



HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

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ADMINISTRATIVE APPLICATION - CERTIFICATE OF NEED PROGRAM

Application Number: # 22 - 23 A Date of Receipt: _____
To be assigned by Agency

STATE HEALTH
& DEV. AGENCY

APPLICANT PROFILE

Project Title: ESTABLISHMENT OF HOSPICE SERVICES

Project Address: 2200 Main Street, Suite 300
Wailuku, Maui, Hawaii 96793

Applicant Facility/Organization: Bristol Hospice - Hawaii, L.L.C.

Name of CEO or equivalent: Alex Mauricio

Title: President

Address: 206 North 2100 West, Suite 202, Salt Lake City, UT 84116

Phone Number: 925-765-9435 Fax Number: 801-478-3533

Contact Person for this Application: Patricia Pancner

Title: Senior Executive Director and Regional Vice President of Operations

Address: 55 Merchant Street, Suite 2900, Honolulu, HI 96813

Phone Number: 808-536-8012 Fax Number: 808-536-8013

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

November 4, 2022
Date

Alex Mauricio
Name (please type or print)

President
Title (please type or print)

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

- Public _____
- Private x
- Non-profit _____
- For-profit x
- Individual _____
- Corporation _____
- Partnership _____
- Limited Liability Corporation (LLC) x
- 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: x*
- Kaua`i County: _____
- Hawai`i County: _____

* Maui Island Only

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)

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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	Not Applicable			X	
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
Not Applicable			
TOTAL			

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6. PROJECT COSTS AND SOURCES OF FUNDS

A. List All Project Costs:	22 DEC 29 P 3 :40	AMOUNT:
1. Land Acquisition		<u>\$0</u>
2. Construction Contract	ST. ALBANS & DEV. AGENCY	<u>N/A</u>
3. Fixed Equipment		<u>\$16,000</u>
4. Movable Equipment		<u>\$0</u>
5. Financing Costs		<u>\$0</u>
6. Fair Market Value of assets acquired by lease, rent, donation, etc.		<u>\$450,000*</u>
7. Other: _____		<u>\$0</u>
TOTAL PROJECT COST:		<u>\$466,000</u>

B. Source of Funds		
1. Cash		<u>\$16,000</u>
2. State Appropriations		<u>\$0</u>
3. Other Grants		<u>\$0</u>
4. Fund Drive		<u>\$0</u>
5. Debt		<u>\$0</u>
6. Other: _____	\$450,000 FMV of leased premises to be paid monthly as rent.	<u>\$450,000</u>
TOTAL SOURCE OF FUNDS:		<u>\$466,000</u>

*Based on tax assessed value of the property, and using the operating expense percentage or the square footage percentage of the rented space. Lease rent is shown in the attached lease since the land is not being purchased.

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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 11-186-5 for the categories of services. If you are unable to determine which category best describes your project, please consult with agency staff.

Establishment of hospice services on the island of Maui.

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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10. **Eligibility to file for Administrative Review.** This project is eligible to file for Administrative review because: (Check all applicable)

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_____ 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.

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_____ 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.

X _____ It is an additional location of an existing service or facility.

X _____ The applicant believes it will not have a significant impact on the health care system.

Bristol Hospice – Hawaii, L.L.C.
Administrative CON _____

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2. Project Location.

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The project location is the island of Maui. The islands of Lanai and Molokai are not included in the service area.

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3. Documentation.

A. Site control document. Lease attached to application.

B. Listing of all other permits or approvals required.

- a. State of Hawai'i Dept. of Health Office of Healthcare Assurance permit.
- b. DCCA Business Filing.
- c. Gross Excise Tax License.

Existing Medicare and Medicaid enrollments would be expanded to cover services provided on Maui, and no new Medicare or Medicaid contracts will be required.

C. Governing Body.

- a. Tricia Pancner, Senior Executive Director/Regional VP of Operations.
- b. Baron Wong, Acting Medical Director.
- c. Lesle Starshak, Director of Patient Care Services.
- d. Erin Hamilton, Regional VP of Community Development.
- e. Jennifer Bodary, Quality Assurance Coordinator.
- f. Shadi Movaseghi, Business Office Manager.
- g. Kathleen Briley, Lead Social Worker.

D. Articles of Organization and Operating Agreement are attached.

- a. Tax Key number is 340140070000.

8. Implementation Schedule.

a) Date of site control for the proposed project.

- a. Lease dated March 10, 2022.

b) Dates by which other government approvals/permits will be applied for and received.

- a. Application for the Department of Health permit will be submitted upon approval of the CON application by SHPDA.

c) Dates by which financing is assured.

- a. Not applicable – no financing is needed.

d) Date construction will comment.

- a. No construction is required; space already built out by the landlord for use by Bristol.

e) Length of construction period.

- a. Not applicable – no construction is required.

f) Date of completion of the project.

- a. Not applicable – no construction is required.

g) Date of commencement of the project.

- a. Estimated to be upon all approvals being obtained.

9. Executive Summary.

Bristol Hospice – Hawaii, L.L.C. (“Bristol Hospice”) received approval from SHPPA for its administrative CON #06-22A on November 22, 2006 for Oahu hospice operations. Since then, Bristol Hospice has become the largest provider of hospice care on Oahu, employing over 200 employees and providing care to approximately 18,000 patient days per month, ensuring compassion and comfort for patients and family members at the end of a patient’s life. Bristol Hospice provides end of life symptom and pain control to assure that the patient is comfortable, and the patient does not require unnecessary hospitalizations or rehospitalizations. Bristol Hospice upholds its deemed status through CHAP (See Exhibit A). Bereavement support, volunteer services and community education are an integral part of Bristol Hospice’s offerings. Collaboration with community partners to best meet the needs of the communities in which Bristol Hospice serves is deeply integrated into care daily. And assuring high quality care with high customer satisfaction is integral.

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Currently, there are only two existing hospice providers on Maui – Hospice of Maui and Islands Hospice. Bristol Hospice’s extensive research clearly shows a need for increased hospice services on the island of Maui. Bristol Hospice plans to use its vast and deep Oahu resources to support its planned Maui branch, including existing and proven resources related to compliance, human resources, finance, staff training/support and governance. Additionally, Bristol Hospice provides unique specialty programs for its hospice patients on Oahu and intends to bring these specialty programs to Maui:

1. Homemaker services – Assistance with light housekeeping, meal prep, and non-personal care needs per job description.
2. Bright Moments – Specialized program for those with Alzheimer’s or Dementia.
3. Bristol Beats – Specialized program for patients with cardiac conditions.
4. Sweet Dreams - Specialized program that assists with relaxation and rest in the evening, particularly for those with sundowners or dementia.

A map showing the geographic location and also exterior photographs of the facility are located on Exhibit B.

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

The most recent State of Hawaii Health Services and Facilities Plan report (“SHSFP Report”) from 2009 does not specifically cover hospice services for the island of Maui.¹ General Principle 2 from the SHSFP Report states: “Expand and retain the health care workforce to enable access to the appropriate level of care in a timely manner.”² Additionally, Item 2 in the Maui County/Tri-Isle SAC section of the SHSFP Report references: “Increase home and community-based services and bed supply” and “promote the paradigm shift of long-term care – the notion that home and community-based services encompasses more than nursing facilities.”³ Bristol Hospice provides home and community-based hospice care consistent with the Tri-Isle SAC’s paradigm shift.

b) Need and Accessibility.

With over 34,659 people on Maui 65 and older and 1,213 deaths in 2020 (the most recent year for which data is available), a small percentage of those that actually died were under hospice care (See Health Pivots Data below).

¹ State of Hawaii Health Services and Facilities Plan, issued by the State Health Planning and Development Agency, issued in 2009.

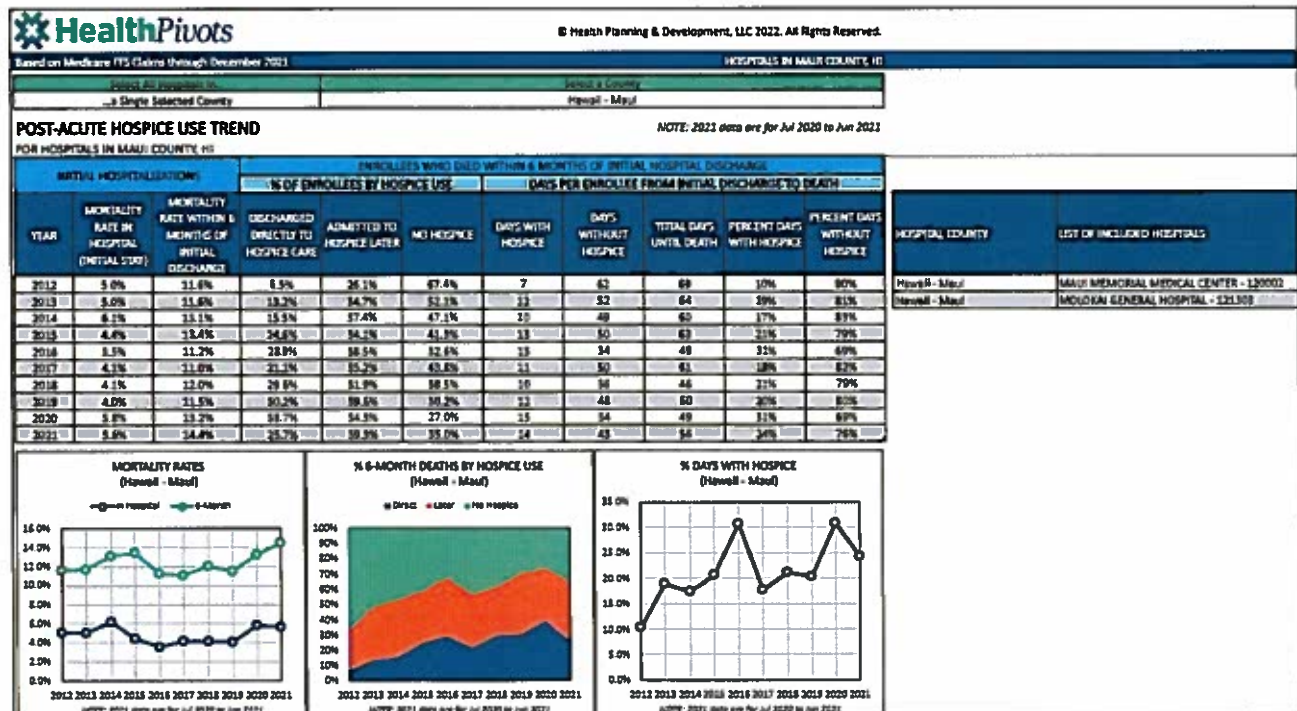
² *Id.* (See Page 33).

³ *Id.* (See Page 36).

Maui County	RECEIVED														
Zip Code	96790	96713	96708	96768	96779	96732	96793	96761	96753	96763	96770	96729	96757	96742	96748
Total Census 2020	12969	1622	12855	19683	3048	29413	30542	25450	29524	2590	22	113	44	32	4831
Age 65-69	999	72	863	1173	172	1332	1613	1436	1904	114	62	43	14	3	233
Age 70-74	823	63	676	944	126	1127	1304	1138	1550	95	46	33	10	0	219
Age 75-79	602	45	444	659	91	934	951	822	1129	70	30	25	9	2	181
Age 80-84	361	29	255	370	44	718	619	494	700	54	28	17	7	5	137
Age 85-and up	488	62	333	561	75	1562	1186	880	938	154	67	38	20	22	283
Total 65+ - 34659															
Death Count 2020 - 1213															

With only two current hospices on Maui, there is a clear need for a third. Expanding Bristol Hospice's service area to Maui will allow Bristol Hospice to better meet the need of those individuals that qualify and deserve high quality and dignified end of life care. Bristol Hospice is proud of its ability to admit all eligible referrals timely, regardless of the time of day, 7 days per week to ensure expedient management of symptoms and a smooth transition onto hospice service without waiting an extended period of time to get the care that patients deserve and need.

Mortality rates on Maui for patients discharged within six months of a hospitalization have shown a trend with an increase of deaths within six months of a hospital discharge since 2012. The Health Pivots graph below also shows a decrease in hospice utilization rates with the percent of days without hospice at 76% in 2021 with only 25.7% of those admitted directly to hospice. The percentage of people who receive hospice care is highly pertinent, but the length of time on hospice is also critical to highlight. Earlier admission to hospice results in increased comfort, better mental health, longer survival time, higher patient satisfaction and lower costs incurred throughout the health care continuum.



In addition, approximately 6.2 million people in the United States have heart failure. Worldwide the impact is even greater with approximately 26 million people affected by heart failure with an annual economic cost of \$108 billion dollars.⁵ With over one million heart failure hospitalizations, approximately 25% of those patients were readmitted within 30 days and 61% of those within 15 days.⁶ With heart failure being the ongoing number one cause for readmissions,⁷ Bristol Beats, which is the cardiac program that Bristol provides to end stage heart disease patients, can increase the patient's quality of life and decrease hospital readmission rates and overall health care expenditure.

As a result of the Hospital Readmissions Reduction Program (HRRP),⁸ the State of Hawai'i contracted with Hawaii Health Information Corporation ("HHIC") to identify areas where we could improve our rehospitalization rates in Hawai'i. HHIC found heart failure to be the number one diagnosis for potentially preventable hospitalizations.⁹ Bristol Hospice has the means and the opportunity to make a difference on Maui to demonstrate statistically significant outcomes.

Ultimately, as a result of adding a third hospice provider on Maui, with respect to the 76% of patient days without hospice as referenced above per the Health Pivots graph, we would expect to see a significant decrease in such percentage as the number of patients on hospice increases. Furthermore, this would improve the hospitals' overall death rate and readmission rate as well.

Bristol Hospice will provide hospice services or offer services to all residents in the area, including low-income persons, racial and ethnic minorities, women, persons with disabilities and other under-served groups, and the elderly, who will have access to hospice services from Bristol Hospice, on the island of Maui. Hawai'i Administrative Rules § 11-186-15(a)(1).

c) Quality of Service/Care.

Bristol Hospice provides all four levels of hospice care that all Medicare-certified providers must offer. The four levels of care are (1) routine care, (2) continuous care, (3) inpatient care, and (4) respite care. The branch location on Maui will also provide all four levels of care depending on the patient's symptoms and need. Respite care to provide caregiver support will be provided in contracted skilled nursing facilities. General inpatient care (GIP) will be provided in contracted hospitals and contracted skilled nursing facilities that provide a 24-hour/day RN. Working with our Maui partners to assure contracts are in place, reviewed annually, and reported to the governing body would be the responsibility of the Executive Director on an annual basis.

Bristol Hospice on Maui will provide all drugs and biologicals for the palliation and management of pain and symptoms of a patient's terminal illness and related conditions. Our Optum pharmacy oversight contract will allow our Maui patients to receive their medications at the pharmacy of their choice with direct billing to Bristol Hospice. Our current medical supplies are contracted through Cardinal Health and

⁴ https://www.cdc.gov/heartdisease/heart_failure.htm. (See Page 1).

⁵ Kamal AH, Cross SH, Taylor DH Jr, Warraich HJ. Hospice Use Among Patients with Heart Failure. *Card Fail Rev*. 2019 May 24;5(2):93-98. doi: 10.15420/cfr.2019.2.2. PMID: 31179019; PMCID: PMC6545999 (See Page 1).

⁶ Dharmarajan, K., Hsieh, A. F., Lin, Z., Bueno, H., Ross, J. S., Horwitz, L. I., Barreto-Filho, J. A., Kim, N., Bernheim, S. M., Suter, L. G., Drye, E. E., & Krumholz, H. M. (2013). Diagnoses and timing of 30-day readmissions after hospitalization for heart failure, acute myocardial infarction, or pneumonia. *JAMA*, 309(4), 1-18. (See Page 2).

⁷ Kheirbek RE, Alemi Y, Wojtusiak J, Kheirbek L, Madison S, Fokar A, Doukky R, Moore HJ. Impact of Hospice and Palliative Care Service Utilization on All-Cause 30-Day Readmission Rate for Older Adults Hospitalized with Heart Failure. *Am J Hosp Palliat Care*. 2019 Jul;36(7):1-18. doi: 10.1177/1049909119828712. Epub 2019 Feb 17. PMID: 30773029. (See Page 2).

⁸ <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/HRRP-Archives>.

⁹ Hawaii Health Information Corporation (HHIC), Acute Care Opportunities for Cost Saving in Hawaii, Hawaii Health Information Corporation, (HHIC), December 4, 2013, p. 1-51. Retrieved from <https://governor.hawaii.gov/wp-content/uploads/2015/06/Acute-Care-Cost-Saving-Recommendations-120413.pdf> (See Page 20).

McKesson, both of which will be able to service Maui for medical supplies that are part of the written plan of care and that are for palliation and management of the terminal illness or related conditions.

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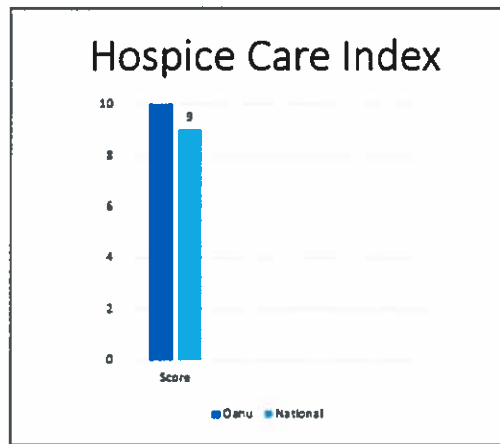
Durable Medical Equipment contracted through a local DME provider on Maui, which R&M Reyes Enterprise, would ensure that patients' Durable Medical Equipment needs are met timely and appropriately. Another key consideration is that Bristol Hospice is currently the only hospice provider on Oahu using Airvo machines, which ensures that those with high flow oxygen needs are managed accordingly. Bristol Hospice would expand usage of Airvo machines to Maui, which would avoid patients on Maui having to fly to another island or location to seek applicable medical care that could be managed locally. Not only would this provide a tremendous benefit to patients, but it would also prevent significant costs of medical air transport.

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Current contracted services for Physical Therapy, Occupational Therapy and Speech Therapy will continue on Maui. Dietary consults are available to the Maui patients should the need arise by our employed Dietitians. A Respiratory Therapist would be available at all hours at any time, along with the resources of Bristol Hospice's existing staff on Oahu as described in the Need and Accessibility section above.

Through an extensive Quality Assurance Improvement Program, there will be detailed oversight and monitoring on a continuous basis for all services provided. Audits of all clinical records, employee records, contracts and outcome measures will be reported to the Executive Director with updates to the Governing Body on a regular basis. The Executive Director and/or the Director of Patient Care Services will also make on-site visits, at least monthly, to assure compliance with all regulatory guidelines and practices. Bristol Hospice takes great pride in its quality of care and current 2022 data shows scores at or above the national average for patient assessment measures and the Centers for Medicare and Medicaid Services Hospice Item Set (HIS) quality reporting measures (See Exhibits C and D).

The Hospice Care Index ("HCI") captures care processes occurring throughout the hospice stay, between admission and discharge. The HCI is a single measure comprising ten indicators calculated from Medicare claims data. The HCI scores hospices on a 0 to 10 scale using ten claims-based indicators which capture a broad array of information on hospice service provision. The HCI provides information that reflects care processes during a hospice stay and allows patients, families, and caregivers to make informed decisions. Bristol Hospice maintains a score of 10 out of 10, which is higher than the National Average.



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

Bristol Hospice plans to leverage resources from its existing location on Oahu to fund its potential operation on Maui. In its first year of operation on Maui, Bristol Hospice projects revenue of approximately \$2.5 million and expenses of approximately \$2.1 million. With respect to its third year of operation on

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Maui, Bristol projects revenue of approximately \$7.4 million and expenses of approximately \$6.1 million.

e) Relationship to the existing health care system.¹⁰

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Working with our Maui partners to assure contracts are in place, reviewed annually, and reported to the governing body would be the responsibility of the Executive Director on an annual basis. Bristol Hospice has engaged in preliminary discussions with Maui facilities, such as Maui Memorial Hospital and certain medical equipment companies on Maui. Bristol Hospice has also engaged in preliminary discussions with certain long term care facilities. These initial discussions indicate that Bristol Hospice will be able to work with the existing providers in the Maui health care system to provide hospice care. Additionally, existing contracts already in place would allow Bristol Hospice to provide Supportive Care Services as well to those that qualify.

f) Availability of resources.

In terms of staffing, Bristol Hospice will continue to attract and recruit high quality staff members from the impressive Hawai'i talent pool in the same manner as it has done during its longstanding tenure as a premier hospice provider in Hawai'i. Bristol Hospice's employee turnover remains nominal with less than 5% per quarter throughout 2022. However, Bristol Hospice is excited at the opportunity to focus on the Maui employment market and the qualified individuals that would be available. And if needed, Bristol Hospice's staff from its primary location will be available to serve as alternate personnel in contingent scenarios. This will allow for additional support to the Maui team to accommodate the needs of the patients. Bristol Hospice's research shows that there are available and qualified personnel that Bristol Hospice can employ for these positions.

Bristol Hospice takes great pride in its timeliness of care, its high quality of care and its innovative programs to better meet the needs of communities. In addition to the core team that is composed of the Physician, Nurse, Social Worker, Chaplain, Certified Nursing Assistant and Nurse Practitioner, Bristol Hospice also employs dietitians, homemakers and a Lymphedema massage therapist. Additionally, Bristol Hospice engages seven Board Certified Physicians that collectively specialize in Hospice and Palliative Care, Gerontology, Internal Medicine, Emergency Medicine and Cardiology. Bristol Hospice also has access to a 24-hour respiratory therapist to assist with any oxygen needs.

Another differentiating factor for Bristol Hospice that will meet the needs of the Maui community is that its staff members are competent in Airvo machines, Trilogy machines, Bi-paps, C-paps and routinely do IV therapy and lab draws. Furthermore, Bristol Hospice's specialty programs such as Bright Moments, Sweet Dreams, Bristol Beats and our Homemaker services are all unique to Bristol Hospice and would bring an added level of care to those in need, as these programs are not currently available in Maui. Moreover, Bristol Hospice is honored to be a We Honor Veteran Level 5 hospice and has a robust Veteran volunteer program. Bristol Hospice looks forward to expanding this specialty as well on Maui to ensure that the specific needs of our Veteran population are met.

With the financial backing of Bristol Hospice's national organization, Bristol Hospice will have more than sufficient resources to operate a premiere hospice program on Maui.

¹⁰ See the discussion under the Quality of Care section above for additional details about the relationship to the existing health care system.