



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

RECEIVED

Application Number: # 20-10A Date of Receipt:
To be assigned by Agency

20 JUL 15 AM 1:29

APPLICANT PROFILE

Project Title: Emergency Department Renovation

ST HLTH PLNG
& DEV. AGENCY

Project Address: 3-3420 Kuhio Highway
Lihue, Kaua'i, HI 96766

Applicant Facility/Organization: Wilcox Memorial Hospital

Name of CEO or equivalent: Jen Chahanovich

Title: Chief Executive Officer

Address: 3-3420 Kuhio Highway
Lihue, Kaua'i, HI 96766

Phone Number: (808) 245-1122 Fax Number: (808) 245-1171

Contact Person for this Application: Michael Robinson

Title: Vice President, Government Relations & Community Affairs

Address: 55 Merchant Street, 27th Floor, Honolulu, HI 96813

Phone Number: (808) 535-7124 Fax Number: (808) 535-7111

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.

Jen Chahanovich
Signature

7/8/2000
Date

Jen Chahanovich

Chief Executive Officer

Name (please type or print)

Title (please type or print)

RECEIVED

20 JUL 15 AM 12:29

ST HLTH PLNG & DEV. AGENCY

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

- Public _____
- Private X
- Non-profit X
- For-profit _____
- Individual _____
- Corporation X
- 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: X
- 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):

-N/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.).

-Building Permit, Kauai Department of Planning & Permitting

C. Your governing body: list by names, titles and address/phone numbers

- See Attachment A

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: Not Applicable
- Tax Key Number: 3-7-001:030

RECEIVED

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.

20 JUL 15 AM 29

	Used Medical Equipment (over \$400,000)	New/Upgraded Medical Equip. (over \$1 million)	Other Capital Project (over \$4 million)	Change in Services	Change in Beds
Inpatient Facility			X		
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.

- NOT APPLICABLE (N/A) -

Type of Bed	Current Bed Total	Proposed Beds for your Project	Total Combined Beds if your Project is Approved
N/A	N/A	N/A	N/A
TOTAL			

RECEIVED

6. PROJECT COSTS AND SOURCES OF FUNDS

20 AUG -7 P12 04 AMOUNT:

A. List All Project Costs:

1.	Land Acquisition	N/A
2.	Construction Contract	\$2,800,000
3.	Fixed Equipment	N/A
4.	Movable Equipment	\$ 771,000
5.	Financing Costs	N/A
6.	Fair Market Value of assets acquired by lease, rent, donation, etc.	N/A
7.	Other: Design, IT, Contingency	\$1,380,000

TOTAL PROJECT COST: \$4,951,000

B. Source of Funds

1.	Cash	\$ 1,490,000
2.	State Appropriations	N/A
3.	Other Grants	N/A
4.	Fund Drive	\$ 3,461,000
5.	Debt	N/A
6.	Other:	N/A

TOTAL SOURCE OF FUNDS: \$4,951,000

RECEIVED

20 JUL 15 AM 29

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.

The proposed project involves the renovation of the existing emergency department at Wilcox Memorial Hospital ("Wilcox").

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: *N/A*
- b. Dates by which other government approvals/permits will be applied for and received: **July 10, 2020**
- c. Dates by which financing is assured for the project: *N/A*
- d. Date construction will commence: **August 2020**
- e. Length of construction period: **14 Months**
- f. Date of completion of the project: **November 2021**
- g. Date of commencement of operation: *N/A*. **Operation of emergency department services to remain continuous during renovation.**

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.

RECEIVED

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.

Wilcox Memorial Hospital ("Wilcox") seeks approval to renovate the emergency department located at 3-3420 Kuhio Highway Lihue, Kaua'i, HI 96766. The proposed project will update the space and provide more efficient layout to support existing emergency and Level III trauma services.

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

This project meets the following priorities and objectives of the Health Services and Facilities Plan.

First, the project is consistent with both the Statewide Health Coordinating Council (SHCC) general principles to (1) Promote and support the long-term viability of the health care delivery system and SHCC's specific health area concern to (2) establish a statewide emergency and trauma system. Wilcox Medical Center has been designated by the State Department of Health as a Level III Trauma Center since 2011. By definition a trauma center is a hospital equipped and staffed to provide care for patients suffering from major traumatic injuries such as falls, motor vehicle collisions, or extensive wounds. For many emergency and trauma services is the entry point into the system of care on Kaua'i island. This project will modernize the space configuration of the emergency department to overcome existing space related challenges to ensure continued efficient delivery of emergency and trauma services at Wilcox.

Second, the project will meet the Kaua'i County/Kaua'i Subarea Health Planning Council priorities of sustaining a comprehensive system of care by strengthening access to existing emergency and trauma services to the island of Kaua'i through an enhanced facility design. Prior to 2011, before Wilcox received its Level III Trauma Center designation, many Kaua'i patients were transported to O'ahu to receive services. Since being a State designated Level III Trauma Center, Wilcox's ability to accommodate trauma cases has increased each year. This project will continue to improve our life saving care along with keeping patients on island during emergencies and in recovery and thereby reinforcing a comprehensive system of care within Kaua'i island.

b) Need and Accessibility

Emergency care is the life line for residents and visitors on Kaua'i. Approximately 25,000 residents and visitors utilize the current Emergency Department (ED). Built in 1995 the ED requires workflow enhancements and two dedicated trauma resuscitation bays, in order to meet current and future needs of Wilcox Medical Center's Level III Trauma Program. Designated in 2011 as a Level III Trauma Center, Wilcox has seen this life saving program grow to a registry volume of 451 trauma activations in 2016. The current size and physical layout of the Wilcox Medical Center emergency department area creates space related challenges for our clinical teams and equipment during trauma activations.

The Wilcox emergency department's service area is Kauai County. Wilcox as a not-for-profit entity will continue to provide care irrespective of patients' ability to pay. Wilcox will continue to provide care to all residents of the area including: Medicare, Medicaid, QUEST and all

RECEIVED

underserved groups and particular the elderly, low income persons, racial and ethnic minorities, women, persons with disabilities, and other underserved groups.

20 JUL 15 AM 11:29

c) Quality of Service/Care

Wilcox Medical Center ("Wilcox") is an affiliate of Hawai'i Pacific Health, one of the state's largest health care providers. Wilcox utilizes licensed and trained professionals as well as access to the medical professionals from Hawai'i Pacific Health's affiliated entities including Hawai'i Medical Group, Kapi'olani Medical Center, Straub Medical Center, Pali Momi Medical Center on O'ahu.

Creating a Healthier Hawai'i is the mission of Hawai'i Pacific Health and its hospital affiliates. The enhancement of existing emergency and trauma care services will improve quality on Kaua'i. A trauma center is a hospital program equipped and staffed to provide care for patients suffering from major traumatic injuries such as falls, motor vehicle collisions, or extensive wounds. Prior to 2011 Kaua'i did not have access to trauma care, and many patients were sent by plane to O'ahu. Supporting continued access to emergency and trauma services Kauai will provide greater opportunity for patients to remain on island for their care.

Wilcox Medical Center has been designated by the State Department of Health as a level III Trauma Center since 2011. To advance our services Wilcox has applied to the American College of Surgeons to become the first ACS Level III in Hawaii, meeting their additional requirements for participation. The trauma team currently consists of four fulltime Board Certified trauma surgeons; emergency department staff; critical care teams with all Trauma Nursing Core Course Certified; two surgical teams on call including trauma surgeons with a backup of the OBGYN team available for multiple needs.

Additional program support includes designation of Wilcox as a certified stroke center by The Joint Commission; access to TPA (clot buster medicine); telemedicine program utilized for subspecialty needs and follow-up to eliminate interisland travel; Epic Medical Records (EMR) with Care Everywhere; Toshiba 320 Slice CT Scanner with low dose radiation; MRI capabilities; diagnostic imaging rooms; and digital portable X-Ray, WIFI enabled.

With respect to quality, the American Heart Association has recognized Wilcox with its Get with the Guidelines award for Stroke (S), Gold Plus and Honor Roll Elite Plus. Wilcox also has received the Healthgrades five-star recipient for the treatment of heart attack in 2018; is the only medical center in the state to be named a Top 100 Rural and Community Hospital by the National Rural Health Association; and received an "A" in the Leapfrog Hospital Safety Grades.

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

The project will have minimal impact on the overall costs of health services in the community as it will be funded from internal resources and the project's financial projections reflect a positive direct margin by Year 1. The three-year revenue/cost projections are provided (see Attachment D).

RECEIVED

e) Relationship to the existing health care system

The proposed project will strengthen the existing health care system as it is in response to current and existing demand for emergency and trauma services. The project will provide enhance existing emergency and trauma services to strengthen the existing health care system through early detection and early intervention. Wilcox is an affiliate of Hawai'i Pacific Health and therefore patients seeking care at the Wilcox will have the benefit of the specialists available at Straub Medical Center, Kapi'olani Medical Center, and Pali Momi Medical Center.

20 AUG -7 12:04
STATE OF HAWAII
& DEPT. OF HEALTH

f) Availability of Resources.

Wilcox and Hawai'i Pacific Health has access to sufficient trained professionals, management, systems and other resources to fully support the proposed project. The project will not alter existing staffing. The \$1.490M cash will be sourced from hospital operations. The \$3.461M sourced via fund drive has already been raised and secured from the Wilcox Health Foundation through community donations.

10. 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.