



HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

'23 NOV -7 P2:06

**STANDARD APPLICATION - CERTIFICATE OF NEED PROGRAM**

Application Number: # 23-03 Date of Receipt:  
To be assigned by Agency

**APPLICANT PROFILE**

Project Title: Establishment Of Home Health Agency services  
Project Address: 770 Kapiolani Blvd, Ste 714, Honolulu HI-96813  
Applicant Facility/Organization: Neogen Care LLC  
Name of CEO or equivalent: Anju Satheesh  
Title: CEO  
Address: 282 Portlock Road, Honolulu, HI -96824  
Phone Number: 510-449-8014 Fax Number: 510-402-2412  
Contact Person for this Application: Mary Espenida  
Title: Quality Director, RN  
Address: 282 Portlock Road, Honolulu, HI 96824  
Phone Number: 510-674-3099 Fax Number: 510-402-2412

**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

Anju Satheesh  
Name (please type or print)

11/01/2023  
Date

CEO  
Title (please type or print)

1. **TYPE OR 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: \_\_\_\_\_

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2. **PROJECT LOCATION INFORMATION:**

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

- Statewide: \_\_\_\_\_
- O`ahu-wide:   x
- Honolulu:   x
- Windward O`ahu:   x
- West O`ahu:   x
- 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)
  - Office Space is being Leased from Water house Inc, Please see attached Letter of Intent to Lease ( Attachment A)**
- 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.)
  - State License from State of Hawaii, Department of Health, Office of Healthcare Assurance and CMS Medicare Certification.**
- C. Your governing body: list by names, titles and address/phone numbers- **See attached ( Attachment B)**
- D. If you have filed a Certification of Need Application this current calendar year, you may skip the four items listed below. All others, please provide the following:
  - Articles of Incorporation – **Attachment C**
  - By-Laws - **Not Applicable**
  - Partnership Agreements –**Not Applicable**
  - Tax Key Number (project’s location) -**1-2-1-44-22**

**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.

	Used Medical Equipment (over \$400,000)	New/Upgraded Medical Equip. (over \$1 million)	Other Capital Project (over \$4 million)	Change in ownership	Change in service/ establish new service/facility	Change in Beds
Inpatient Facility			25 NOV -7 P2.00		X	
Outpatient Facility						
Private Practice						

**5. TOTAL CAPITAL COST: 416,750**

**6. 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
<b>TOTAL</b>	N/A		

**7. CHANGE IN 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 consult 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.

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Neogen Care LLC seeks to obtain a certificate of need to add Home health services in Oahu Island in Hawaii.

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**8. PROJECT COSTS AND SOURCES OF FUNDS (For Capital Items Only)**

**A. List All Project Costs:**

**AMOUNT:**

1.	Land Acquisition	_____
2.	Construction Contract	<u>4300</u>
3.	Fixed Equipment	<u>12,450</u>
4.	Movable Equipment	_____
5.	Financing Costs	_____
6.	Fair Market Value of assets acquired by lease, rent, donation, etc.	<u>400,000</u>
7.	Other: _____	_____

**TOTAL PROJECT COST: 416,750**

**B. Source and Method of Estimation**

Describe how the cost estimates in Item "A" were made, including information and methods used:

\_\_\_\_\_

**C. Source of Funds**

**AMOUNT:**

1.	Cash	<u>16,750</u>
2.	State Appropriations	_____
3.	Other Grants	_____
4.	Fund Drive	_____
5.	Debt	_____
6.	Other: <u>Fair market value of lease premises to be paid by monthly rent</u>	<u>400,000</u>

**TOTAL SOURCE OF FUNDS: 416,750**

9. **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 – **20<sup>th</sup> April 2023**
- b) Dates by which other government approvals/permits will be applied for and received- **Estimate November 1<sup>st</sup>, 2023**
- c) Dates by which financing is assured for the project- **Not Applicable**
- d) Date construction will commence – **Not Applicable**
- e) Length of construction period – **Not Applicable**
- f) Date of completion of the project – **Not Applicable**
- g) Date of commencement of operation- **Upon Licensure and CMS certification.**

*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.*

10. **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

## Executive Summary

Neogen Care Home Health LLC, a subsidiary of Neogen Care Corp. of California, is a well-known and trusted home health agency that provides full range clinical care and support services for **ALL AGES**. Since 2014, we have delivered the highest quality home health care from our three offices in Southern California, 1 office in Northern California, and one office in Arizona. Our governing body comprises of Veterans and Hawaiian Natives in addition to people who have extensive experience in the Healthcare industry.

Neogen Care seeks to extend our home health operations and expertise to the island of Oahu, Hawaii to include skilled nursing, rehabilitation therapy, and home health aide services. We are uniquely qualified, experienced, and ready to deliver the highest quality home health services to Hawaiian patients.

Neogen Care currently operates in **14 counties in CA and 6 counties in AZ**. We are guided by an ethical culture of personal clinical, and technological excellence in providing compassionate and effective home health care. We have serviced over **25,00 patients**, and average **958 monthly admissions, 1,039 active patients** at any given time, and **2,904 patient care home visits per week**. We are fully staffed with 210+ experienced field clinicians, therapists, and screened professionals with multilingual capabilities, who are licensed and certified to deliver quality health care.

Neogen Care is among the top 5 preferred home health partners for Kaiser Permanente in California. We have achieved and maintained extremely low hospital readmission rates (**9%** in Southern California, **10.4%** in Northern California) well below the California state (14%) and the national average (15%) rates. Neogen Care has earned a Medicare 5 Star Quality of Care rating in Northern California and a 4.5 Star Quality rating in Southern California.

Neogen Care seeks to provide Medicare-certified home health agency services to Medicare direct, Medicare Advantage, VA patients and all other patients needing home health in Oahu. We are capable of providing skilled nursing, physical therapy, occupational therapy, speech therapy, pediatric, medical social, and home health aide services throughout Oahu. (Please see map below.)

Our proposed extension of services directly aligns with the goals and objectives of the State of Hawaii Health Services and Facilities Plan. We have Island Natives who serve as Board Members and Advisory Committee to the Leadership team.

Our motto and mission for Home Health is "Safe in our Hands" and we also specialize in the care for the Pediatric population, which is a segment of the Population that has a lot of unmet needs.

### **Certificate of Need Criteria:**

#### **a) Relationship to the State of Hawaii Health Services and Planning and Honolulu County Subarea Health Planning Council Priorities ( HONSAC)**

Neogen Care's proposal meets the CON criterion for relationship to the State of Hawaii Health Services and Facilities plan as follows

1. Supports HSFPs Focus on increasing cost-effective access to necessary health care services
2. Supports home and community-based services to the community that will reduce the

demand for long-term care beds and enables residents to receive care within their home at a lower cost to the patients and their insurers.

3. Support capacity and access to a continuum of long-term care services. The viability of the health care system is dependent on residents receiving care in an appropriate place of service. Home health services are an integral part of the continuum of long-term care services.

#### **HONSAC Priorities**

- Supports the goal of Improving the viability of long term services and other supportive services in the continuum of care
- Supports the goal of Identifying and addressing workforce shortages in the health care industry with particular emphasis on senior care
- Supports the goal of Controlling escalating costs in the senior care industry and other needed services, by reducing the need for institutionalized care. Home health services have proved to be greatly beneficial to keep patients off the hospital.

#### **b) Need and Accessibility**

Neogen Care's proposal meets the CON Criterion for Need and Accessibility in the following ways

Neogen Care seeks to provide Medicare-certified home health agency services to Medicare direct, Medicare Advantage, VA patients and all patients needing home health in Oahu for ALL age group. Services including skilled nursing, physical therapy, occupational therapy, speech therapy, medical social services, and home health aide services will be provided throughout Oahu.

Neogen Care is fully equipped with an experienced team comprising screened professionals with cultural diversity, multilingual capabilities, licensed and certified to deliver quality health care.

Our services will be accessible to all members of the community who are eligible to receive home health care. Our clinicians are trained to overcome geographic, transportation and cultural barriers. We offer services regardless of race, ethnicity, income or disabilities. We strive to meet the needs of the community.

We have three programs within the company to offer services to low income/uninsured patients

- Charity Program - We have a charity program within the company, where we offer services free of charge to two percent of our patient population.

- Low copay - We work with patients who cannot afford copays that are established by their insurance plans.

- Low Private rates- For patients that do not have insurance, we offer discounted rates to avail our services.

#### **c) Quality of Service**

Neogen Care's proposal meets the CON criterion for relationship to the State of Hawaii Health Services and Facilities plan as follows

Neogen Care will follow Home Health Consumer Assessment of Healthcare Providers and Systems (HHCAHPS) and the Outcome and assessment Information Set (OASIS) quality

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guidelines, thus ensuring that members have the tools and resources that will result in improving care of patients and their families.

We will comply with the Medicare certification and licensure requirements for the provision of Medicare-certified home health agency services for the proposal including, without limitation, CMS policies, procedures and conditions of participation.

Some of our specialized programs include:

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1. NEO-CONNECT PATIENT OUTREACH PROGRAM
2. AGE-APPROPRIATE CARE
3. PATIENT SATISFACTION IMPROVEMENT PROGRAMS
4. CARE MANAGEMENT PROGRAM

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

Please see below the table for the first year and third year projection for the cost. There will be a modest start up cost to cover the lease and initial expenses. This will be funded by Neogen Care Corp, a sister company to Neogen Care LLC, and has good infrastructure and capital to bear the initial finances.

Neogen Care Corp has determined that it will support the necessary funding to increase the clinical staff and also utilize the existing staff from their infrastructure to allow this new program to become sustainable rapidly.

Neogen Care Corp already has the capital infrastructure and senior leadership in place to manage this program.

	Year1	Year3
Patient Revenues	569,000	1,500,000
Labor and benefits	315,000	565,000
Operating Costs	269,000	320,000
Other Costs	209,000	309,000
<b>Total Cost</b>	793,000	1,194,000
<b>Net Income</b>	( 224,000 )	306,000

**e) Relationship to the Existing Healthcare System**

Neogen Care's proposal meets the CON Criterion for Relationship to the Existing Healthcare System in the following ways:



Neogen Care will provide needed home health services to current members in the island that require care by facilitating services within 24 to 48 hrs of discharge from the hospital, thereby reducing the need for patients to be readmitted back. This will alleviate burden on the hospital system and enable them to care for other members that need more acute care and also take care of addressing the capacity constraints in the hospital. Neogen care can also do care coordination with patients and their family members in the comfort of their own home.

Our intention is to complement the community's existing landscape of home health providers and providers by helping with timely care and reducing the readmission numbers for hospitals and other health systems.

**f) Availability of resources**

Neogen Care's proposal meets the CON Criterion for Availability of Resources in the following ways:

Neogen Care currently employs over 450 staff across all our facilities and corporate offices. As a wholly-owned subsidiary of Neogen Care Corp. of California, we have the existing financial capital and human resources to fully support a viable home health services program for the Oahu community.

We aggressively recruit staff using a combination of staffing websites, job fairs, and recruiters to identify qualified candidates. We meticulously credential our newly hired and existing staff for:

- Professional licensure
- Medical clearance to work
- Required immunizations or proofs of immunity (MMR, HepB, Varicella, Influenza, TB, COVID 19, TDaP, etc.)
- Right to work in the U.S. verification
- Legal ability to operate an automobile
- National sex offender checks
- Office of the Inspector General checks
- Current Basic Life Support/CPR certification
- Background checks (criminal and financial)

Neogen Care provides intensive orientation of newly hired providers, to include considerable time dedicated to shadow visits under the supervision of a discipline supervisor or experienced peer. Current human resources include:

- a. Administrative/ leadership
- b. RNs
- c. Physical Therapist
- d. LPNs
- e. Occupational Therapist
- f. Speech Therapist
- g. Pediatric RNs