

HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

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STANDARD APPLICATION - CERTIFICATE OF NEED PROGRAM

Application Number: 24-02 Date of Receipt: _____
To be assigned by Agency

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APPLICANT PROFILE

Project Title: Establishment of Hospice Services

Project Address: 677 Ala Moana Building
677 Ala Moana Boulevard, Honolulu, Hawaii 96813

Applicant Facility/Organization: Shalom Hospice of Hawaii LLC

Name of CEO or equivalent: Samuel Stern

Title: Managing Member

Address: 1000 Southeast Everett Mall Way, Suite 402, Everett, WA 98208
Phone Number: 510-499-9977 Fax Number: 510-380-6631

Contact Person for this Application: J. George Hetherington, Esq.

Title: Attorney

Address: 1100 Alakea Street, Suite 3100, Honolulu, Hawaii 96813
Phone Number: 808-540-4504 Fax Number: 808-540-5430

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.

1/26/24

Signature

Date

Samuel Stern
Name (please type or print)

Managing Member
Title (please type or print)

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: _____

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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) **See Attachment #1**
- 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.)

Medicare Certification

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

See Attachment #2

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 **See Attachment #3**
- By-Laws/Operating Agreement **See Attachment #4**
- Partnership Agreements **n/a**
- Tax Key Number (project's location): **1-2-1-59-13**

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					
Outpatient Facility				X	
Private Practice					

5. **TOTAL CAPITAL COST: \$645,400**

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.

Not Applicable.

Type of Bed	Current Bed Total	Proposed Beds for your Project	Total Combined Beds if your Project is Approved
TOTAL			

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.

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Implementation of Hospice Services focused on serving the unique unmet needs of the Jewish population. HAR 11-186-4(H)
S. V. ASCHER

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

A. List All Project Costs:	AMOUNT:
1. Land Acquisition	_____
2. Construction Contract	_____
3. Fixed Equipment	\$40,000
4. Movable Equipment	\$48,400
5. Financing Costs	_____
6. Fair Market Value of assets acquired by lease, rent, donation, etc. (60 Month Lease, Attachment 1)	\$557,000
7. Other: _____	_____
TOTAL PROJECT COST:	\$645,400

B. Source and Method of Estimation

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

The \$88,400 start-up costs to establish hospice services are relatively minimal. The expenses were based on the Applicant's experience in similar startups including current costs for furniture, equipment, software, signage, office improvements, computers, telephones and tablets. The rent represents total lease payments for the 60 months including parking, GET and annual increases. That will be paid from operations on a monthly basis as required by the lease. All funding necessary for capital expenditures, start-up costs and operating expenses will be provided by Shalom Hospice's members. This is demonstrated by the letters of funding commitment included as **Attachment #5** herein.

C. Source of Funds

1.	Cash	RECEIVED	\$88,400
2.	State Appropriations	24 MAR 13 P2 :49	_____
3.	Other Grants		_____
4.	Fund Drive	ST. ALBANS & DLV. ASSOCI.	_____
5.	Debt		_____
6.	Other: FMV of Lease to be paid by monthly rent		\$557,000

TOTAL SOURCE OF FUNDS: \$645,400

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
 - **November 6, 2023**
- b) Dates by which other government approvals/permits will be applied for and received
 - **Within 6 months of approval of this CON Application**
- c) Dates by which financing is assured for the project
 - **Not Applicable, see letters of funding commitment**
- 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
 - **Within 6 months of approval of this CON Application**

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.

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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.

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- 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

Shalom Hospice of Hawaii LLC ("Shalom Hospice" or the "Applicant") seeks to provide Medicare certified, home-based hospice services to Honolulu County residents and their families, with an emphasis on serving the Jewish population—a currently underserved religious minority on Oahu (the "Proposal"). Shalom Hospice is recognized across the nation for its specialty programming that caters to patients and families of Jewish faith.

It submits this application in direct response to urgent calls from Hawaii's Jewish community leaders regarding the lack of access to appropriate end-of-life care for their congregants. Shalom Hospice is prepared, willing, and capable of addressing this immediate need.

Shalom Hospice's prior attempt to seek CON approval to establish a comprehensive Jewish program was met with strong opposition from the existing hospice agencies. At a January 31, 2023 public hearing, these opponents claimed that (1) there was no need for Jewish hospice services on Oahu, and (2) even if such a need existed, Oahu's hospice agencies were capable of learning the skills and forging the community connections required to meet the need. The reality is that, in the 12 months since these promises were made, none have materialized. In fact, those in vocal opposition have not made any efforts to contact Hawaii's Jewish community leaders about figuring out educational opportunities for their staff or exploring alternative ways to initiate specialty services that would at least partially meet the needs of Jewish patients. Further, none have engaged a Rabbi as part of their spiritual team and their staff are still unaware of end-of-life customs related to Jewish rituals and traditions.

The result is that Hawaii's Jewish population is no better off today than they were a year ago. These patients and their families are quickly losing patience and want relief now. The lack of access to specialty Jewish hospice services on island is frustrating for Jewish leaders and community members alike. Shalom Hospice is qualified to provide these much-needed services to Hawaii's Jewish families and this Proposal meets the CON criteria necessary for SHPDA to approve Shalom Hospice's application.

This Proposal will give Jewish persons with terminal illness or injury a way to manage pain and distress and maintain dignity through the end-of-life, while still allowing them to observe sacred cultural and religious traditions. Shalom Hospice intends to empower patients to make informed decisions that best meet their medical, psychological, and spiritual needs. The services provided will facilitate end-of-life decisions and make it so that patients will not have to prioritize one need at the expense of another.

Shalom Hospice employs a multidisciplinary team-based approach to hospice care. Teams draw as needed from a variety of disciplines such as palliative and other medical services, skilled nursing and nursing aide care, homemaker services, medication management, bereavement counseling, physical therapy, speech therapy, occupational therapy, music therapy and nutrition management.

Each patient team consists of specific staff with expertise necessary to meet its patient's unique needs. Needs, in turn, are determined in each case through an initial,

comprehensive case assessment and continued monitoring. Each team works in coordination with its patient's physicians and other caregivers to achieve specific, concrete goals in areas such as:

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- Pain and symptom management
- Social, psychosocial and spiritual needs
- Use of necessary medications, medical supplies, and equipment
- Advice and support for family caregivers
- Specialized service needs such as speech and physical therapy
- Use of short-term inpatient care when necessary
- Respite for family caregivers
- Bereavement support for family and friends

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Shalom Hospice has gained expertise in the hospice industry over the many years it has provided end-of-life and palliative services to patients all over the country, whether in their own residence, a long-term care facility or in a temporary location such as an acute care hospital.

Shalom Hospice's mission is founded on a belief that no level of service can be sufficient if those with a need for such services do not have access to it. The community feedback, testimonials, and statistics prove the lack of access to appropriate end-of-life care among Hawaii's Jewish population. For this reason, Shalom Hospice has worked hard to create an industry-wide model for outreach to underserved minority groups, including the Jewish population.

Shalom Hospice is affiliated with Affinity Health Management ("Affinity Care") which operates hospices throughout the mainland United States including several which were formed to meet the needs of identified religious or racial minorities. These hospices operate under the names Shalom Hospice, Continuum Care and Affinity Care. The states in which the affiliates hospices are licensed include Washington, Tennessee, Florida, Pennsylvania, Virginia, Ohio, Missouri, Indiana, Maine, Oklahoma and Connecticut as well as the District of Columbia.

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

Hospice services are not directly addressed in Chapter 2 of the Health Services and Facilities Plan. However, its absence does not indicate that sufficient end-of-life services are available within a defined service area, nor does it suggest a lack of need or saturation. Rather, because hospice services are provided in a person's home and not capital intensive, implementation of hospice services to meet the needs of the underserved is a means to combat rising healthcare costs.

Studies have consistently indicated that Medicare beneficiaries incur the majority of their expenditures during their last six months of life, and that most of these costs are associated with acute interventions and hospitalizations. This sharp rise in spending during this concentrated period increases overall healthcare costs. Enrollment in the hospice benefit avoids curative treatments, hospitalizations, and extensive costly ancillary use. Hospice care was created by Medicare as an alternative to the use of

typically intense inpatient care for end-of-life treatment. Increasing the accessibility to hospice care for all Hawaii residents improves the overall health system, through a reduction of costs and decreased reliance on inpatient hospital services.

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With a focus on persons of the Jewish faith (who are documented as an underserved segment of Hawaii's population), Shalom Hospice will work with providers, referral sources, social service agencies, religious organizations, business leaders and others to educate potential patients and their families about the availability of a hospice provider in town equipped with the know-how to deliver care to families of the Jewish faith.

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Shalom Hospice's plan of care is founded upon Jewish traditions, rituals and culture, permitting the end-of-life needs of a Jewish person to be met in concert with religious and spiritual teachings.

The establishment of Shalom Hospice on the island of Oahu will introduce many benefits to the community, including, but not limited to, improving access for the Service Area's Jewish population, bettering quality of care for Jewish patients who are currently underserved, and decreasing utilization of inpatient and outpatient acute care services and waitlists (which leads to a decrease in costs).

The Proposal also addresses several of the Statewide Health Coordinating Council (SHCC) Priorities, specifically General Principles, as explained below:

- **The Proposal ensures that any proposed service will at least maintain overall access to quality healthcare at a reasonable cost.**

Shalom Hospice affiliates are generally accredited without deficiencies and achieve excellent Hospice Item Set scores as conducted by the Centers for Medicare and Medicaid Services (CMS). Hospice services are primarily reimbursed by Medicare and other payers using a per diem rate. There are no differentials amongst providers in each geographic area. While costs to the payor are the same across providers, the services can differ above the minimum requirements established by the Medicare Conditions of Participation. Shalom Hospice employs a service intensity model, incorporating almost daily encounters which allow patients to remain in their place of residence while receiving hospice services. This avoids hospitalizations or crisis interventions that require general inpatient or continuous care under the hospice benefit, resulting in cost savings to the Medicare hospice program.

- **The Proposal (1) strives for equitable access to health care services, and (2) encourages and supports health education.**

Persons of the Jewish faith who live on Oahu do not currently have equitable access to end-of-life hospice services that are consistent with their religious belief and teachings. The Proposal will expand the availability of in-home end-of-life hospice services for this underserved religious minority population. Shalom Hospice's foundational values and expertise differentiates it from existing hospice agencies in Hawaii, and makes it uniquely positioned and qualified to serve the Jewish population throughout the Service

Area. Shalom Hospice will provide Jewish hospice care to Jewish patients in a manner that recognizes Jewish heritage, history and traditions.

- **The Proposal (1) ensures all projects are appropriate for the regional and statewide continuum of care, and (2) promotes and supports the long-term viability of the health care system.**

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The Proposal is appropriate to support the continuum of care throughout the state because it will expand access to health care services for an underserved segment of the population. The way in which it will supplement the services currently available will also support the viability of the overall health care system.

The Proposal also addresses one of the SHCC's Specific Health Areas of Concern – to ensure capacity and access to a continuum of long-term care services. Terminally ill patients who do not have access to hospice services incur additional healthcare costs in comparison to patients who receive hospice care. Oftentimes, these patients are hospitalized or placed in long term care facilities. In-home hospice services allow the patient to remain in their home – the preferable environment – with necessary supportive services (nursing, activities of daily living, social services, spiritual counseling, and alternative therapies), pharmacy and equipment, among other benefits. Further, it enables the patient to remain with family and friends, which both provides comfort and familiarity for the patient and frees up licensed beds in facilities.

Finally, by improving access to home-based hospice services for the underserved ethnic (Jewish) minority, Shalom Hospice directly addresses the priorities of the Honolulu subarea council regarding increasing the availability of long-term care services and other supportive services, controlling escalating costs in the senior care industry, increasing access to health care, and improving bed availability. The Proposal will provide supportive services in the home to enable the patient to maintain quality of life during his/her final months. When elected, hospice services save the overall healthcare system significant dollars because it focuses on palliative care as opposed to curative care during the terminal illness journey.

Need and Accessibility

The defined service area for Shalom Hospice is Honolulu County (“Service Area”). Oahu is home to approximately one million residents, which is 70 percent of the State’s total population. Hospice services are designed to meet the end-of-life needs of terminally ill patients and their families. Accordingly, it is necessary to not only evaluate population and census counts but also resident deaths by county, particularly those in the Service Area. During the past five years, deaths in Honolulu County have increased from 8,161 annually to 9,229 (CY 2022). Like population, deaths in Honolulu County represent 70 percent of deaths statewide.

The specific target population for Shalom Hospice is the Jewish population and their families who reside within the Service Area. This is a religious minority subset of the overall Service Area population and deaths as identified above. The 2021 Hawaii

Jewish Needs Assessment and other supporting demographic information suggests this population has an older median age than the general population.

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Throughout the State, there are 17 formally recognized Jewish organizations, including 12 synagogues. Of these 17, ten are located on Oahu, including five synagogues and five other organizations as identified below:

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- Chabad of Hawaii
- Congregation Sof Ma'arav
- Temple Emanu-El
- Oahu Jewish Ohana
- Aloha Jewish Chapel
- Hadassah
- Hawaii Jewish Seniors
- Hillel at the University of Hawaii
- Jewish Community Relations Board and Jewish Community Services.

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The three largest of these synagogues (Chabad of Hawaii, Congregation Sof Ma'arav and Temple Emanu-El) collectively have nearly 6,000 persons with whom they communicate via email, approximately 1,800 on a mailing list and approximately 1,000 members (households). Rabbis and others representing these synagogues confirm there are currently 8,000 to 10,000 Jewish persons in Hawaii, with 70 to 80 percent residing on Oahu. This translates to between 6,000 and 8,000 Jews residing in the Service Area.

Jewish Community Services of Hawaii (JCS), the largest of the above organizations, has an estimated 7,100 constituents. Organizations represented on the JCS Board include persons affiliated with Aloha Jewish Chapel, Arthur Murray Fund, Congregation Sof Ma'arav, Hadassah, Hawaii Jewish Seniors, O'ahu Jewish 'Ohana, Sisterhood of Temple Emanu-El and the Temple Emanu-El.

Representatives of most of these synagogues and organizations have identified a void in end-of-life hospice services for Jewish persons residing on Oahu and have confirmed the unmet end-of-life hospice needs of Hawaii's Jewish population. This void represents an underserved religious minority that does not have appropriate hospice services available to meet its specific needs. This is the identified and quantified target population of Shalom Hospice.

The methodologies used to estimate area wide need and demand are a blend of both quantitative and qualitative approaches. After it was contacted by Jewish leadership on Oahu about the lack of appropriate end-of-life hospice services for their congregants, Shalom Hospice undertook a detailed analysis of Hawaii's Jewish community. Shalom Hospice considered the following resources:

- Hawaii Jewish Community, a November 2020 Community Mapping Report prepared by I. Robert Hehmad on behalf of Jewish Community Services

- Hawaii Jewish Needs Assessment, 2021, jointly sponsored by The Harry and Jeanette Weinberg Foundation and Jewish Community Services, and funded by the Foundation
- American Jewish Yearbook, Ira M. Sheskin, Director Jewish Demography Project
- Hawaii Jewish History, Jewish Virtual Library
- The Secret Jewish History of Hawaii, Forward.com
- Interviews with a wide range of Jewish leadership including Rabbis, officials and/or congregants of each of the synagogues, affiliates of the social/religious organizations, business persons and political affiliates.

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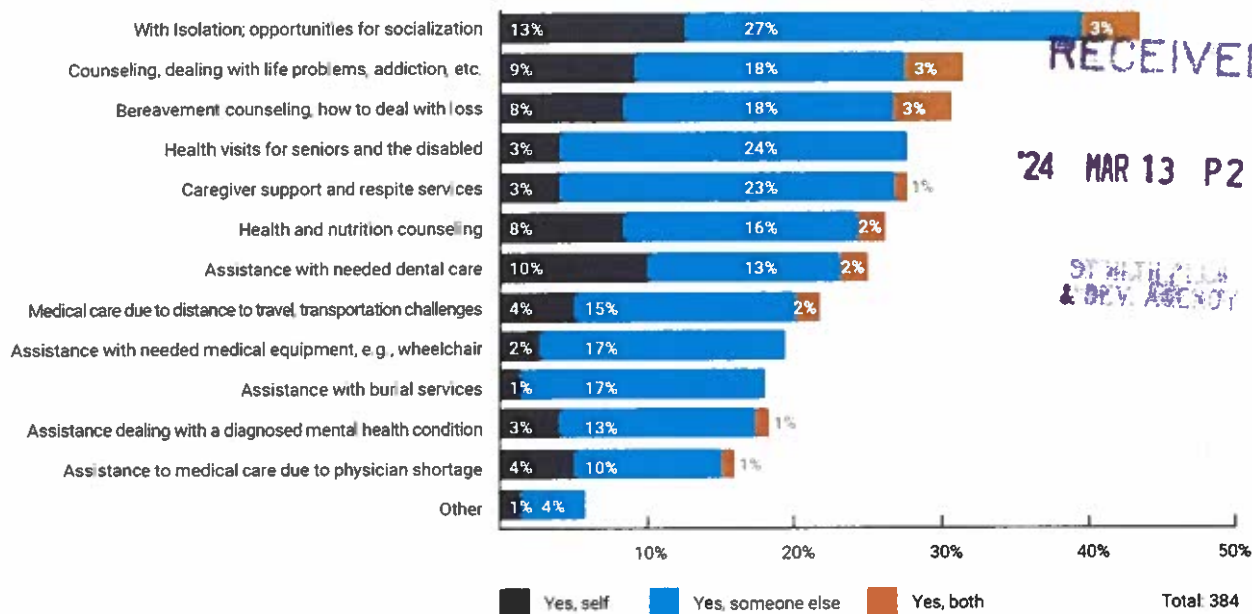
It also engaged in comprehensive discussions with Jewish leadership throughout the State, primarily on Oahu. Through these efforts, Shalom Hospice has confirmed the underserved status of Hawaii's Jewish population. Shalom Hospice is optimally positioned to establish hospice services that directly address this deficit, which is the only remedy that could fully satisfy the need that exists.

The Hawaii Jewish Community November 2020 report identified the 17 religious and social organizations in Hawaii with ten of them being on Oahu, as noted above. This report included detailed interviews of representatives from each of these organizations. The questions covered a wide range of topics, including quantification of membership, affiliates or constituents, known member priorities, and organizational partners. Special programs and services were also identified by interviewees, including a special fund for burial of indigent Jews. This Community Mapping Report is provided in **Attachment #7**.

The 2021 Hawaii Jewish Needs Assessment (the "2021 HJNA") highlighted the unmet needs of the Jewish population. All four Hawaiian Islands and their Jewish organizations and associations are represented in the 2021 HJNA. The findings in the report are heavily weighted by older adults, as 76 percent of survey respondents were over the age of 55, and over half of survey respondents (56 percent) were over the age of 65. This significant share of older adult respondents is important context when considering the top community needs identified by the survey. Since the elderly comprise the large majority of hospice eligible prospects and the Jewish population tends to be older (with a higher median age compared to the non-Jewish population), it supports the conclusion that there is unmet need for culturally and religiously sensitive hospice services among terminally ill Jewish persons in the Service Area.

The 2021 HJNA focused on four groupings or topical areas, with the most relevant to hospice services being "Physical and Mental Health." The responses in this category are shown in the graph below, in terms of the percentage of survey respondents who had a need for this type of service or assistance in recent years.

PHYSICAL AND MENTAL HEALTH



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The hospice services that will be offered by Shalom Hospice will directly address 8 of the 12 categories, which relate to physical and mental health issues prevalent in Hawaii’s Jewish community:

- Counseling, dealing with life problems, addiction, etc.
- Bereavement counseling, how to deal with loss
- Health visits for seniors and the disabled
- Caregiver support and respite services
- Medical care due to distance to travel, transportation challenges
- Assistance with needed medical equipment
- Assistance with burial services
- Assistance to medical care due to physician shortage

Other findings in the 2021 HJNA confirm that the need on Oahu largely mirrors the needs among the Jewish community statewide. Further, it shows that the greater concentration of available resources on Oahu does not translate to there being less need on Oahu. Of the top seven identified needs across all islands, only transportation needs are reportedly better met on Oahu, perhaps due to the wider reach of public transportation. Given the fact that respondents were largely older adults, the above findings that pertain to physical and mental health issues are particularly meaningful to this CON Application. The 2021 HJNA is included in **Attachment #8**.

Shalom Hospice's community linkage plan began in 2022 through engagement with Jewish leadership throughout the island of Oahu to confirm the above studies, identify the underserved Jewish population and refine the policies, procedures, and operational plans required to meet the unique end-of-life needs of Oahu’s Jewish population. This extensive pre-licensure engagement with area organizations, referral sources and spiritual leaders of the Jewish faith is a testament to the role Shalom Hospice is committed to playing within the Service Area.

It is also the foundation of the Applicant's community linkage plan on a going forward basis. Engagement has included meetings with Rabbis, religious affiliated organizations, temple representatives, public figures, and business leaders, all of whom are supportive of a Jewish hospice agency. These conversations were all factored into the original need evaluation for the Proposal and Shalom Hospice has continued these conversations into 2024, including after SHPDA's denial of its prior request for administrative review. The frank and ongoing discussions have shown Shalom Hospice that, regardless of their claims, the existing hospice providers (1) do not have the knowledge base to offer specialty Jewish hospice services, and (2) are not meaningfully prioritizing learning such skills to offer them to Hawaii's Jewish community with the urgency that this segment of the population deserves.

Interviews with various constituents throughout Oahu provide further insight into the Mapping Report, 2021 HJNA, and other anecdotal information relative to Oahu's unmet need for home-based hospice services. The below remarks summarize the common sentiments expressed in the many letters Shalom Hospice has received from local clergy, Jewish organizations, physicians and others which attest to the unmet need for Jewish hospice services.

- Hawaii's Jewish population is comprised of a high proportion of seniors. Many have expressed concern about death and dying. As this segment of the population continues to age, the need for spiritually and culturally sensitive end-of-life care will only increase.
- There is currently a barrier for Jewish residents when it comes to accessing appropriate Jewish hospice services. The support, comfort, and solace offered by traditional Jewish death and dying rituals, which anchors Jewish patients to their faith, is not available on Oahu.
- Existing hospice organizations are neither experienced in Jewish traditions nor culturally sensitive to the needs of Jewish patients and families. This is not a function of their professionalism, but simply a reflection of the fact that they don't operate in accordance with Jewish values or traditions. Accordingly, the capacity to which they can cater wholly to Jewish patients and families is limited.
- If a Jewish hospice program were established on Oahu, Jewish leaders expect there to be substantial referrals of Jewish community members and friends to Shalom Hospice, including Chabad of Hawaii and Chevra Kadisha. This would not impact other providers but would instead enhance hospice utilization amongst the overall population given the uniqueness of the Proposal.
- It is upsetting and unsettling for patients to be approached by representatives from other religious backgrounds with respect to end-of-life passage rites. Unfortunately, this is something that occurs for Jewish patients in Hawaii because of the limited culturally appropriate hospice services available.

- Oahu's Jewish leadership has identified Shalom Hospice as an organization capable of meeting the end-of-life needs of Oahu's Jewish population, based on Shalom Hospice's proven ability to engage with Oahu's Jewish community and deep understanding of the unique requirements of Oahu's Jewish population.
- Shalom Hospice would fill a great void and dire need for Oahu's Jewish community, since it is run by people familiar with the Jewish culture of comforting the dying and the Jewish way of death.

The feedback from Oahu's Jewish community articulated herein confirms that, while there are five hospices serving Oahu, none are proficient in the customs and special requirements expected by Jewish patients as part of a complete end-of-life care plan. This creates significant programmatic and cultural access barriers to appropriate hospice care for the Jews on Oahu. There is clearly a desperate need on Oahu for a hospice provider who has the skills and know-how required to accommodate the specific observances, practices and beliefs of Jewish persons, and Shalom Hospice confirms that it is well-equipped to fill this void.

It is this defined need to which Shalom Hospice is responding. When one considers that there are between 6,000 and 8,000 Jewish persons residing on Oahu, and they are disproportionately older, the conclusion that there is a need for a specialized hospice to mitigate the hospice underservice for Jewish persons is evident.

The distribution of the Jewish population skews considerably towards older adults compared to the age distribution of the general population of Oahu. Oahu residents 65 and older are estimated to be 19 percent of its total population, while Oahu's Jewish senior population is estimated to exceed that distribution by more than 10 points (estimated at between 30 and 33 percent of total Jewish population). Applying the death rate to the Oahu Jewish population results in a current estimate of between 90 and 110 deaths annually.

Future year estimates based on anticipated population growth and aging increase this range up to 120 to 130. In addition to serving Oahu's Jewish population, Shalom Hospice anticipates that it will also serve non-Jewish persons residing in Jewish households, individuals who seek a specific religious focus in their final months of life, and others diagnosed as terminally ill with six months or left to live regardless of their religious affiliation (i.e., including all demographics, the elderly, low-income persons, racial and ethnic minorities, women, persons with disabilities, and other underserved groups). Based on the quantified deaths, applying an appropriate penetration rate and considering additional non-Jewish patients as noted, Shalom Hospice forecasts the following annual admissions, patient days and average daily census:

Utilization Factor	First Year of Operation	Second Year of Operation
Admissions	44	131
Patient Days	3,285	9,855
Average Daily Census	9	27

In keeping with providing a home-based service and avoiding institutionalization for its patients, Shalom Hospice will seek to minimize the higher levels of care through its service intensity model of care promoting almost daily encounters with patients and families to avoid unanticipated crises. These 'touches' result in less utilization of inpatient and continuous care, the most costly of hospice programs. The following table presents the anticipated levels of hospice care for each of the first two years of operation.

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Level of Care	First Year of Operation		Second Year of Operation	
	Days	Percent	Days	Percent
Routine	3,196	97.3%	9,589	97.3%
General Inpatient	66	2.0%	197	2.0%
Respite Care	10	0.3%	30	0.3%
Continuous Care	13	0.4%	39	0.4%
Total	3,285	100.0%	9,855	100.0%

Nearly 98 percent of patient days will be in the patient's home (routine and continuous care). Shalom Hospice will provide only the highest quality services to Jewish patients, their families, and others on Oahu.

All of the religious, spiritual and lay leadership interviewed by Shalom Hospice (in the course of evaluating demand, supply and hospice underservice on Oahu among the Jewish population) were familiar with other hospices on the island. However, their experience was universal: none of these existing hospices have specialty programming available for the Jewish population, resulting in an underservice in end-of-life care to the Jewish religious minority. Accordingly, Shalom Hospice expects these hospices to continue to serve their respective referral sources, patients and communities. The approval of Shalom Hospice will fill an unmet need in the Jewish community, and, therefore, will have no negative impact on Oahu's existing hospice providers.

In terms of accessibility, there is currently no Jewish hospice agency in the City & County of Honolulu. As indicated by the many letters of support for this project, the Jewish community has not been well served by the existing hospice agencies in that they are not currently equipped to provide personalized care within the framework of Jewish law and ritual. Furthermore, the existing hospice agencies have not made any legitimate efforts to gain the necessary skills or form critical partnerships to address this need—despite publicly claiming they would devote resources to doing so. This creates a significant cultural barrier to end-of-life hospice services for the Jewish population.

Shalom Hospice will provide Jewish hospice care to Jewish patients in a manner that recognizes Jewish heritage, history and traditions. Shalom Hospice is Jewish owned and operated. Thus, by its very nature, it is in tune with the cultural sensitivities and religious beliefs required to serve this special population. Specifically, Shalom Hospice and its affiliates are led by Mr. Samuel Stern. Mr. Stern is an Orthodox Jew and schooled in the associated teachings. In fact, Mr. Stern – the face of the Shalom Hospice program -- has a degree in Talmudic Law. He is intimately familiar with the

needs, rituals, practices and traditions of Judaism and will work alongside the Shalom Hospice team to effectively meet the needs of its Hawaii patients and their families.

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Shalom Hospice's plan to serve the special population in the Service Area calls for the development of specific measures to meet the special needs of Oahu's Jewish population. Such programming, explained in more detail below, will focus on providing recognition and support for holocaust survivors, addressing pain control measures, providing life sustaining measures in accordance with religious observances, coordinating with and having available support from local Rabbis for spiritual care, guidance and consultation, and coordinating with Jewish Community Services and its partners to ensure patient plans of care include recognition of Kosher diet requirements of patients.

Shalom Hospice's Plan to Address the Service Area's Unmet Need

First, Shalom Hospice's National Institute for Jewish Hospice (NIJH) accreditation provides staff training on the cultural beliefs and sensitivities so that the hospice provider can better serve the Jewish terminally ill. For Shalom Hospice, NIJH accreditation is more than just a box to check—rather, it is an indication of the values and practices that permeate throughout all levels of its organization. Mr. Stern and the rest of the company's officers (Financial, Compliance, Palliative, etc.) have received training and accreditation by NIJH as has its other Shalom affiliate (**Attachment #9**). Furthermore, Affinity Care's triage team, on-call nurses and compliance team have all received NIJH training and accreditation as part of the home office to enable each of them to be responsive to any patient throughout the Affinity network, including Shalom Hospice once operational.

Shalom Hospice will also ascribe to Chayim Aruchim. Chayim Aruchim – The Center for Culturally Sensitive Health Advocacy and Counseling, a project of Agudath Israel of America, was created in 2010 to help the Jewish community make end of life health care decisions according to their religious beliefs. The mission of Chayim Aruchim is to help members of the Jewish community make end-of-life health care decisions in keeping with their religious beliefs and according to halacha. With a team of halachic authorities, legal experts, medical, patient and pastoral care professionals and high-level government policy advocates, Chayim Aruchim endeavors to serve as a vital resource in championing, promoting and ensuring the implementation of preferences of Torah observant patients' care decisions in compliance with halacha. Specific areas covered by Chayim Aruchim include the use and purpose of pain medications, nutrition, hydration and medication protocols and do not resuscitate or intubate orders. Shalom Hospice will incorporate the Halacha Medical Directive, a copy of which is supplied in **Attachment #12**.

Second, Shalom Hospice will employ a rabbi to serve as a chaplain on the hospice team. Of note, while Shalom Hospice will place an emphasis on serving the Jewish people, it will not refuse or deny care to non-Jewish patients that seek services from Shalom Hospice. Furthermore, if a non-Jewish patient of Shalom Hospice wishes to be visited by a chaplain of any other faith or denomination, Shalom Hospice will take necessary steps to fulfill the request.

Third, Shalom Hospice will work with Jewish Community Services (JCS), local rabbis and other organizations to sponsor quarterly community education events and workshops at JCS and congregations regarding the benefits of hospice services, including an explanation of the hospice benefit available under Medicare, the interdisciplinary team approach to care for patients in hospice, and the ways in which hospice can meet the physical, emotional, and spiritual needs of the Jewish patient and their family at the end-of-life.

Fourth, Shalom Hospice's plan is to have a Jewish services coordinator (liaison) on its staff available to respond to the needs of Jewish patients, and to be available to respond to any requests from JCS and any other Jewish community organization for assistance and evaluation of patients, including but not limited to providing 24/7 triage coverage, arranging physical visits to assess hospice eligibility of patients and admission regardless of ability to pay (charity patients), and answer questions concerning the availability of palliative care programs for Jewish patients that are in need of support but who do not presently meet the requirements for admission to hospice care.

Fifth, Shalom Hospice will develop a bereavement program specifically designed to address the needs of Jewish patients, families, caregivers and others in need of grief support regardless of whether they are associated with hospice services.

Sixth, the Applicant will work with Rendever, its Virtual Reality designer, to create a special virtual reality platform for the Jewish population that honors the history and plight of the Jewish experience and provides "travel" to religiously significant sites and experiences throughout the world. All patients at Shalom Hospice will be assessed during the intake process and throughout their care by the care team for the benefits of the Virtual Reality Program. VR goggles are provided by Rendever as well as the tablets for the staff to guide experiences. An estimated 95 percent of Shalom Hospice affiliated hospice patients have utilized virtual reality.

As it relates to the Jewish hospice patient, Rendever and Shalom Hospice's affiliate – Affinity Health – have developed a Jewish hospice virtual reality experience for its Shalom affiliate in Tennessee and other affiliates. Shalom Hospice and Rendever have signed an MOU for Rendever to make this platform available to Jewish residents in the City & County of Honolulu who wish to utilize the platform. The unique virtual reality platform for the Jewish population honors the history and plight of the Jewish experience and provides "travel" to religiously significant sites and experiences throughout the world. More details on what the Jewish virtual reality experience will entail is provided in the Memorandum of Understanding with Rendever in **Attachment #6**.

Given Shalom Hospice's plan to serve the Jewish population as delineated above (and its assurances that it will provide hospice services to all patients clinically appropriate for end-of-life care, regardless of their ability to pay), the Applicant has demonstrated it will enhance accessibility for the target population.

Quality of Service/Care

Without approval of the Proposal, persons of Jewish faith will continue to lack access to adequate end-of-life hospice services in the comfort of their own home. This is clear given the lack of progress in this area among existing hospice agencies since SHPDA's February decision. Shalom Hospice's community linkages, community education platforms, and collaboration with social organizations, religious organizations and others who serve the needs of the Jewish population will undoubtedly elevate hospice utilization amongst Jewish patients and their families and, most importantly, do it efficiently so that Jewish patients will not have to wait an agonizing amount of time for access to such services.

The detailed plan to elevate the quality of care available to the Jewish population includes, among other things, maintaining NIJH accreditation, ascribing to Chayim Aruchim, employment of rabbis as appropriate spiritual leaders, employment of a Jewish services coordinator (liaison), collaboration with Jewish Community Services, establishment of a Jewish bereavement program, and creation of a Jewish virtual reality program.

Shalom Hospice will also be CHAP accredited. Hospice care is an important option for end-of-life care. Shalom Hospice will employ an interdisciplinary team approach to mirror the success of the interdisciplinary team approach used by Affinity Care Hospice affiliates. Shalom Hospice will develop and maintain a Quality Assurance Performance Improvement (QAPI) Plan similar to the ones in place at its affiliates (see **Attachment #10** for the proposed QAPI Plan).

Shalom Hospice's affiliates which have been licensed and certified in the past few years consistently receive deficiency free licensure surveys and deficiency free CHAP accreditation/certification surveys. This is evidence of an organization focused on quality care and achieving the highest standards of measurement.

In terms of quality metrics, Medicare provides an objective measure to assess quality of hospice operations. The collection of the data was temporarily halted during the COVID pandemic but the Centers for Medicare and Medicaid Services (CMS) has restarted collecting and publishing this information. Shalom Hospice's operational affiliates demonstrate excellent quality metrics using the HIS Quality Measures. This is presented below and in the table on page 21.

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Measure Analysis
Affiliate Enterprise Experience vs State and National Benchmarks

Measure:	Affiliate Enterprise	MultiState	National
Comprehensive Assessment at Admission	100.0%	98.02%	97.95%
Treatment Preferences	100.0%	99.92%	99.93%
Beliefs/Values Addressed	100.0%	99.47%	99.56%
Pain Screening	100.0%	99.49%	99.48%
Pain Assessment	100.0%	99.22%	99.07%
Dyspnea Screening	100.0%	99.72%	99.64%
Dyspnea Treatment	100.0%	99.36%	99.34%
Patients Treated with an Opioid who are Given a Bowel Regimen ¹	100.0%	99.23%	99.39%

Source: SHP Enterprise reporting, January 1, 2023 through November 30, 2023

Note: Green indicates exceeds state and national benchmarks.

In all categories, Shalom Hospice's affiliates score 100%. This exceeds the state averages in the states in which it operates as well as national averages.

Each of the Affiliates rolled up in the above scores would have to also achieve 100% across the entire company to have a roll up percent of 100%. Notably, this is not just one or two hospices and one or two states, but rather many hospices across many states. It also includes the Shalom Hospice of Middle Tennessee hospice agency. The individual scores by individual hospice agency¹ are presented on the following page. In conclusion, Shalom Hospice and its affiliates have excellent metrics as measured by Centers for Medicare and Medicaid Services (CMS) Hospice Item Set. Shalom Hospice will bring this same meaningful, cost effective, quality care to the Jewish population of Oahu.

¹ Some of the scores include multiple branch offices, each with 100 percent scores, with the statewide average being presented in the table on C-8. Individual scores for each agency are included in Attachment #11.

HQRP Process Measure Analysis
 Affiliate Experience, January 2023 through November 2023

Measure:	Shalom		Continuum		Continuum		Continuum		Ohio		Ohio		Affinity		Affinity		Affinity		Continuum		Continuum	
	Tennessee	Broward	Miami	Sarasota	Indiana	Maine	Missouri	Brick	Affinity NJ	Parsippany	West	Monroe	Falls	Oklahoma	PA	VA	Snohomish	King				
Comprehensive Assessment at Admission	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Treatment Preferences	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Beliefs/Values Addressed	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Pain Screening	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Pain Assessment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Dyspnea Screening	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Dyspnea Treatment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Patients Treated with an Opioid who are Given a Bowel Regimen	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: SHP Enterprise reporting, January 1, 2023 through November 30, 2023
 Note: Green indicates exceed state and national benchmarks.

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Shalom Hospice staffs its operations to enable a service intense mode of care. This for the most part assures its patients can remain in their home to avoid institutionalization, which is consistent with the SAC priorities. Shalom Hospice's staffing ratios (based on a per average daily census) are included in the operating budget and are as follows:

- Registered Nurse 1 for every 10 patients
- Home Health Aides 1 for every 10 patients
- Social Workers 1 for every 25 patients
- Rabbis 1 for every 25 patients
- Music Therapists 1 for every 50 patients
- Volunteer Coordinator 1 for every 100 patients, will employ 1 at a minimum

From a Medicare Condition of Participation (COP) perspective, there are no minimum staffing guidelines. However, through experience, Shalom Hospice has developed staffing metrics which meet the needs of its patients, permitting maintenance of their routine level of care, and avoiding unnecessary crisis care. These ratios have a positive effect on quality of care and cost effectiveness as they avoid more costly care.

Cost and Finances

The start-up costs for the proposed hospice to serve the Jewish population residing on the island of Oahu are \$645,400. These costs are minimal as there are no hard or soft construction costs. Shalom Hospice expects to employ sufficient staff to provide the services as proposed and meet the staffing ratios presented above.

Shalom Hospice anticipates the majority (97.3 percent) of all its patient days will be routine. By providing hospice services in a routine setting (home, assisted living or long-term facility), Shalom Hospice will be minimizing the Medicare costs to the overall system. It will also enable earlier discharge from an acute care bed as Shalom Hospice will have the resources (personnel, equipment – DME, supplies and other ancillary items) to care for the patient in their own residence.

Based on the anticipated utilization as presented above, the following table shows the projected revenues and expenses for Shalom Hospice's first three years of operation:

STATEMENT OF REVENUE AND EXPENSES

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	YEAR 1	YEAR 2 24 MAR 13	YEAR 3 P2 51
<u>Patient Service Revenue</u>			
Hospice Services			
Gross Patient Services Revenue	\$849,626	\$2,548,878	\$4,436,935
<u>Deduction from Patient Services Revenue</u>			
Contractual Adjustments	-\$29,737	-\$89,211	-\$155,293
Charity Care	-\$25,489	-\$76,466	-\$133,108
Allowance for Uncollectibles	-\$15,888	-\$47,664	-\$82,971
Total Deductions	-\$71,114	-\$213,341	-\$371,371
Net Patient Services Revenue	\$778,512	\$2,335,537	\$4,065,564
Other Operating Revenue	\$0	\$0	\$0
Total Operating Revenue	\$778,512	\$2,335,537	\$4,065,564
<u>Operating Expenses</u>			
Salaries and Wages	\$811,248	\$1,181,687	\$1,664,426
Expenses	\$601,027	\$1,114,611	\$1,666,881
Depreciation	\$7,253	\$7,253	\$7,253
Interest	\$0	\$0	\$0
Total Expenses	<u>\$1,419,528</u>	<u>\$2,303,551</u>	<u>\$3,338,560</u>
Net Income (Loss) from Operations	-\$641,016	\$31,985	\$727,003
Add: Depreciation	\$7,253	\$7,253	\$7,253
Interest	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Funds from Operations	-\$633,762	\$39,239	\$734,257

Implementation of this program will be through private funds provided by Shalom Hospice, meaning there will be no impact on any other community endeavor. Furthermore, as identified by numerous constituents including spiritual leadership, business leadership, religious leadership and others, there is a vast need for a Jewish hospice on Oahu as Jewish persons are underserved with respect to end-of-life care. The fact these persons are underserved indicates that approval of Shalom Hospice will not negatively impact any existing provider – or the healthcare system – and in fact, will benefit the healthcare system by enabling discharge of these patients to their home to receive home with lower cost, but still appropriate and high-quality services.

Relationship to the Existing Health Care System

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Shalom Hospice will fill an identified and confirmed gap in the healthcare system. It will serve Jewish patients taking into consideration customs, rituals and traditions appropriate in Jewish end-of-life care. No such programs currently exist in Hawaii, and specifically on the island of Oahu. While general hospice services are available, there are no such programs specifically designed for this identified religious minority group.

Shalom Hospice will improve the access to hospice services for the Jewish population by filling the gap which has been demonstrated. Shalom Hospice understands the unique requirements of the Jewish population related to end-of-life rituals, traditions and customs and will implement specific initiatives to meet the special need of Jewish people during the provision of end-of-life care.

For Jewish patients and their families, Shalom Hospice will provide personalized care within the framework of Jewish law and ritual. For example, a central feature of the Jewish ritual for the dying is recitation of Vidui, the Confessional Prayer Before Death. Shalom Hospice, in a very sensitive manner, encourages saying Vidui to give the dying person the chance to confess sins and ask for forgiveness. Shalom Hospice will assist the dying and the family by taking religious and spiritual needs into account. Shalom Hospice will also provide the associated Jewish centered bereavement services which is an identified gap in the community.

Shalom Hospice's Jewish focused programming will be supplemented with other unique programs to meet the special needs of the Jewish population. Shalom Hospice will sponsor a virtual reality program, which is an innovative way to bring a larger world to people who've found themselves limited to a room, or just a bed. The investment in this type of technology to bring comfort and support to its Jewish patients in end-of-life care will be significant and meaningful. Bereaved families will also be able to participate in these activities.

Shalom Hospice will also implement a service intense model of care that helps to avoid unwanted hospital re-admissions for patients. The service intense hospice model provides the patient with the opportunity to have a comfortable and peaceful passing right where they are, in their place of residence. This will not only improve the availability of hospice services but, through this model of care, avoid unnecessary hospitalization, allowing hospital beds to be better utilized for acute medical/surgical patients.

Shalom Hospice will work with Jewish organizations to sponsor community education events and workshops. It will engage with physicians and various residential and health care facilities, such as assisted living facilities, nursing homes and hospitals, to share its mission and vision for Jewish end-of-life hospice care. It will also work with the various synagogues and rabbinical and lay leaders of these organizations to educate the community of the Medicare hospice benefit and explain the way in which such benefit

can be accessed and utilized without contravention of Jewish rituals, traditions and customs.

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Through establishing meaningful community linkages and promoting hospice services focused on Hawaii's Jewish patients, Shalom Hospice will improve and enhance access to end-of-life hospice services throughout the island of Oahu among the Jewish population.

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Because Shalom Hospice will focus on serving the Jewish population, which is currently underserved, its operations will have no negative impact on the existing hospice providers as they will continue to serve their existing clientele. However, for those Jewish patients who are currently utilizing costlier types of care, Shalom Hospice will provide an overall economic and utilization benefit to the healthcare system through admission of the Jewish terminally ill patients to the Shalom Hospice service.

Availability of Resources

Shalom Hospice has sufficient resources to implement the proposed hospice to meet the underserved needs of the Jewish residents on the island of Oahu. Rabbi Samuel Honigwachs, Trustee and Mr. Samuel Stern, Managing Member, both provided a funding commitment letter (**Attachment #5**). Shalom Hospice is confident it will successfully recruit qualified personnel to staff its operations. It will recruit and develop a staff consistent with its operations, including recruitment of Rabbis to provide the spiritual component of hospice, recruitment of a Jewish services coordinator to be a liaison with the County's Jewish organizations and community, and recruitment of appropriate clinical staff experienced to provide end-of-life care.

In addition to traditional methods, recruitment will rely upon the community linkages being established, including referrals from those constituents who have provided information on the gaps in services. Shalom Hospice will also assure that all its staff undergo the NIJH training and accreditation program, gain a thorough understanding of the Chayim Aruchim principles and will likewise encourage its staff to seek certification in hospice and palliative care, as appropriate. Through implementation of these techniques, Shalom Hospice will be focused on providing quality hospice services consistent with its experience elsewhere as demonstrated in this CON Application.