



HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

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ADMINISTRATIVE APPLICATION - CERTIFICATE OF NEED PROGRAM

Application Number: #21-12A To be assigned by Agency HEALTH PLNG & DEV. AGENCY Date of Receipt: HEALTH PLNG & DEV. AGENCY

APPLICANT PROFILE

Project Title: Addition 4 STF Beds
Project Address: 470A Lilihua Place Wailuku, HI. 96793

Applicant Facility/Organization: Nova Luna, Inc.

Name of CEO or equivalent: Cathy Meyer-Uyehara

Title: CEO

Address: 70 Hauoli St #410 Wailuku, HI 96793

Phone Number: 808.386.5849 Fax Number: 808-966-8990

Contact Person for this Application: Cathy Meyer-Uyehara

Title: CEO

Address: as above

Phone Number: Fax Number:

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 [Handwritten Signature]

Date 6/1/21

Name (please type or print) CATY MEYER-UYEHARA

Title (please type or print) CEO

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

- Public 21 JUN -3 P3 :42
- Private 21 P3 :35
- Non-profit
- For-profit
- Individual ST. NATH PLANE & DEV. AGENCY
- Corporation ST. NATH PLANE & DEV. AGENCY
- 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.)
- C. Your governing body: list by names, titles and address/phone numbers
- 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) (2)3-4-029:022

3. b. Other permits and approvals

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After SHPDA

1. Maui County Special Use Permit
2. Dept. of Health add on beds to current license

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3.c. Governing Body

Cathy Meyer-Uyehara, FACHE
Clayton Uyehara, MBA
Adam Coles, MD
Anita Johnston, PhD
Steven Orenstein, PhD

CEO
CFO
Medical Director
Clinical Director
Chief of Staff

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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					X residential
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.

Type of Bed	Current Bed Total	Proposed Beds for your Project	Total Combined Beds if your Project is Approved
Residential	8	4	12
TOTAL			

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6. PROJECT COSTS AND SOURCES OF FUNDS

A. List All Project Costs:		AMOUNT:
1.	Land Acquisition	_____
2.	Construction Contract (Renovations Only)	\$25,000 _____
3.	Fixed Equipment	_____
4.	Movable Equipment	_____
5.	Financing Costs	_____
6.	Fair Market Value of assets acquired by lease, rent, donation, etc.	_____
7.	Other: _____	_____
TOTAL PROJECT COST:		\$25,000 _____

B. Source of Funds		
1.	Cash	_____
2.	State Appropriations	_____
3.	Other Grants	_____
4.	Fund Drive	_____
5.	Debt	_____
6.	Other: _Landlord donation_____	\$25,000 _____
TOTAL SOURCE OF FUNDS:		_\$25,000 _____

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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 11-186.21 for the categories of services. If you are unable to determine which category best describes your project, please consult with agency staff.

_____ not applicable _____

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,
- b) Dates by which other government approvals/permits will be applied for and received,
- c) Dates by which financing is assured for the project,
- d) Date construction will commence,
- e) Length of construction period,
- f) Date of completion of the project,
- g) Date of commencement of operation

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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8. Implementation Schedule

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- a. This cottage is already in our lease.
- b. Maui County Special Use Permit upon completion of minor renovation – August 2021
Dept. of Health application August 1, 2021.
- c. Monies available from landlord.
- d. Renovation to begin June/July 2021.
- e. Renovation to conclude July 31, 2021
- f. Maui County CUP application for the additional 4 beds, August 1, 2021.
Dept. of Health application August 1, 2021
- g. Open new beds on or before 1/1/22. DOH already aware of the project.

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9.Executive Summary

Eating Disorders are not only a disease but an uncontrolled epidemic--over a 15 million Americans suffer from some level of this disease. Eating Disorders transcend socioeconomic and cultural differences--it is an American crisis. In recognition of this phenomenon, the National Institute of Mental Health recently released an article outlining the risks posed to women by this mental illness (excerpted below).

"In the U.S., nearly twice as many women (12.0 percent) as men (6.6 percent) are affected by a depressive disorder each year. These figures translate to 12.4 million women and 6.4 million men. Depressive disorders include major depression, dysthymic disorder (a less severe but more chronic form of depression), and bipolar disorder (manic-depressive illness). Major depression is the leading cause of disease burden among females ages 5 and older worldwide...Females comprise the vast majority of people with an eating disorder, anorexia nervosa, bulimia nervosa, or binge-eating disorder. In their lifetime, an estimated 0.5 to 3.7 percent of females suffer from anorexia and an estimated 1.1 to 4.2 percent suffers from bulimia. An estimated 2 to 5 percent of women experience binge-eating disorder in a 6-month period. Eating disorders are not due to a failure of will or behavior; rather, they are real, treatable illnesses. In addition, eating disorders often co-occur with depression, substance abuse, and anxiety disorders, and also cause serious physical health problems.

Eating disorders call for a comprehensive treatment plan involving medical care and monitoring, psychotherapy, nutritional counseling, and medication management. Studies are investigating the causes of eating disorders and effectiveness of treatments. Ten percent of American women between the ages of 14 and 30 suffer from an eating disorder, such as anorexia or bulimia. The severity of these disorders varies, but at some point in their disorder many will develop an addictive pattern in their lives that can only be overcome through intensive third-party intervention.

Eating Disorders are treatable. Experience has shown that a multi-disciplinary approach that draws on the expertise of clinicians, nutritionists, and behavioral therapists can effectively treat Eating Disorders. These integrated treatment programs which encompass the patient, the family, and a peer group have achieved sustainable results.

These programs focus on inculcating an understanding of body image and an understanding of the role that the emotions play in food consumption, as well as learning how to develop healthy eating habits on a daily basis. The objective of these programs is primarily to achieve lifestyle changes that are sustainable, applicable and supported in daily life.

Eating Disorders

In 2021, many facts about the effects our American culture has on women are startling. In a culture that obsesses over thinness, the average American woman is 5'4", weighs 140 lbs., and wears a size 14 dress. However, the "ideal" woman--portrayed by models, Miss America, Barbie dolls, and screen actresses--is 5'7", weighs 100 lbs., and wears a size 4.

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With a continued social pressure to live up to an unobtainable ideal, American women are now at high risk for developing some level of this disease. The following list of facts demonstrates how large the susceptible demographics have become.

- * 85% of American women are dissatisfied with their appearance!
- * 50% of American women are on a diet at any one time.
- * 50% of 9-year-old girls and 80% of 10-year-old girls have dieted.
- * 90% of high school junior and senior women diet regularly, even though only

between

10% and 15% are over the weight recommended by the standard height-weight charts.

- * 2% of teenage girls and 11% of college-age women become anorexic or bulimic.
- * Anorexia has the highest mortality rate (up to 20%) of any psychiatric diagnosis.
- * Girls develop eating and self-image problems before drug or alcohol problems; there are drug and alcohol programs in almost every school, but no eating disorder programs.

Currently, Eating Disorders affect one out of every four women in America. It has been named by the Center for Disease Control as one of the fastest growing diseases among college-aged women. There is no single cause. An eating disorder generally results from a combination of factors. Psychological factors include low self-esteem, feelings of inadequacy or lack of control, depression, anger or loneliness. Interpersonal factors include troubled family and personal relationships, difficulty expressing emotions and feelings, history of physical or sexual abuse. Media promotion of unrealistic images and goals, along with its tendency to equate a person's value with their physical appearance is another contributor.

However, eating disorders have an impact on a much wider sphere of influence than just the person with an eating disorder. The numerous and diverse ways that they can affect both family and society at large are largely overlooked. Caring for someone with an eating disorder is demanding and emotionally draining given that the average duration is 6 years. Sadly many people do not understand the consequences of these deadly psychological disorders that can result in as many as one in five people who develop an eating disorder dying prematurely.

Because of the high cost of specialized treatment for an eating disorder and because there is inadequate provision of specialist clinics and services across the US, many people end up in unsuitable general mental health facilities. As a result many sufferers will return for two, three, even four or more periods of costly treatment before recovery begins. Some may never recover and live shortened lives in personal distress and isolation. Specialists in the treatment of eating disorders believe that early intervention by specialized services has the greatest potential for a complete and lasting recovery. Many of the consequential effects are difficult to quantify in financial terms, however the impact on the person with an eating disorder and the people around them can nevertheless be devastating and have fallout well beyond the family circle.

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

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"Behavioral health illnesses are probably the most misunderstood, stigmatized disorders in healthcare. Its victims are universally underserved and misdiagnosed and are denied, missed, or dismissed from adequate treatment. The scope of behavioral health illness is significant as these diseases affect all ethnic, economic, gender, age and geographical subsets of our population. Services that are developed to address behavioral health needs must be culturally diverse in the broadest sense of the term 'culture'."

This direct quote from the plan underscores the needs of this population as well. Although not specifically noted in the plan, eating disorders are among the many misunderstood illnesses. Also noted in the plan is recognition for a full continuum of care including residential programs.

The revised 2009 Health Services and Facilities Plan indicates a continued desire to improve access to mental health services for all ages. Additionally, Maui County intends to focus on increasing access to care through home and community based programs. Our program is in direct alignment with both of these ongoing goals.

b) Need and Accessibility

The target audience initially is for female patients. We have had very few males inquire about services. The few that have, we have been able to incorporate into our virtual outpatient program.

National Institute of Mental Health Statistics on eating disorders and teen body image:

42% of 1st-3rd grade girls want to be thinner (Collins, 1991).

81% of 10 year olds are afraid of being fat (Mellin et al., 1991).

The average American woman is 5'4" tall and weighs 140 pounds. The average American model is 5'11" tall and weighs 117 pounds.

Most fashion models are thinner than 98% of American women (Smolak, 1996).

51% of 9 and 10 year-old girls feel better about themselves if they are on a diet (Mellin et al., 1991).

46% of 9-11 year-olds are "sometimes" or "very often" on diets, and

82% of their families are "sometimes" or "very often" on diets (Gustafson-Larson & Terry, 1992).

91% of women recently surveyed on a college campus had attempted to control their weight through dieting, 22% dieted "often" or "always" (Kurth et al., 1995).

95% of all dieters will regain their lost weight in 1-5 years (Grodstein, 1996).

35% of "normal dieters" progress to pathological dieting. Of those, 20-25% progress to partial or full-syndrome eating disorders (Shisslak & Crago, 1995).

25% of American men and 45% of American women are on a diet on any given day (Smolak, 1996).

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In addition to the statistical data, we have received weekly inquiries from across the state and the mainland for residential care opportunities with an average waitlist of 3.5 patients waiting up to 4 weeks to admission. We have treated a large number of eating disorder clients with anorexia nervosa, bulimia nervosa, binge eating disorder, ARFID and orthorexia . We also support a virtual outpatient program which is running about 20 patients from across the islands.

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Unlike eating disorder programs on the mainland, we have chosen to accept Quest plans in order to facilitate services for that population who are underserved. We were able to provide more services than using our original idea of a percentage of the profits. This equates to far more than 5% at approximately 27% less revenue on each patient. Additionally, we have started the Ai Pono Foundation with a two-fold mission to support access to care through fundraising efforts and to educate our community on the challenges of eating disorders.

c) Quality of Service/Care

The Quality of Care elements will include:

- Services in a home-like setting
- Ongoing weekly case conferencing with clinical team
- Ongoing Performance Improvement efforts
- Ongoing education on crisis management and prevention
- Maintaining our licensure as a Special Treatment Facility with the Office of Healthcare Assurance - zero citations in the last two years.
- Maintain JCAHO accreditation

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

1st Year Revenue Projections ___\$365,000___ Expense Projections ___\$167,000___
 3rd Year Revenue Projections ___\$912,500___ Expenses ___\$167,000___

With this residential treatment facility we will be able to contribute to the overall healthcare system of Hawaii by cost avoidance of unnecessary ER visits \$1000 per visit and cost avoidance of unnecessary hospital admissions at \$2000 per day. We also create a more optimal environment of providing care at a rate of \$1500 per day.

e) Relationship to the existing health care system

Nova Luna Inc dba Ai Pono Hawaii will continue to be actively engaged in the community through the outpatient programs and our newly formed Ai Pono Foundation. Additionally, referrals will be made to other community resources when necessary to meet the needs of our clients.

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f) Availability of Resources.

Staffing resources will be increased by 1 nurse and 1 therapist. These individuals have already been hired and are in training.

The \$25,000 renovations needed to the cottage will be completed by the landlord who is donating the project funds.

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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.