Bristol Hospice-Hawaii, LLC for the proposal described in Certificate of Need application #06-22A.

The conditions are that on or before February 15, 2007, the applicant shall submit to the Agency, for Agency approval:

- A charity care policy that will provide access to hospice services for patients that are unable to pay for such services.
- A recruitment plan for staffing the proposal.

These modifications are required for the application to successfully meet the criteria in Sections 11-186-15 (a) (1) and (12), HAR.

As provided under Section 323D-46, HRS and Section 11-186-77 HAR, the Agency establishes Noon, January 4, 2007 as the date by which the applicant must certify, in writing, that it accepts these conditions and that its application is thereby modified accordingly, otherwise this application shall be deemed to be DENIED as provided under Section 11-186-77 HAR.

These modifications are required for the application to successfully meet the criteria in Section 11-186-15 HAR.

There is no compelling public interest which will be served by requiring the application to go through the standard review process.

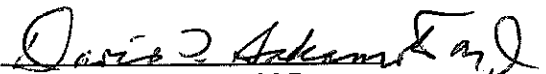
As required under Section 323D-43(b), Hawaii Revised Statutes (HRS), the Agency finds that, if modified as specified in the above Order:

1. There will be a public need for this proposal.
2. The cost of the service will not be unreasonable in light of the benefits it will provide and its impact on health care costs.

The maximum capital expenditure allowed under this approval is \$175,000.

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.

C: Office of Health Care Assurance


  
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 November 22, 2006:

Christie Franklin  
President/CEO  
Bristol Hospice-Hawaii, LLC  
255 East 400 South, Suite 200  
Salt Lake City, UT 84111

HAWAII STATE HEALTH PLANNING  
AND DEVELOPMENT AGENCY

  
David T. Sakamoto, M.D.  
Administrator