



**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

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March 30, 2023

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Alex Mauricio
President
Bristol Hospice-Hawaii, L.L.C.
206 North 2100 West, Suite 202
Salt Lake City, UT 84116

Dear Mr. Mauricio:

The State Health Planning and Development Agency (the "Agency") has evaluated Certificate of Need application #22-23A from Bristol Hospice-Hawaii, L.L.C. (the applicant") for the establishment of hospice services at 2200 Main Street, Suite 300, Wailuku, HI, at a capital cost of \$466,000 (the "Proposal").

- A. The Agency makes the following findings of fact with respect to Title 11, Chapter 186 of the Hawaii Administrative Rules (HAR) 11-186-15(a). The Agency finds each of the following statements to be true and accurate.
1. The applicant states¹ that "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."
 2. The applicant states that "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."

¹ 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.

3. The applicant states that “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...”
4. The applicant states that “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.”
5. The applicant states that “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 Maui, Bristol projects revenue of approximately \$7.4 million and expenses of approximately \$6.1 million.”
6. In written testimony dated March 6, 2023, Melanie Dwyer, CEO, Hospice Maui, states “Hospice Maui also now provides services on Lanai and Molokai as well. Unfortunately, neither operation is self-sustaining and both have been consistently difficult to staff. Until Hospice Maui is able to hire a dedicated nurse for Molokai, it must regularly fly a nurse over to Molokai as there is no longer any ferry option. These trips to Molokai started out at twice a week, but is now up to three times a week. The situation on Lanai is comparable, although Lanai’s smaller population size sometimes means there are no patients. Nonetheless, when there are hospice patients on Lanai (which has been as many as three at a time), Hospice Maui will send nursing staff to Lanai by plane or ferry. These transportation expenses add up to significant sums throughout the year, making the continued provision of these services to Maui County’s rural areas heavily reliant on the income generated by Hospice Maui on the island of Maui.”
7. In her written testimony dated March 6, 2023, Ms. Dwyer states “...an additional hospice provider will negatively impact Hospice Maui’s admissions, operations, revenue, and overall ability to provide support to the more isolated regions of Maui County.”

8. In her written testimony dated March 6, 2023, Ms. Dwyer states "Because of the way in which Hospice Maui has grown to service the entire Maui County, including its most rural and underserved regions, any loss of current market share suffered by Hospice Maui would negatively impact its ability to provide services to the most vulnerable parts of Maui County. If the loss of market share is significant enough, it could potentially cause the total collapse of the existing network that allows hospice services to reach places like Molokai, Lanai, and Hana."
 9. In written testimony dated February 21, 2023, Tameron Hodges states that "A significant concern is Hospice Maui's continued ability to financially operate the services on Lanai and Molokai if there is any decrease in number of home visits HM can provide. The populations on Molokai and Lanai do not support a [sic] adequate pool of nurses and other healthcare personnel and much of the care and oversight is provided by Maui employees flying or ferrying, at great expense, to the other islands. According to projections the new offices are not expected to become self-sustaining and will depend on the continued financial health of the Maui operations."
 10. In written testimony dated February 23, 2023, Tony Krieg states that "It should be recognized that Hospice Maui's commitment to continue to provide hospice and palliative care services to the people of Molokai and Lanai relies on their ability to pay for staff to fly from Maui as there are not enough nursing and supportive staff on Molokai. A decrease in Maui community cases would jeopardize Hospice Maui's ability to continue services on Lanai and Molokai."
 11. In her written testimony dated March 6, 2023, Ms. Dwyer states "...the Application presents many significant concerns as Bristol's presence on Maui would have a negative impact on Maui County's delicate healthcare ecosystem."
- 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) (5), i.e.: "An additional location of an existing service or facility".


Conclusions and Order

The Agency finds that the Proposal meets the certificate of need criteria in HAR 11-186-15(a) (5) - (8), inclusive. The criteria in HAR 11-186-15(a)(2) are not applicable to this Proposal.

However, the Agency finds that the applicant has not proven by a preponderance of the evidence that its Proposal meets the criterion in HAR 11-186-15(a)(10) i.e.: "The relationship of the proposal to the existing health care system of the area". Having taken into consideration the records pertaining to the criterion in HAR 11-186-15(a)(10), including application #22-23A on file with the Agency, all of the oral and written testimony, exhibits and related filings submitted by the applicant and other persons, the Agency finds that the Proposal is likely to have a negative impact on the existing health care system of the area.

Accordingly, the State Health Planning and Development Agency hereby **DISAPPROVES** and **DENIES** a Certificate of Need to Bristol Hospice-Hawaii, L.L.C. for the Proposal described in Certificate of Need application #22-23A.

As the Proposal fails to meet the criterion in HAR 11-186-15(a) (10), the Agency makes no findings as to the application's relationship to the remaining criteria [HAR 11-186-15(a) (1), (3), (4), (9),(11) and (12)].


Darryl D. Shutter
Acting Administrator