

HAWAII STATE HEALTH PLANNING AND DEVELOPMENT
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ADMINISTRATIVE APPLICATION - CERTIFICATE OF NEED PROGRAM

Application Number: # 18-01A Date of Receipt: _____
To be assigned by Agency

APPLICANT PROFILE

Project Title: Relocation of 8-bed Special Treatment Facility

Project Address: 31-300 Old Mamalahoa Hwy.
Pepeekeo, HI 96783

Applicant:

Facility/Organization: Power-On Coaching, Inc. dba The Exclusive Addiction Treatment Center (Referred to as The Exclusive)

Name of CEO or equivalent: Joyce Marvel-Benoist

Title: Chief Executive Officer (CEO) and owner Power-On Coaching The Exclusive Addiction Treatment Center

Address: P.O. Box 1460, Honokaa, HI 96727

Phone Number: 808-775-0200 office 756-2703 cell Fax Number: 808-775-9007 (Attn: Joyce MB)

Contact Person for this Application: Joyce Marvel-Benoist or Jean-Francois Benoist

Title: Joyce, Owner and Francois Program Manager. The Exclusive Addiction Treatment Center

Address: 32-1025 Hawaii Belt Road, Ninole, HI 96773 or PO Box 1460, Honokaa, HI 96727

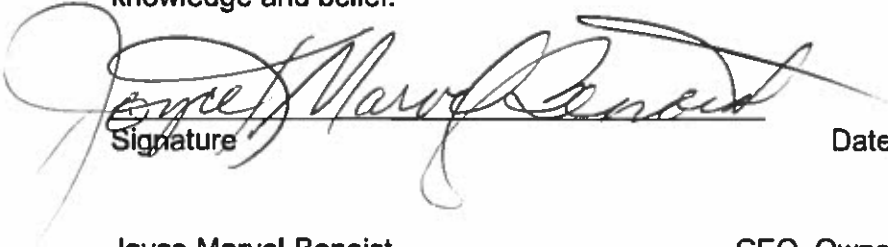
Phone Number: Jean-Francois 756-2702 Fax Number: 808-775-9007 (Attn: JF Benoist)

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CERTIFICATION BY APPLICANT

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I hereby attest that I reviewed the application and have knowledge of the content and the information contained herein. I declare that the project described and each statement amount and supporting documentation included is true and correct to the best of my knowledge and belief.



Signature

Date: 2/20/18 (Revised)

Joyce Marvel-Benoist

Name (please type or print)

CEO, Owner

Title (please type or print)

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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: _____
- 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 Purchase Agreement as Attachment A.**
- 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.)
- C. Your governing body: list by names, titles and address/phone numbers

- Joyce Marvel-Benoist
CEO, Owner, President
Power-On Coaching, Inc.
P.O. Box 1460
Honokaa, Hawaii 96727
808-775-0200 or 756-2703
- Emily Mast
Secretary
887-D Mililani Street
Hilo, HI 96720
(816) 809-4589

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- Aaron Garmon
Vice President
46-3977 Old Mamalahoa Hwy
Honokaa, HI 96727
(216) 438-1803

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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 of Incorporation **See Attachment B**
- By-Laws **See Attachment C**
- Partnership Agreements **N/A**
- Tax Key Number (project's location) **TMK(3) 3-1-003-019-0000**

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. **N/A**

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6. PROJECT COSTS AND SOURCES OF FUNDS

A. List All Project Costs:

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1.	Land Acquisition	ST HLTH PLNG & DEV. AGENCY	1,500,000
2.	Construction Contract		0
3.	Fixed Equipment		0
4.	Movable Equipment (already owned)		0
5.	Financing Costs		0
6.	Fair Market Value of assets acquired by lease, rent, donation, etc.		0
7.	Other: <u>Water tanks for water delivery/new pump</u>		<u>\$28,000</u>

TOTAL PROJECT COST: 1,528,000

B. Source of Funds

1.	Cash		
2.	State Appropriations		0
3.	Other Grants		0
4.	Fund Drive		0
5.	Debt (Mortgage Loan on new property)		<u>\$1,365,500.</u>
6.	Other: down payment made with real estate 1031 exchange		<u>\$162,500.</u>

TOTAL SOURCE OF FUNDS: 1,528,000

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

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categories of services. If you are unable to determine which category best describes your project, please consult with agency staff.

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We seek to change locations of the already established 8-bed special treatment facility in Honokaa to now be located in at 31-300 Old Mamalahoa, Pepeekeo, Hawaii on the Big Island, under Hawaii Title 11, statute 98, for Special Treatment Facility. We provide 24-hour short-term residential addiction and rehabilitation services for adult men and women in a highly private environment.

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:

Date of site control for the proposed project: Property final purchase, close of escrow, January 16, 2018.

- a) Dates by which other government approvals/permits will be applied for and received, We plan to apply for our state license immediately upon award of CON and hope to be in receipt of the license before March 2018.
- b) Dates by which financing is assured for the project, N/A
- c) Date construction will commence, N/A
- d) Length of construction period, N/A
- e) Date of completion of the project, N/A
- f) Date of commencement of operation The Exclusive Addiction Treatment Center expects to begin operation at this new location March 1, 2018.



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.

Power-On Coaching, Inc. is requesting a change of location for the already existing certificate of need for the 8-bed special treatment facility known as "The Exclusive" (currently functioning in Honokaa, Hawaii), with the new facility to be utilized for the same services of residential addiction recovery and rehabilitation. This certificate of need application is for simply a change in location. These services address abuse of alcohol, pharmaceutical drugs, cocaine, opiates, eating disorders and other behavioral addictions. Our team of experienced and licensed professionals assist clients suffering from personality disorders, relationship problems, career stress and other issues related to their addiction.

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The cognitive behavioral therapy approach that overlays our structure is called Core Belief Restructuring (CBR). CBR is a non-12 step program that focuses on exploration and core-level change of the individual's self-destructive beliefs. Once these beliefs are brought into conscious awareness, the client is able to let go of addictive behaviors and live a fuller and more rewarding life.

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The Exclusive serves high-functioning individuals who seek a wellness-focused environment which provides anonymity. Many of our clients are individuals who are uncomfortable participating in the usual community based programs for addiction recovery, and who require 30 day residential services rather than outpatient. As a result, they are often underserved. These individuals are also most often those who control physical pain by abusing alcohol, pharmaceutical and other drugs. There are few places on earth better suited for such private and customized treatment than the tropical setting of the Big Island; local culture and traditions are woven into the milieu. It is our intention that by providing such a unique option within Hawaii, we will continue attract and keep our valued professionals here for treatment.

The proposed services will meet certificate of need requirements as follows:

- a) Relationship to the State of Hawai'i Health Services and Facilities Plan.

Our goals reflect the priorities of the Statewide Health Coordinating Council (SHCC) and Big Island Subarea Health Council (BISAC) in regards to residential addiction services we offer.

SHCC Applicable General Principles

- Expand and retain the health care workforce to enable access to the appropriate level of care in a timely manner. The Exclusive cares deeply about expanding and retaining our Big Island workforce so that clients needing care can get the care. We currently have a staff of 36 Big Island residents in full and part time positions in addition to numerous contract positions. With the number of staff we have in place and on call, we will be able to offer a level of care that is highly responsive, where clients will be able to access services and support 24/7. By offering competitive salaries and benefits and creating a fair, consistent and ohana-style atmosphere, we keep turnover to a minimum.
- Ensure that any proposed service will at least maintain overall access to quality health care at a reasonable cost. We support providing quality care at reasonable cost. We maintain and evolve a well-documented procedure for measuring outcomes and working for continuous improvement. Our costs will continue to be lower for our targeted clientele than mainland rates at similar facilities. Within our rate structure, we provide options for shared or private rooms, that clients may select within their budget and preferences. We now accept medical insurance including HMSA and many others, to further decrease the costs to our clients.
- Ensure all projects are appropriate for the regional and statewide continuum of care. Our project is appropriate and adds to the Big Island and statewide continuum of care. By maintaining a current network for linkage and referral, working with other agencies to facilitate the flow of clients to and from our facility to their programs, offering trainings to both the public and the professional community on our strategies that work with addicted clients, and joining

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with other agencies to problem-solve around the unique challenges on our island, we have assumed a valued place in the local and state service array.

- Encourage and support health education, promotion, and prevention initiatives. An important goal for our facility is to share new approaches to care and healing with the community and create enduring collaborations with the various levels of care to help clients successfully deal with their addiction. We offer regular free presentations to both the public and professionals to share the knowledge of what we have & DEV. AGENCY. We participate in local forums aimed at preventing addiction and problem solving community substance use and mental health issues.

SHCC Applicable Specific Health Areas of Concern

- Increase and improve access to substance abuse programs, services, and education. In addition to sharing our approaches with the community, we have spoken with Ku Aloha Ola Mau (formerly DASH) about pre-screening callers who may be more appropriate for their services and providing free trainings to their professionals on our therapeutic techniques. They, in turn, have offered to assist us with medical consultation for our clients if needed and share information on their cultural programs that we might incorporate into our services. Additionally, we have collaborated with mental health agencies to offer trainings for professionals who counsel clients at a variety of centers including AiPono and Aloha House. We have carried out positive, interactive relationships with area hospitals, sober living residential organizations, 12-step services, counselors, volunteer organizations, etc. Our desire is to continue to multiply these relationships with other local agencies in the community, continually seeking ways to exchange information and transition clients. By working together, we can link adults with addiction problems to services in a smoother and more seamless manner.

Applicable SAC Priorities

- Provider (Workforce) Shortage: Increase the number of and retention of the health care workforce. This includes but is not limited to: Specialty care providers; Allied Health Professionals. We maintain a staff of Big Island full-time, part-time and contracted specialty care providers in the areas of medicine, psychotherapy, substance abuse and trauma-informed counseling, massage therapy, acupuncture, nutrition, meditation, yoga and other traditional and alternative approaches to wellness and healing. We have brought professional interns in for professional training in our program, some of whom have stayed on as permanent staff; and have hired several high level mental health professionals from off island when we were unable to find available professionals on island. In the event of a shortage of qualified individuals, our director has many potential contacts off-island and on the mainland. As a CARF internationally accredited service organization, we are among the most highly-respected treatment centers with which professionals seek to collaborate.
- Facilities Shortage: Increase the number of and improve the access to and the quality of health care facilities. We were the first facility on the big island that serves private pay, high-end clientele suffering from addiction to pain medications and other substances, in addition to serving those with insurances formerly not accepted by such a facility on Hawaii island. These individuals used to leave Hawaii for the services we now offer. We are making our quality of care known to the community and thereby attracting future such endeavors in Hawaii.

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We have also interacted with our state representatives to assist in helping create a more welcoming climate for other recovery providers, due to the shortage of addiction recovery services in Hawaii.

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b) Need and Accessibility

Need was already established in application 12-02A. The **ST HLTH PLNG** **DEVELOPMENT** seeks to relocate to 31-300 Old Mamalahoa Highway, Pepeekeo, Hawaii (May also referred to in this document by the name 'Ninole')

Accessibility shall remain mainly the same, since the program is 30 day residential, the location is of less priority than for other types of programs. However, accessibility to experienced staff members, when we hire more staff, will be improved in the new proposed location as will more ease of transportation for our clientele by being closer to a municipal area.

Results from the 2008 National Survey in Drug Use and Health conducted by the U.S. Substance Abuse and Mental Health Services Administration (SAMSHA) identified 7 million or 2% of all individuals as drug addicted. 3.1 million or approximately 1% of the total population were classified as dependent on or abusing both alcohol and illicit drugs. Applying these figures to Hawaii County's 2010 population of 185,079, there may be as many as 4,048 drug-addicted individuals with 1,881 addicted to both alcohol and other substances. There is and will continue to be a serious need for substance addiction treatment for all age ranges in the population.

Included in these numbers are our CEO's, our physicians, and other highly visible successful individuals who have contributed much to our island and our state. While their financial resources are not a barrier, programs that will motivate them to seek care are almost non-existent. A call to the Office of Healthcare Assurance when we started in 2012 verified that while there were two licensed Behavioral Health Treatment Facilities for Adults in Crisis at the time, there were no licensed special treatment facilities treating adults with addictions on the Big Island. In 2018, there are only two licensed facilities for addiction treatment on Hawaii Island, of which The Exclusive is one. The demand is extremely high and has potentially even increased, as addressed by the 2017 national emergency declaration of serious opioid addiction crisis.

Our program strongly encourages tangible community service as a central aspect of the client's process toward recovery and sustainable wellness. By urging graduates to form peer discussion groups on their return home, we continue to help both the client and the community. In addition, presentations offered on the Big Island by our team of professionals help motivate others looking for support, and assist families in getting help for their loved ones.

In our continuing effort to reach out, no client will be turned away and no call from a potential client will be left unanswered. Whether or not a client is appropriate for our program, we will put out the effort to link them to services that will meet their needs. We will thereby become another connection between clients reaching out for help and the services they need.

c) Quality of Service/Care

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Relocation will have no effect on the quality of care, as the same services and professional delivering those services shall be relocated to the new proposed location.

The Exclusive uses a wide range of highly trained professionals to deliver a coordinated, wrap-around program that ensures immediate relief as well as long-term lifestyle and lifestyle changes. Our program manager oversees consistent delivery of services and effectiveness of program objectives. The following staff are required to have a current Hawaii state license: medical director, consulting psychologist, psychotherapist, clinical social workers, acupuncturist and registered nurses. Our substance abuse counselors (CSAC) are certified by the State of Hawaii. Our registered dietitian and massage therapists are licensed or certified in their respective professions. Other members of our staff include yoga instructor, art therapist and meditation guide/martial arts instructor, as well a professional culinary team, etc. All staff carry current CPR/AED/first aid certification; and receive ongoing training in emergency preparedness & response, de-escalation techniques, ethics, safe practices, etc.

We work as a team to maintain high standards and ensure a high degree of client satisfaction through the spirit of aloha and first class care. All staff are oriented to job expectations, confidentiality/HIPAA and safety regulations, crisis response, facility operations, and client relations (hospitality) prior to having contact with patients. In addition to maintaining these skills, ongoing trainings will include client and self-care practices.

Ongoing training of professional staff includes Core Belief Restructuring, medication management, working with the dual diagnosis client, therapeutic best practices and clinical documentation. A certified substance abuse counselor (CSAC) and medical director provide regular clinical supervision and follow-up. The Program Manager is the advisor for CBR methodology. Administrative supervision and review are the responsibility of Program Compliance Administrator along with Operations Manager and Program Manager to assure that the facility is operating at peak efficiency and with complete and accurate documentation.

The staff to care ratio is maintained at 4:1, with most often 1:1 and 2:1. Prior to and upon admission, all clients have a complete physical with a chemical blood profile, TB testing and a psychological evaluation. The evaluation drives any therapeutic, dietary or medication regimens that may be necessary and will be tracked by the therapy team, dietitian and nursing staff under the supervision of Medical Director, whom is a licensed physician.

The special dietary support offered by The Exclusive directly aids the healing process, increasing the quality and outcomes of the entire program. We cater to all special dietary needs including vegan, sugar-free, gluten-free, and dairy-free diets. Diets are also prepared based on ethnic or religious preferences, as needed. There are plans in place to grow food on the premises in the future, in addition to purchasing from local organic farms.

Treatment is provided in a safe, secure and private atmosphere well-suited to the needs of each client. We customize treatment plans for one-to-one sessions, marriage and family counseling,

relapse prevention, acupuncture, meditation, nutritional counseling, physical fitness, and a host of other therapies and activities. Family programs provide opportunities for healing work with the entire family, as is appropriate for the individual client. Collaborative support is also given to employers who are involved in the recovery efforts of an employee during and after the program.

High standards of care are maintained through the use of identified outcome measures. These are developed and regularly evaluated by the Management Team. Outcome measures look at operational efficiency, client satisfaction, and positive outcomes. A quality assurance improvement plan implements these measures and includes internal checklists, pre and post client surveys and regular review of client readmissions, sentinel events if any, symptom reduction, and improvements in social connectedness and family functioning.

We will be applying for the Special Treatment facilities license for this new location upon completion of our Certificate of Need and will comply with all rules and regulations. As an already established addiction treatment center on Hawaii Island, currently in Honokaa, we are licensed by OHCA and accredited by ADAD in Hawaii. We are members of national coalitions of addiction treatment providers and are internationally accredited by CARF, Commission on Accreditation of Rehabilitative Facilities.

d) Cost and Finances (include revenue/cost projections for the first and third year of operation) **See Attachment D**

In order to assure solvency and sustainability for the next several years, our first and third revenue/cost projections (Exhibit D) are written to reflect minimum expectations. Based on these projections, we represent the following: Projecting the first year of operation in this new location from March 1, 2018 to February 28, 2019, we expect an average of at least 3 clients per day. The average bed day rate of \$1300.00 will vary slightly based on the specific accommodation requested by the client. The aftercare rate is a one-time fee of \$5,900 per client. The full rate, therefore, will cover the customized treatment for the client including psychological assessment, therapeutic and clinical costs, room, board, meals and nutritional counseling, planned activities/outings, plus aftercare. Our revenue projections for the first year are \$1,526,200.00 with costs of \$1,350,036.00.

During the third year of operation, we project an average of 4.25 clients with the same rates and services. Our revenue projections for the third year are \$ 2,071,500.00 with costs of \$1,828,074.00.

Our working capital of \$350,000 can be covered by the corporation from personal funds. Outside funding sources will not be required.

Our hope is to be able to apply for non-profit status, and expand into work for lower income residents, initially offering outpatient addiction services and eventually offer clients an opportunity to do sustainable farming as part of their road to recovery. We will eventually own or lease a second facility to offer these services on both an in-patient and outpatient basis but will defer such decisions until the proper time.

Profits will also help to defray the costs of free community educational programs offered by our professional staff. Staff incentives and educational opportunities will be expanded including year-end bonuses and travel to conferences and specialized trainings. The work at The Exclusive facility will also inspire us to pursue further outcome studies of the special methodology used with clients.

We offer customized and specialized treatment to our clientele. Our facility will therefore remain non-competitive with care currently offered on the Big Island and statewide and therefore have no impact on healthcare costs. We have become a center that attracts the interest of the professional community, both in Hawaii and on the mainland and believe we will do so even more with a closer proximity to a populated hub, Hilo. Such interest has and will attract professionals to stay in Hawaii and, influenced by our successful methodologies, continue their work here.

e) Relationship to the existing health care system

The Exclusive has assumed a valued place in the Big Island continuum of care as a short-term residential facility for a well-defined set of individuals with addiction problems. At no time will the work of The Exclusive negatively impact the ability of other residential health care services to continue to serve clients. We initiate and reinforce our relationships with other facilities, private practice clinicians, physicians, certified substance abuse practitioners, and other concerned community members who assist folks with addiction problems to work together to improve access and successfully transition clients to and from various levels of care as needed. Whether or not we can admit an individual into our facility, we take seriously our responsibility to link anyone who calls to the support they need.

f) Availability of Resources.

The wide range of staff will be moving to the new location, so there should be no effect on staffing resources. Staff is in place and no additional staff will be required after the relocation. If hiring is needed, the proximity to Hilo will provide added advantages for hiring opportunities.

The Exclusive is a residential treatment program that has already chosen from a pool of experienced practitioners trained to provide clients with highly focus and customized care; and continues to hire and train professionals for more in-depth client therapeutic and integrative care.

The Exclusive staff includes over 35 employees staff plus contracting providers, covering the following departments. All are Big Island residents except the webmaster:

The Exclusive Staff and Contractor Positions	
Acupuncturist	part-time

Advanced Registered Nurse Practitioner (APRN)	part-time
Art Therapist/Music teacher	part-time
Operations Manager	full-time
Facilities contractor: Windows cleaning and other repairs	part-time
Food Services Manager/Chef	Full-time
Chef I	part-time
Chef I	part-time
Client Services Representative	full-time
Compliance Administrator/Insurance	full-time
Counselor I	full-time
Counselor I/CSAC	full-time
Counselor II/CSAC	full-time
Dietician/Consultant	part-time
Director/Life Coach/Staff Training	full-time
Private Fitness Coach, on call	part-time
Front of House Client Services Manager/Office	part-time
Guest musician/music instructor	part-time
Health Coach-medically trained health educator	part-time
Housekeeper I/Floral	part-time
HR administrator/payroll /"DISC"coach-proficiency testing	part-time
Inquiry Instructor	full-time

Licensed Practical Nurse	part-time
Life Coach/Grief Counselor	part-time
Life Coach/Massage Therapist/Recreational Outings Guide	part-time
Maintenance/Cars/Driver/Technology & photography	Part-time
Marketing Assistant/Public Relations	full-time
Massage Therapist /Fitness/Swim	part-time
Medical Doctor; Medical Director	part-time
Night Aide & Housekeeper	Part-time
Night Aide & Housekeeper	part-time
Night Aide & Housekeeper	part-time
Night Aide & Housekeeper	part-time
Night Aide & Housekeeper/Certified Nurses Assistant	part-time
Night Aide & Housekeeper/Massage Therapist	part-time
Night Aide/CNA/Day Housekeeper	part-time
Office Assistant, Seasonal	part-time
Office Assistant/Staff Scheduler	part-time
Office Manager/Bookkeeper	full-time
Pool and Koi - Royal Palm Hawaii Pool Service	part-time
Program Manager/Life Coach & Financial	full-time
Qi Gong Instructor	part-time

Registered Nurse	part-time
Registered Nurse	part-time
Registered Nurse	full-time
Registered Nurse/ Lead Nurse	part-time
SEO Administrator/Webmaster	full-time

Our recruiting methods have included professional conferences, word-of-mouth, email distribution, and print and online advertisements. Resumes are carefully reviewed and potential candidates pre-screened by phone. The first in-person interview is conducted by more than one person using standardized questions targeted for each role. At that time candidates are provided with more detailed position descriptions and an opportunity to ask questions. The final candidates may have a second interview or assignment and be introduced to others already committed to working at the facility. All candidates hired for full and part time positions fill out standardized paperwork, including employment background, emergency information, eligibility verification, withholding allowance, EEO-1 voluntary surveys and are required to have background checks and drug screenings. Contractors receive mutually agreed upon contractor agreements at time of hire. All new hires regardless of employment status receive the same orientation training required for employees, although additional training is provided for each specialized department.

In regards to funds, finances are already in place as outlined on page 5 of this application. A loan for the new land and building is fully in place, with down payment made from a 1031 exchange land sale and there is cash on hand.

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.