



# STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

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June 22, 2022

## CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Elliott Smith  
CEO  
The Ohana Retreat LLC  
75-5915 Walua Rd.  
Kailua-Kona, HI 96740

Dear Mr. Smith:

The State Health Planning and Development Agency (the "Agency") has evaluated Certificate of Need application #21-23A for administrative review from The Ohana Retreat LLC for the establishment of an 8 bed Special Treatment Facility at 73-4617 Kaloko Halia Place, Kailua-Kona, HI, at a capital cost of \$193,800 (the "Proposal").

- A. The Agency makes the following findings of fact with respect to Title 11, Chapter 186 of the Hawaii Administrative Rules (HAR). The Agency finds each of the following statements to be true and accurate.
1. The applicant states<sup>1</sup> that "The program will promote and support the health care delivery system's long-term viability by providing a long-term treatment option for those suffering from Alcohol and Drug abuse and addiction. The program will reduce admissions to acute care facilities and offers another option for those in need of these services. With STF waiting lists exceeding 6 months on the Big Island, the establishment of an additional STF is necessary."
  2. The applicant states that "The project will support the specific health area of concern of SHCC to **increase and improve access to substance abuse programs, services, and education.**"
  3. The applicant states that " ...the program would address Hawaii County Planning Council priorities and **increases the availability of long term care services including home and community based services.**"

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<sup>1</sup> For clarity, when the Agency quotes statements from the applicant or from witnesses in this section, it does so because the Agency finds such testimony to be persuasive and because the Agency has incorporated the referenced testimony as a finding of fact.

4. The applicant states that "There clearly is a need for more Alcohol and Drug treatment centers, specifically inpatient treatment services on the Big Island of Hawaii. The last Treatment Needs Assessment conducted by the State of Hawaii Department of Health, Alcohol, and Drug Abuse Division in 2007 reported that ***"the overwhelming conclusion to the entire report is that there are not, nor could there ever be, enough treatment slots for all of the people diagnosed as either dependent or abusing drugs and in need of treatment services."***
5. The applicant states "According to the US Substance Abuse and Mental Health Services Administration (SAMHSA) 2019 Survey; 24,360 people on the Big Island of Hawaii were needing but not receiving treatment for Substance Use, Alcohol Use, & Illicit Drug use. With this data alone, it is undeniable that additional access to inpatient treatment on the Big Island is needed."
6. In written testimony dated May 20, 2022, Mitchell D. Roth, Mayor, County of Hawai'i, states "The prevalence of substance use and mental illness among the population in Hawaii continues to increase. Approval of this project will help meet the increasing needs for these specialized services as well as provide patients and providers throughout the region with additional choices of care, enable lower health care costs, and stimulate access to quality care in the area of the facility. Approximately 21% of our population suffers from some form of substance use disorder and approximately 24% suffer from alcohol use disorder according to SAMHSA, Center for Behavioral Health Statistics and Quality, National Survey on Drug Use and Health, 2018, 2019, and Quarters 1 and 4, 2020."
7. The applicant states that "The Ohana Retreat LLC has a Non-Discrimination Policy and will admit qualified patients without regard to their race, color, gender, age, religion, disabilities, or sexual orientation. We welcome eligible residents of the area, including the elderly, low income, ethnic and racial minorities"
8. The applicant states "The Ohana Retreat LLC will improve the quality of drug addiction care by:
  - Providing specialized treatment and addressing the specific needs of persons struggling with addictions. Through the expertise of a multidisciplinary team: a licensed psychiatrist, clinical social workers, certified substance abuse counselors, registered nurses, dietitian, program coordinator, recovery coaches, and Ho'oponopono practitioners.
  - Staffing to client ratios will be 1 to 2 minimum.
  - Providing a comprehensive psychiatric evaluation to the client. The psychiatric evaluation and continuing assessment drive any pharmacologic interventions needed.
  - Provide a medication regimen and management plan with nursing assessment and monitoring of clients who may be experiencing withdrawal symptoms.
  - Delivering individualized treatment using evidence-based therapy in individual and group settings with a licensed Clinical Director & Therapist.

- Provide services 24 hours per day, seven days per week, including but not limited to thirty (30) hours of face-to-face treatment each week, medication monitoring/management, and dietary services provided by a registered dietitian.
  - Ensure the participation of family members in treatment when appropriate.
  - Ensure community safety, while providing a structured environment in which the individual can be maintained in a least restrictive and appropriate setting.
  - Provide services in a residential and relaxing atmosphere.
  - Establish quality improvement through identified performance improvement measures provided by the leadership team. Establish a Quality Assurance Plan along with client satisfaction surveys.
  - High standards for treatment outcomes measures by using empirically based models of treatment, effective supervision structures, and aftercare contacts. High standards for client satisfaction and work diligently as a team to ensure a high degree of satisfaction (reflecting the hospitality "Aloha spirit," and first-class accommodations).
  - Provide staff training and ongoing, regularly occurring competencies for staff. Training will occur regularly and addresses the following: the tenants of Positive Psychology and Cognitive Behavioral Therapy, medication management: DSM-IV TR diagnosis and treatment, self-care practices, substance abuse treatment and management, dual diagnosis, hospitality and customer care, CPR and first aid, cultural competency, and confidentiality/HIPAA training. Training will ensure that staff understands the treatment program's goals, their roles in achieving the program goals, and the best practices to be followed for individualized treatment within the program. Staff surveys, incident reviews, and staff meetings will help identify additional training needs and areas of interest.
  - Psychiatrists, clinical social workers, and nurse practitioners are required to have a current Hawaii state license.
  - Substance abuse counselors will be certified by the State of Hawaii.
  - All other non-licensed staff will participate in in-house training before having contact with clients.
  - All staff will have current CPR certification."
9. The applicant projects Revenue of \$1,536,000 and Cost Projections/Expenses of \$1,083,189 for Year 1 of the Proposal and Revenue of \$2,304,000 and Cost Projections/Expenses of \$1,260,000 for Year 3 of the Proposal.
10. The applicant states that "The Ohana Retreat LLC has established relationships with State of Hawaii health care system providers. This project will not adversely impact other STFs due to their being only five other providers providing this level of care. The proposed services of The Ohana Retreat LLC will help to alleviate this demand."

11. The applicant states that "The leadership team is comprised of Hawaii licensed professionals with over 50 combined years of experience providing Alcohol and Drug counseling services.
    - Licensed Clinical Social Worker and Certified Substance Abuse Counselor with over 25 years of experience providing Alcohol and Drug abuse and addiction counseling services. Currently working in The Ohana's Outpatient Center and will transfer to this location.
    - One Licensed Psychiatrist Medical Doctor specializing in addiction medicine with over 25 years of experience, bringing more than four decades of addiction medicine experience. Currently working in The Ohana's Outpatient Center.
    - One Certified Substance Abuse Counselor (CSAC) with over ten years of experience. Currently working in The Ohana's Outpatient Center."
  12. The applicant states that "The Ohana Retreat LLC has already signed a lease for the building in Kona for the STF and currently operates it as sober living housing. It is prepared to provide residential drug treatment services."
  13. The applicant states that "All resources, including personnel, finances, facility, and other resources to start the STF upon issuance of an STF license."
- B. Pursuant to Title 11, Chapter 186 of the Hawaii Administrative Rules (HAR), the Agency finds that this proposal is eligible for administrative review as it meets the criterion in HAR Subsection 11-186-99.1(b) (6) i.e.: "Any proposal which is determined by the agency not to have a significant impact on the health care system."

#### Conclusions and Order

Pursuant to Title 11, Chapter 186, HAR, the Agency has determined that:

- (a) The Proposal is eligible for administrative review as it meets one or more of the criteria in HAR 11-186-99.1(b).
- (b) The applicant, The Ohana Retreat LLC, has proven by a preponderance of the evidence that the Proposal meets the Certificate of Need criteria in HAR 11-186-15(a).
- (c) There is no compelling public interest which will be served by requiring the application to go through the standard review process.

As required under Subsection 323D-43(b), Hawaii Revised Statutes, the Agency has determined that:

1. There is a public need for the Proposal.
2. The cost of the Proposal will not be unreasonable in light of the benefits it will provide and its impact on health care costs.

Accordingly, the State Health Planning and Development Agency hereby APPROVES and ISSUES a Certificate of Need to The Ohana Retreat LLC for the Proposal described in Certificate of Need Application #21-23A. The maximum capital expenditure allowed under this approval is \$193,800.



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Darryl D. Shutter  
Acting Administrator