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HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

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STATE HEALTH
& DEV. AGENCY

ADMINISTRATIVE APPLICATION - CERTIFICATE OF NEED PROGRAM

Application Number: # 22-17A Date of Receipt:
To be assigned by Agency

APPLICANT PROFILE

Project Title: Establishment of an 8-Bed Special Treatment Facility

Project Address: 551 Dillingham Boulevard Honolulu, HI 96817

Applicant Facility/Organization: IHS, the Institute for Human Services, Inc.

Name of CEO or equivalent: Constance Mitchell

Title: Executive Director

Address: 546 Kaaahi Street Honolulu, HI 96817

Phone Number: (808) 447 2824

Fax Number: (808) 845 9828

Contact Person for this Application: Leina Ijadic

Title: Chief Administrative Officer

Address: 546 Kaaahi Street Honolulu, HI 96817

Phone Number: (808) 447 2845

Fax Number: (808) 845 9828

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

Date

Constance Mitchell
Name (please type or print)

Executive Director
Title (please type or print)

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

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

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2. PROJECT LOCATION INFORMATION

A. Primary Service Area(s) of Project: (please check all applicable)

- Statewide: _____
- O'ahu-wide: _____
- Honolulu: X
- 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 or intent)

- See Attached

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.)

- Special Treatment Facility Licensure to follow
- Zoning and Land Use Clearance

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

- See Attached

D. If you have filed a Certificate of Need Application this current calendar year, you may skip the four items listed below. All other, please provide the following:

- Articles of Incorporation: See Attached
- By-Laws: See Attached
- Partnership Agreements: N/A
- Tax Key Number: (project's location): (1) 1-5-007-054-0000

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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 Equipment (over \$1 million)	Other Capital Project (over \$4 million)	Change in Service & DEV. AGENCY	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.

Type of Bed	Current Bed Total	Proposed Beds for your Project	Total Combined Beds if your Project is Approved
Special Treatment Facility	0	8	8
Total	0	8	8

6. **PROJECT COSTS AND SOURCES OF FUNDS**

A. List All Project Costs:

1. Land Acquisition

Amount:

\$1,995,000.00

2. Construction Contract

\$1,491,395.00

3. Fixed Equipment

4. Movable Equipment

5. Financing Costs

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6. Fair Market Value or assets acquired by lease, rent, donation, etc.

7. Other: _____

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TOTAL PROJECT COST:

\$3,486,395.00

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B. Source of Funds

1. Cash _____

2. State Appropriations _____

3. Fund Drive _____

4. Other Grants: GIA **\$1,620,000.00**

5. Other Grants: CDBG **\$3,486,395.00**

6. Other: _____

TOTAL SOURCE OF FUNDS:

\$5,106,395.00

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.

CURRENT SERVICES: IHS' services are available to men, women, and families with children who are homeless or at risk of becoming homeless. IHS provides an array of homelessness prevention, outreach, shelter and post-shelter services including housing placement and rental assistance for at-risk families, community-based mental health case management, core employment services, children's enrichment services, health services (ex. wound care clinic, street medicine, medication management, pharmacy support, psychiatry, COVID vaccination and quarantine, and urgent care), community re-entry for non-violent offenders, a meal program, and an assortment of permanent supportive housing.

PROPOSED SERVICES: During the 2022 Point in Time Count for the island of O'ahu, 2,355 unsheltered individuals were encountered, many of whom suffer from mental illness, substance abuse or chronic conditions that need medical attention. Unsheltered homeless individuals have had an overwhelming negative impact on local businesses and residents erupting in violent, lewd or disruptive behaviors on occasion. Currently, there is no ideal pathway off the streets for these individuals, IHS is proposing to provide detoxification and behavioral health services for homeless individuals.

The STF which will be located at the newly acquired, 551 Dillingham Boulevard property will provide much needed respite and a site for stabilization of chronically homeless individuals who may pose a negative impact on the milieu of the shelter he/she enters, or may be very challenging to stabilize in a congregate setting. The ultimate objective is to provide critical relief

to the overwhelmed emergency departments and first responders by providing clients access to screening, testing, COVID vaccination, social distancing, hygiene, nourishment, and treatment for mental illness, substance abuse, or medical triage before transitioning them to housing, traditional shelter or treatment services.

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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: **November 23, 2021**
- b) Dates by which other government approvals/permits will be applied for and received: **STF Licensure to be applied for upon approval of CON**
- c) Dates by which financing is assured for the project: **December 27, 2021**
- d) Date construction will commence: **March 2022**
- e) Length of construction period: **To be completed by September 30, 2022**
- f) Date of completion of the project: **Upon receiving STF Licensure**
- g) Date of commencement of operation: **Upon receiving STF Licensure**

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.

IHS currently serves O'ahu's homeless through eighteen service sites in Honolulu and homeless outreach teams throughout the island with a focus on Urban Honolulu, Waikiki, Windward O'ahu, and the North Shore. The IHS service centers include the three 24-hour emergency shelters with meal services in Urban Honolulu as well as eight specialty shelters, five for medically frail homeless (Tutu Bert's Houses 1, 2, 3, 4, and 5), one for homeless adults with co-occurring conditions (KURH), one for homeless male veterans (VET House), and the Hale Mauiola housing navigation center for single adults and couples. IHS also operates four offender re-entry homes - three for men and one for women, a 138 unit village consisting of one and two bedroom units primarily for families with children and a handful for seniors. Additionally there are offices for the case management program, housing program, and employment support. To date, there are no service providers who provide high intensity-medically monitored detoxification followed by initiation of medical assisted treatment on the island of O'ahu.

The proposed STF will address the community's need for targeted triage and transfer services for vulnerable homeless adults, many of them chronically homeless who have had difficulty accessing needed substance abuse treatment services due to impacted judgment secondary to mental illness or substance abuse. This project will allow individuals to rest and stabilize until other shelter options are accessed where treatment can continue. It will help chronic inebriates gain sufficient sobriety to explore options for improved quality of life or for those with serious mental illness to improve hygiene sufficiently to be accepted into a residential program for further stabilization and treatment. For individuals seeking support navigating substance abuse and behavioral health issues, the proposed STF will be the first rung of the ladder as they climb towards long term stability. Oftentimes behavioral health needs are not addressed until an individual has decompensated gravely and requires intervention for their safety or the safety of

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those around them. This project will allow us to identify and intervene expeditiously by moving the individual to a safe, medically monitored environment, and providing intervention guided by a multidisciplinary team of medical professionals. We know from Maslow's Hierarchy of Needs that at the base of all human needs are those physiological needs such as: food, water, sleep, comfort, and the basic ability to take care of oneself. We will ensure that every individual who seeks care at the proposed STF will immediately be able to access hygiene facilities and resources to rid themselves of parasites prevalent in homeless populations such as head and body lice, bed bugs, as well as being assessed by a medical professional who can initiate treatment if dermatologic conditions are noted.

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

The proposed program will address the following specific health areas of concern in accordance with the State of Hawai'i Health Services and Facilities Plan:

The establishment of the proposed STF will allow IHS to expand its current purview of services and ***promote and support the long-term viability of the health care delivery system*** by redirecting some shameless high utilizers and providing a service that does not currently exist, but is needed, in the State of Hawai'i. The target population of this project is the unsheltered homeless adults residing on O'ahu suffer from mental illness, substance abuse and/or chronic health conditions who are also at risk for COVID-19 infection or other severe illness due to their impaired cognition and vulnerability. Many are chronically homeless and have severe mental illness, substance use disorder, and/or chronic medical conditions. There are many individuals in the immediately adjacent Kalihi-Palama, Chinatown and Urban Honolulu who are prime candidates for this project. The approval of an STF in Honolulu would address the continuously increasing demand for alcohol and drug detoxification and the stabilization of chronic and persistent mental illness in line with the Statewide Health Coordinating Council (SHCC) priority to ***improve and increase access to mental health and substance abuse services***.

It is well documented that Honolulu County is the most populous county in the state. O'ahu's Point in Time Count 2022 identified 3,951 homeless individuals, of whom 1,596 were sheltered and 2,355 were unsheltered. Unsheltered single adults totaled 1,494 people. The largest concentration of unsheltered single adults was in Region 1 Honolulu (529, 22.5%), with 316 (13.5%) in Region 2 Waikiki/East Honolulu. Regions 1 and 2 contained 48% of O'ahu's unsheltered chronically homeless. The proposed STF will ***improve the hospital bed availability through timely transfer of ready patients to appropriate levels of care***. IHS' STF will accomplish this by diverting and decanting patients from the emergency rooms of individuals below acute level of care, in need of mental health services and substance abuse treatment services that are not appropriate for the hospital setting. By utilizing 35 years of expertise and time spent working with this vulnerable population, IHS will deploy outreach personnel and registered community health nurses to meet guests where they are and address needs that may otherwise be barriers to accessing shelter or residential treatment and lead them to inappropriately utilize emergency medical services. IHS will work alongside EMS and HPD to help triage and serve patients in need.

In addition to the rising rates of substance abuse and mental illness, we know that Hawai'i's population is aging. From 2018-2022, data collected by IHS' outreach team reflect that of the 2,286 individuals who received outreach services 31% were seniors. Similar data can be derived from a review of shelter services provided. This sample can be generalized to the homeless population that will be likely to seek care at the proposed STF. In accordance with the Hon SAC priority for Honolulu to ***control the escalation cost of senior care and to provide needed services, while reducing the need for institutionalized care***, IHS will utilize the STF

to stabilize and connect seniors with services to support sobriety, psychiatric stabilization, and the ability to transition into permanent supportive care placement.

b. Need and Accessibility

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Multiple data points highlight the need for this project to address the risk of COVID-19 and severe illness in this dense population of unsheltered homeless in the area of O'ahu. As aforementioned, O'ahu's Point in Time Count 2022 identified 3,951 homeless individuals, of whom 1,596 were sheltered and 2,355 were unsheltered. While PIT 2022 does not give regional epidemiological breakouts, across all regions surveys of unsheltered adults showed 50% were chronically homeless, 33% indicated mental health problems, 27% had substance abuse problems, and 35% had physical or developmental disabilities, and these numbers are steadily increasing and considered an undercount by workers in the field.

The proposed STF, an ASAM Level 3.7, providing medically monitored intensive inpatient services, will be the first of its kind on O'ahu, an easily accessible medical detoxification facility in densely populated Honolulu catering to the needs of the unsheltered population. IHS staff will be able to safely manage crises experienced by chronic inebriates and severely mentally ill adults, on site, thus preventing patients from seeking care in an emergency room. The proposed STF will be open and staffed by registered nurses 24 hours a day, seven days a week, 365 days a year. In contrast to some of the existing STFs on island, patients will no longer be required to seek out their medications from an Addiction Medicine Physician or outside providers, they will receive them directly on site. Medical detoxification is detoxification from substances combined with high level medical care and monitoring. Our licensed medical personnel will carefully monitor and supervise the patients in this process, as well as administer medication to manage the uncomfortable and sometimes dangerous side effects of the withdrawal process. Medical detoxification has been proven to be more effective in treating those with substance dependencies than social detoxification methods.

The 2018-2020 National Survey on Drug Use and Health (NSDUH) reported that approximately 14.13% of Hawaii's population has used illicit drugs in the past month. Despite these statistics, there are only 19 inpatient special treatment facilities throughout O'ahu, however, none of them currently provide medical assisted treatment and detoxification services. Patients seeking these services are referred to the nearest hospital for admission or outpatient management. According to the annual report covering Fiscal Year 2020-2021 for the Department of Health (DOH), Alcohol and Drug Abuse Division (ADAD), 6.69% (or 51,960 individuals 18+) on O'ahu were in need of, but had not received treatment for substance, alcohol, or illicit drug use. With this data alone, it is undeniable that access to an inpatient STF offering medication assisted treatment and detoxification is needed on O'ahu.

c. Quality of Service/Care

The proposed STF will improve the quality of drug and alcohol addiction care by:

- Maintaining staff to patient ratio as 1:8 minimum.
- Providing professional services 24 hours a day, seven days a week including: medication monitoring/management, dietary consultations, mental health therapies, case management, and evidence based nursing care.
- Providing individualized treatment focused on addressing the specific needs of each patient. Through the expertise of a multidisciplinary team that consists of a psychiatrist, case managers/outreach specialists, coordinators (i.e. clinical, program, nurse), physicians, a dietician, pharmacist, and a CNA and/or MA.
- Providing comprehensive psychiatric evaluation to the patient and ongoing assessment to identify any pharmacologic interventions needed.

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- Providing medication management plan and nursing assessments, and continuous monitoring of patients who may be experiencing withdrawal symptoms.
- Delivering individualized treatment using evidence-based therapy in individual and group settings as needed with licensed clinical professionals.
- Ensuring community safety, by providing a structured environment in which the individual can be maintained in a less restrictive and appropriate environment.
- Establishing Quality Control through performance improvement measures provided by our clinical manager and establishing Quality Assurance through satisfaction surveys.
- Regular monitoring of Policies and Procedures, in-service training of staff, and weekly treatment team meetings.
- All non-licensed staff will participate in in-service training before direct contact with patients and at least one staff per shift must have a current First Aid/CPR certification.
- Obtaining STF licensure form the Office of Health Care Assurance.
- Maintaining licensing standards and providing ongoing high quality service.

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

Revenue earned by the proposed STF will come from donations, health insurance reimbursements, and grants in aid. IHS maintains strict financial planning policies and closely monitors revenue and expenses.

	Revenue	Cost Projections/Expenses
First Year of Operation	\$1,803,000.00	\$876,708.00
Third Year of Operation	\$1,803,000.00	\$966,573.00

As a non-profit 501(c)(3) organization, any excess revenue received by IHS is reinvested back into services, staff, facilities, and community outreach.

e. Relationship to the existing health care system

The proposed STF will improve the availability of health care in the community, as no such program currently exists on O'ahu. This project will fill an identified gap in the care continuum for individuals affected by substance abuse who currently have no local, non-hospital options for medically monitored and managed detoxification. In accordance with ASAM 3.7 Level of Care, we will provide high intensity inpatient monitoring, coupled with 24 hour nursing care and at minimum 16 hours of daily counseling available. This will provide unsheltered individuals the soft landing and fresh start that they await transition towards residential treatment and long-term placement options. We anticipate being able to create bridges for persons leaving a hospital level of care.

The proposed STF will also improve accessibility to health care in the community by being within walking or driving distance for all of our shelter residents. This is of great importance because patients will no longer need to be referred to the nearest hospital in order to receive medical assisted treatment or detoxification services. The existence of a medical detoxification will begin addressing O'ahu's most pressing community needs and challenges experienced due to the large number of homeless individuals suffering from mental illness, substance abuse, and medical conditions. Our program will provide the opportunity for increased availability of high quality substance abuse treatment to qualifying residents regardless of their ability to pay.

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f. Availability of Resources

Founded in 1978 as the "Peanut Butter Ministry" by Father Claude DuTeil, IHS has established the broadest and most comprehensive continuum of services focused exclusively on ending and preventing homelessness in Hawai'i. We remain a core element of Hawai'i's safety net for those in housing crises, having served a critical need in our community for over 43 years. IHS opened the first homeless shelter on O'ahu, and continues to operate one of the state's largest emergency meal programs, serving 827 meals per day on average in FY 2021 during the COVID pandemic, to those experiencing homelessness or at risk of becoming homeless.

IHS has an experienced management team which has been successfully operating its wide array of service centers and an urgent care clinic, providing high quality care while servicing Hawai'i's most vulnerable. Multidisciplinary team members include mental health providers, registered nurses, medical assistants, outreach specialists, physicians specializing in addiction medicine, wound care, family practice, and direct support workers. All of whom have been associated with IHS, have strong understandings of the organization's missions and values, and have undergone training relevant to working in this population. Currently IHS employs more than 60% of the staff that are anticipated to be utilized for the proposed STF. This includes a pharmacist, 4 case management and outreach specialists, 3 registered nurses, 2 medical assistants, 5 medical providers, 2 qualified mental health professionals, and 2 psychiatrists; in addition to managerial and administrative staff who specialize in both medical and clinical care. Upon beginning this project we anticipate hiring additional registered nurses and medical assistants in order to allow for adequate staff coverage and rotation of schedules. We will also be hiring for and implementing 24-hour security for the safety of guests and staff.

IHS was awarded \$1.62 million in operational funding, the state's largest Grant in Aid (GIA) in 2022 to launch this program and to fund the existing and additional staff positions that will be required to provide the identified level of care. In addition to the GIA, we were also awarded approximately \$3.48 million through the Community Development Block Grant Program (CDBG) for purposes of acquisition and rehabilitation of the proposed STF. We intend to demonstrate the positive impact of this program and utilize the data to apply for federal funding from SAMHSA and state funds of DOH in order to continue to provide the highest quality of care to the individuals who seek temporary respite and triage services.

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 healthcare 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 healthcare system.