

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

LINDA LINGLE
GOVERNOR OF HAWAII

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DIRECTOR OF HEALTH

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ADMINISTRATOR

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January 19, 2007

CERTIFIED MAIL. RETURN RECEIPT REQUESTED

Elizabeth Lara
President/CEO
Bel Care Hospice Hawaii, LLC
94464 Kupuna Loop
Waipahu, Hawaii 96797

Dear Ms. Lara:

The State Health Planning and Development Agency has evaluated Bel Care Hospice Hawaii, LLC's Certificate of Need application #06-29A for the establishment of Hospice services at 98-453 Kaamilo Street, Aiea, Hawaii, at a capital cost of \$149,500.

Pursuant to Title 11, Chapter 186 of the Hawaii Administrative Rules (HAR), the Agency has determined that: 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."

Having taken into consideration all of the records pertaining to Certificate of Need Application No. 06-29A 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 Bel Care Hospice Hawaii, LLC for the proposal described in Certificate of Need application #06-29A.

The conditions are that on or before April 16, 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, February 28, 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 \$149,500.

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

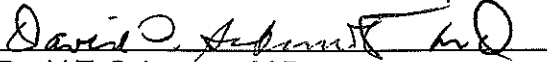

David T. Sakamoto, M.D.
Administrator

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 January 19, 2007:

Elizabeth Lara
President/CEO
Bel Care Hospice Hawaii, LLC
94464 Kupuna Loop
Waipahu, Hawaii 96797

HAWAII STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY


David T. Sakamoto, M.D.
Administrator