



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

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January 25, 2019

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Yanet Beron
President
S.S.B Mobile Diagnostic Imaging Group LLC
1314 South King St., Suite #723
Honolulu, HI 96814

Dear Ms. Beron:

The State Health Planning and Development Agency (the "Agency") has evaluated Certificate of Need application #18-10A from S.S.B Mobile Diagnostic Imaging Group LLC (the "applicant") for the establishment of portable diagnostic imaging services at 1314 South King St., Suite #723, Honolulu, HI, at a capital cost of \$80,000 (the "Proposal").

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 one or more of the criteria in Subsection 11-186-99.1(b), HAR.
2. The application was reviewed in accordance with Section 11-186-15, HAR.
3. The applicant states that "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."
4. The applicant states that "Currently the demand is growing, and the lack of this service could force doctors to send patients to the emergency room causing a high cost to the healthcare system."
5. The applicant states that "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."
6. In written testimony dated January 14, 2019, Stephen Metter states "I am writing this letter in reference to Certificate of Need Application #18-10A... The Plaza assisted living operates six facilities all throughout Oahu. There is a need for our residents to have access to mobile imaging within the facility without being sent out, but the need is also one that isn't more than our current provider is able to give us... Thank you for letting me share my utmost support for Aloha Pacific Mobile Imaging as I am confident they meet all of our facilities needs without need for any additional mobile providers in the future."

7. In written testimony dated January 11, 2019, K. Albert Yazawa, MD states "I am a Geriatrician that sees patients island wide at nursing facilities. I have no concerns in Aloha Pacific Mobile Imaging's ability to continue to provide the level of care and service that they have over the last 8 years. My patients and the nursing team have always received 24 hours a day, 7 days a week service from Aloha Pacific Mobile Imaging. Reducing hospitalizations by prompt diagnostic imaging is imperative and I have no concerns that Aloha Pacific Mobile Imaging isn't able to meet."
8. In written testimony dated January 10, 2019, Bruce Tamura MD states: "I see patients at numerous nursing facilities and APMI has always provided prompt and accurate service at all hours... Aloha Pacific Mobile Imaging has shown that they are more than capable of servicing the mobile Imaging needs of Oahu. At this time, it is my opinion that having another mobile imaging company would not improve the existing health care system or help with the continuity of care."
9. In written testimony dated January 9, 2019, Randall Ito states "In reference to Certificate of Need Application #18-10A, for the "Establishment of portable diagnostic imaging services...", this letter is in support of Aloha Pacific Mobile Imaging and the mobile x-ray, ultrasound, and ekg services they provide to the Ito Healthcare Group facilities (Oahu Care Facility, Pearl City Nursing Home, and Kulana Malama)... While I understand the basic economic principles behind competition, I believe that APMI is more than capable of handling the current and future needs of our island without an additional company entering the mix. They have never said they couldn't perform a job or task that we've assigned to them, and as mentioned before, are always timely."
10. In written testimony dated January 15, 2019, Dianne Winter Brookins states "The discussion of this criteria in the Application relies solely on data regarding the growth in the elderly population, and notes that SHPDA reported an average occupancy rate of 86% for Skilled Nursing/Intermediate Care Facilities in Honolulu County (Oahu) in its 2016 Utilization Summary report. What the Application fails to acknowledge, however, is that the 2017 report documented a decrease in the occupancy rate on Oahu from 86.1% in 2016 to 84.1% in 2017... That data does not support the "growing demand" on which the Application purports to base the need for a new provider of mobile imaging services."
11. In written testimony dated January 16, 2019, Eric Hannum states that "According to the Hawaii SHPDA Utilization Report, long term care occupancy hit a record 10 year low in 2017 of 84.2%. The Application is based on flawed assumptions about future demand."
12. At page 64, the SHPDA Health Care Utilization Report, Hawaii 2017 reports the following Honolulu County long-term care occupancy rates from 2008-2017: 2008-93.0%, 2009-89.4%, 2010-89.9%, 2011-88.5%, 2012-89.5%, 2013-90.0%, 2014-91.1%, 2015-85.5%, 2016-86.1%, 2017-84.2%.

Conclusions and Order

Having taken into consideration all of the records pertaining to Certificate of Need application #18-10A 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:

The applicant has not proven by a preponderance of the evidence that its Proposal meets the criteria in HAR 11-186-15(a)(1). The applicant has not proven by a preponderance of the evidence that there is a need for an additional mobile diagnostic imaging provider on Oahu. There is no public need for the Proposal pursuant to Section 323D-43(b), Hawaii Revised Statutes. Accordingly, the State Health Planning and Development Agency hereby DISAPPROVES and DENIES a Certificate of Need to S.S.B Mobile Diagnostic Imaging Group LLC, for the Proposal described in Certificate of Need application #18-10A.

Please be advised that pursuant to Section 323D-47, Hawaii Revised Statutes, 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.



Romala Sue Radcliffe
Romala Sue Radcliffe
Administrator