



HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

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ADMINISTRATIVE APPLICATION - CERTIFICATE OF NEED PROGRAM **JA NOV 21 P1 53**

Application Number: # 18-10A
To be assigned by Agency

Date of Receipt: **STATE HEALTH PLNG & DEV. AGENCY**

APPLICANT PROFILE

Project Title: ESTABLISHMENT OF PORTABLE DIAGNOSTIC IMAGING SERVICES (X-RAY, ULTRASOUND AND ECHOCARDIOGRAM)

Project Address: 1314 SOUTH KING STREET, SUITE # 723, HONOLULU, HI 96814

Applicant Facility/Organization: S.S.B MOBILE DIAGNOSTIC IMAGING GROUP LLC

Name of CEO or equivalent: YANET BERON

Title: PRESIDENT

Address: 1314 SOUTH KING STREET, SUITE # 723, HONOLULU, HI 96814

Phone Number: 808-278-6010

Fax Number: 808-278-6011

Contact Person for this Application: ARNALDO BERON

Title: CEO

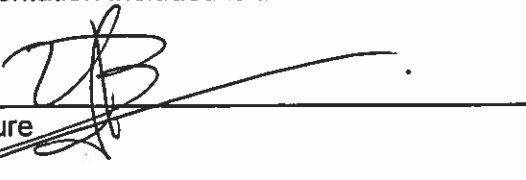
Address: 619 S Midway Dr. Escondido, CA 92027

Phone Number: 619-279-8172

Fax Number: 888-511-2606

CERTIFICATION BY APPLICANT

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

11/01/2018
Date

YANET BERON (RVS)
Name (please type or print)

PRESIDENT
Title (please type or print)

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

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

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: _____

3. DOCUMENTATION (Please attach the following to your application form):

- A. Site Control documentation (e.g. lease/purchase agreement, DROA agreement, letter of intent)
- 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.) See page 5 of 9
- C. Your governing body: list by names, titles and address/phone numbers

Yanet Beron (President) 619 S Midway Dr. Escondido, California, Ph: 754-777-2986

Arnaldo Beron (CEO) 619 S Midway Dr. Escondido California 92027, Ph: 619-279-8172

- 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
 - By-Laws
 - Partnership Agreements
 - Tax Key Number (project's location)

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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.

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	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					
Outpatient Facility				X	
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
N/A			
TOTAL			

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6. PROJECT COSTS AND SOURCES OF FUNDS

A. List All Project Costs:

18 NOV 21 AMOUNT:

1.	Land Acquisition	_____
2.	Construction Contract	_____
3.	Fixed Equipment	_____
4.	Movable Equipment	\$40,000
5.	Financing Costs	_____
6.	Fair Market Value of assets acquired by lease, rent, donation, etc.	_____
7.	Other: Working capital	\$40,000

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TOTAL PROJECT COST: \$80,000

B. Source of Funds

1.	Cash	\$80,000
2.	State Appropriations	_____
3.	Other Grants	_____
4.	Fund Drive	_____
5.	Debt	_____
6.	Other: _____	_____

TOTAL SOURCE OF FUNDS: \$80,000

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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.

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"ESTABLISHMENT OF PORTABLE DIAGNOSTIC IMAGING SERVICES" (X-Ray, ultrasound, and Echocardiogram).

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: Current Office lease in 1314 S King St. Ste. 723, HI 96814.
- b) Dates by which other government approvals/permits will be applied for and received, Radiation Facility License # M0304, Approval day: 07/31/2018.
Hawaii Tax ID # GE-098-649-8048-01
Federal Tax ID: 83-1272574
Medicare -Application completed
- c) Dates by which financing is assured for the project, N/A
- d) Date construction will commence, N/A
- e) Length of construction period, N/A
- f) Date of completion of the project, N/A
- g) Date of commencement of operation.:
Within 30 days of application approval

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.

- a) Relationship to the State of Hawai'i Health Services and Facilities Plan.
- b) Need and Accessibility
- c) Quality of Service/Care
- d) Cost and Finances (include revenue/cost projections for the first and third year of operation)
- e) Relationship to the existing health care system
- f) Availability of Resources.

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a) Relationship to the State of Hawaii Health Services and Facilities Plan:

- **Promote and support the long-term viability of the health care delivery system:**

Providing mobile diagnostic imaging services (X-ray, ultrasound, and echocardiogram) will improve healthcare for elderly, and disability persons. SSB Mobile Diagnostic will be the bridge between nursing homes and hospitals by supporting with mobile diagnostic services in the health care delivery system, avoiding the necessity of transporting of disabled patients to health centers, and reducing healthcare cost.

- **Ensure that any proposed service will at least maintain overall access to quality health care at a reasonable cost:**

The ability to provide imaging services without removing the patient from these facilities supports the quality of life for these homebound individuals. Our goal is to provide care in a timely and cost-efficient manner.

- **Increase the availability of long-term care services and other supportive services:**

The availability of mobile diagnostic service will reduce the necessity of transporting the aged and disabled patient population to diagnostic centers. Providing service in the place of residence will serve to expand the emergency care options available to non-hospitalized long-term care patients, avoiding the need for more expensive services provided at a hospital when they are not necessary.

- **Expand and retain the health care workforce to enable access to the appropriate level of care in a timely manner:**

SSB Mobile Diagnostic will be creating new job opportunities to Hawaii 's community, will be providing profitable employment to certified ultrasound technicians and X-ray technicians. S.S.B Mobile Diagnostic could mobilize personnel and equipment to aid in emergent care wherever applicable and appropriate on Oahu, or in significant emergencies to neighboring islands.

b) Need and Accessibility:

In these times when the older population is growing year after year, the nation's population has a distinctly older age profile than it did 16 years ago, according to new U.S. Census Bureau population estimates. Residents age 65 and over grew from 35.0 million in 2000, to 49.2 million in 2016, accounting for 12.4 percent and 15.2 percent of the total population, respectively. This statistic depicts the projected change in Medicare enrollment in the United States from 2000 to 2050. In 2000, the number of enrollees amounted to around 40 million people, and in 2020 around 63 million, whereas the projected number for the year 2050 is expected to amount to 90.6 million enrollees. The Hawaii State Department of Business, Economic Development & Tourism indicates that the elderly population (65+ years) will grow at an annual rate of 1.7 percent between 2016 and 2045, and the population at age 85+ will grow at an annual rate of 3.6 percent during the same period. By 2045, the elderly population (65+ years) will account for 23.8 percent of Hawaii's total resident population as compared with 17.1 percent in 2016. The necessity of this kind of service is essential for those patients that are in nursing home facilities and for homebound patients. Two mobile diagnostic companies cannot give Oahu the coverage for all 30 present facilities estimated 2,726 beds in Intermediate Care and SNF/ICF facilities currently according to SHPDA's 2016 Skilled Nursing/Intermediate Care Facilities Utilization Summary report. The average occupancy is listed as 86% or approximately 2,346 patients. These numbers support the need for a new provider of mobile imaging service. Currently the demand is growing, and the lack of this service

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could force doctors to send patients to the emergency room causing a high cost to the healthcare system.

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c) Quality of Service/Care:

S.S.B Mobile Diagnostic is owned by Arnaldo Beron, licensed Radiologic Technologist, with 25 years of experience in mobile diagnostic. SSB Mobile Diagnostic is a branch of Versa Mobile Diagnostic (Medicare certified) and complies with all California State and Federal regulations, with more than 6,000 Medicare mobile x rays and ultrasounds per year.

SSB Mobile Diagnostic will provide mobile X-ray, ekg, ultrasound, and echocardiogram service to skilled nursing facilities, assisted living facilities, and homebound patients. Our program is built to meet the unique needs of providers, facilities, and patients in a long-term care setting. SSB Mobile Diagnostic will comply with Medicare policy requirements. All professional technicians are Hawaii State licensed and Certified by the "American Registry of Radiologic Technologist" (ARRT), and the "American Registry Diagnostic Medical Sonographer" (ARDMS). Our goal is to provide our clients with the advantages of onsite diagnostic services without the expense that will mean transporting the patients by ambulance to the emergency room, reducing costs, & saving time. Our digital technology is the only technology that allows us to ensure that we are getting the best imaging by reducing the harmful effects of radiation from repeated X-rays. All imaging services will be reviewed and reported by a licensed Diagnostic Radiologist, accredited by the "American College of Radiology "(ACR).

Digital X-ray services combined with telemedicine delivery of images to Radiologists greatly improves the timely provision of critically needed diagnostic information. SSB Mobile's 100 % digital diagnostic mobile X-rays allow for superior imaging, enhancement, and decreased radiation. Mobile X-rays can be performed quickly and conveniently and can be viewed remotely by providers on a laptop, smartphone or iPad.

Our 24/7/365 same day service, offers immediately results on all X-ray, ultrasound and EKG.

d) Cost and Finances:

The proposed mobile X-ray service will reduce healthcare costs. The average charge for first year of operation will be a Medicare fee less than 30% (\$101.50) per X-ray, and \$97.00 per ultrasound. By the Third year the average charge per X-ray will be \$105.50 and the average per ultrasound will be \$100.00. Our price does not vary with after hours, holiday, or weekend work. Those financial estimates have been calculated on the basis of first full year of operations, with 150 X rays, and 50 ultrasounds performed, and third year on a basis of 200 X- rays, and 75 ultrasounds performed.

FIRST FULL YEAR	PROJECTED
REVENUE	\$238,000
COSTS	\$121,000
THIRD FULL YEAR	PROJECTED
REVENUE	\$316,000
COSTS	\$151,000

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e) Relationship to the Existing Health Care System:

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The proposed project will benefit the existing health care system by adding a new provider that will help current outpatient services, health needs, and future demands by decreasing emergency room patient flow and ambulance costs. In addition, this provider can help in the event of a county disaster or emergency.

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f) Availability of Resources:

S.S.B Mobile Diagnostic has access to resources to successfully implement and operate the proposed project. Arnaldo Beron is contributing to the project with personal funds and will not depend on public or government funding sources. The vehicle and equipment have been purchased for forty thousand dollars (\$40,000), and reserves of forty thousand dollars (\$40,000) have been set aside for working capital. The staff that is needed to start this project are 2 employees (one X-ray technician, one ultrasound technician) that will be covered by Arnaldo Beron and Yanet Beron, both owners of SSB Mobile Diagnostic.

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10. **Eligibility to file for Administrative Review.** This project is eligible to file for Administrative review because: (Check all applicable)

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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.