

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

JOSH GREEN, M.D. GOVERNOR OF HAWAI'I KE KIA'ÁINA O KA MOKU'ÁINA 'O HAWAI'I

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December 3, 2025

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

IN THE MATTER OF)))	CERTIFICATE OF NEED APPLICATION NO. 25-09
Malama Maikaʻi Health and Wellness Alliance, LLC)	
Applicant)))	DECISION ON THE MERITS

DECISION ON THE MERITS

The State Health Planning and Development Agency (hereinafter "Agency"), having taken into consideration all of the records pertaining to Certificate of Need Application No. 25-09 on file with the Agency, including the written and oral testimony and exhibits submitted by the applicant and other affected persons, and the recommendation of the Oahuwide Certificate of Need Review Committee, the Agency hereby makes its Decision on the Merits, including findings of fact, conclusions of law, order, and written notice on Certificate of Need Application No. 25-09. Where appropriate, Findings of Fact shall operate as Findings of Fact. As many of the criteria for Certificate of Need are interrelated, each of the criteria and subheadings within the Findings of Fact shall be deemed to incorporate and include all other Findings of Fact to the extent relevant.

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FINDINGS OF FACT

- 1. This is an application for a Certificate of Need ("Cert.") for the establishment of home health agency services at 1100 Alakea Street, Suite 1710, Honolulu, HI, at a capital cost of \$247,500.
- 2. The applicant, Malama Maika'i Health and Wellness Alliance, LLC, is a limited liability corporation.

- 3. The Agency administers the State of Hawaii's Certificate Program, pursuant to Chapter 323D, Hawaii Revised Statutes (HRS), and Title 11, Chapter 186, Hawaii Administrative Rules (HAR).
- 4. On July 30, 2025, the applicant filed with the Agency, a Certificate of Need application for the for the establishment of home health agency services at 1100 Alakea Street, Suite 1710, Honolulu, HI, at a capital cost of \$247,500 (the "Proposal"). On August 22, 2025 the Agency determined the application to be incomplete. On August 29, 2025 and September 17, 2025, the applicant submitted revisions/additional information. On October 15, 2025, the application was determined to be complete. For administrative purposes, the Agency designated the application as Cert. #25-09.
- 5. The period for Agency review of the application commenced on November 5, 2025, the day notice was provided to the public pursuant to HAR 11-186-39.
- 6. The application was reviewed by the Oahuwide Certificate of Need Review Committee at a public meeting on November 12, 2025. The Committee voted 5 to 1, in favor of recommending approval of the application.
- 7. The Certificate of Need Review Panel and Statewide Health Coordinating Council reviews of the application were waived pursuant to Section 323D-44.6 HRS.
- 8. This application was reviewed in accordance with Section 11-186-15(a), HAR.
- 9. Section 323D-43(b), HRS states:
 - "(b) No certificate of need shall be issued unless the state agency has determined that:
 - (1) There is a public need for the facility or service; and
 - (2) The cost of the facility or service will not be unreasonable in the light of the benefits it will provide and its impact on health care costs."
- 10. Burden of proof. Section 11-186-42, HAR, provides:

"The applicant for a certificate of need shall have the burden of proof, including the burden of producing evidence and the burden of persuasion. The degree or quantum of proof shall be a preponderance of the evidence."

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FINDINGS OF FACT CERTIFICATE OF NEED CRITERIA

A. <u>REGARDING THE RELATION OF THE PROPOSAL TO THE STATE HEALTH</u> <u>SERVICES AND FACILITIES PLAN CRITERIA</u>

- 11. The applicant states¹ that "Our goal is to strengthen Hawaii's healthcare system by improving access to high-quality, cost-effective care for the state's most vulnerable populations. Home health care plays a critical role in reducing overall healthcare costs while supporting patient outcomes by delivering skilled nursing, therapy services, and chronic disease management directly in the home instead of a hospital which can be more expensive."
- 12. The applicant states that "Our agency is committed to supporting the state of Hawaii by improving overall health outcomes through education, promotion, and prevention initiatives. Our goal is to empower patients and families with culturally relevant health education to help manage chronic conditions, understand medications, and recognize early warning signs to prevent hospitalizations. We will promote preventive care practices such as regular screenings, vaccinations, fall prevention, and healthy lifestyle habits including nutrition and physical activity. By delivering skilled nursing and therapy services in the home, we aim to prevent complications, reduce ER visits, and minimize injury risks through home safety assessments and caregiver support."
- 13. The applicant states that "We aim to address workforce shortages in Hawaii's health care sector by implementing a comprehensive strategy focused on recruitment, training, and retention of qualified professionals, particularly in senior care. Our approach includes partnering with local schools and workforce development programs to create career pathways in home health care, offering competitive wages and flexible schedules to attract talent, and providing ongoing professional development to ensure high quality care. We also focus on building a strong workplace culture that values caregivers and encourages long-term employment. By investing in our care team and creating opportunities for advancement, we're working to stabilize the workforce and ensure consistent, compassionate care for Hawaii's aging population."

¹ For clarity, when the Agency quotes statements from the applicant or 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.

- 14. The applicant states "Our home health care company is committed to supporting the West O'ahu community by increasing access to quality in-home medical care and actively engaging with local organizations to improve health outcomes. By participating in neighborhood board meetings, collaborating with local schools, providers, and businesses, we aim to raise awareness and open dialogue about pressing health issues affecting West O'ahu residents. Additionally, we will work to build strategic partnerships with institutions such as the University of Hawai'i-West O'ahu, Leeward Community College, community associations, and other focal points to coordinate health initiatives, share resources, and expand access to care."
- 15. The applicant states that "Our services will play a critical role in improving hospital bed availability across Windward O'ahu by providing timely and coordinated post-acute care in the home setting. Many patients-especially seniors and those with chronic conditions-often remain in the hospital longer than necessary simply because safe discharge options are limited. Our agency will help bridge this gap by offering skilled nursing, physical therapy, wound care, and disease management services that allow patients to safely recover at home. By supporting early discharge planning and ensuring continuity of care outside the hospital, we reduce avoidable extended stays and readmissions. This, in turn, opens up hospital beds for patients with acute or emergency needs."
- 16. The Agency finds that the Proposal meets the relationship to the state health services and facilities plan criteria.

B. REGARDING THE NEED AND ACCESSIBILITY CRITERIA

- 17. The applicant states "Oahu's healthcare landscape is strained by increasing demand for in-home skilled services and a shortage of available providers, especially in rural and coastal communities. The project addresses three critical shortfalls:
 - Rural and underserved areas Regions such as Waianae, Waimanalo, and the North Shore lacks adequate home health resources, leading to delayed care or unmet needs.
 - Post-acute care transitions Patients discharged from The Queen's Medical Center and other major hospitals often face delays in initiating home health services, increasing the risk of rehospitalization.
 - Chronic disease support Hawaii's high prevalence of conditions such as heart disease, diabetes, and COPD necessitates regular in-home nursing, therapy, and monitoring-services our agency is prepared to deliver."
- 18. The applicant states that "Hawaii currently has over 290,000 Medicare beneficiaries, accounting for nearly 20% of the state's population, many of whom

qualify for home health services under Medicare guidelines. With the state's senior population projected to reach 1 in 4 residents by 2030, the demand for timely, in-home skilled care will continue to grow."

- 19. The applicant states that "Malama Maika'i Health and Wellness Alliance is committed to serving all eligible Medicare beneficiaries on Oahu, including those in medically underserved areas."
- 20. The Agency finds that the need and accessibility criteria have been met.

C. <u>REGARDING QUALITY AND LICENSURE CRITERIA</u>

- 21. The applicant states that "To ensure high-quality care delivery, our home health agency will implement a comprehensive Quality Assurance and Performance Improvement (QAPI) program. This includes regular chart audits, inhome supervisory visits, and ongoing performance evaluations for all clinical staff. We will track key performance indicators such as hospital readmissions, infection rates, and patient satisfaction. Staff will receive structured onboarding, annual competency checks, and continuing education based on observed needs. Patient feedback will be actively collected through satisfaction surveys, with all complaints logged, investigated, and resolved within 72 hours. We will maintain coordinated care plans updated every 60 days and communicate regularly with physicians. Our HIPAA-compliant EHR system will help track visit completion, monitor care trends, and ensure documentation accuracy. Through consistent monitoring, transparent reporting, and data-driven improvements, we are committed to delivering safe, effective, and compassionate care across all services."
- 22. The applicant states that "The agency will enroll as a Medicare provider by:
 - Submitting a complete CMS-855A application.
 - Meeting all Conditions of Participation under 42 CFR Part 484, including patient rights, clinical documentation, emergency preparedness, and quality assessment.
 - Passing a pre-certification survey conducted by the Hawaii DOH or a CMSapproved accrediting body (e.g., CHAP, ACHC, The Joint Commission).
 - Participating in Medicare's Home Health Value-Based Purchasing (HHVBP) and HHCAHPS patient satisfaction programs."
- 23. The applicant states that "The agency will secure and maintain licensure through the Hawaii Department of Health under HAR §11-97-3. Compliance includes:
 - Timely license renewal every two years, with submission of necessary documentation and fees.

- Operation under a site-specific, non-transferable license that reflects the agency's scope of services and service area."
- 24. The Agency finds that the quality and licensure criteria have been met.

D. <u>REGARDING THE COST AND FINANCIAL CRITERIA</u>

- 25. The applicant states that "Our services are designed to prevent costly hospital readmissions, reduce emergency room visits, and support better chronic disease management in the home. These proactive interventions help reduce avoidable acute care utilization, which in turn lowers overall system costs. Our approach is value-driven: offering better coordination, more consistent follow-through, and increased accessibility, especially for underserved and hard-to-reach communities."
- 26. The applicant projects total operating revenue of \$549,000 and total expenses of \$282,305 for Year 1 of the proposed project and total operating revenue of \$571,109.20 and total expenses of \$313,785.24 for Year 3 of the proposed project.
- 27. The Agency finds that the cost and financial criteria have been met.

E. <u>REGARDING THE RELATIONSHIP OF THE PROPOSAL TO THE EXISTING HEALTH CARE SYSTEM OF THE AREA CRITERIA</u>

- 28. The applicant states that "To maximize system efficiency, we will engage in coordinated efforts with healthcare and community partners:
 - Hospital partnerships Establishing referral protocols with The Queen's Medical Center and other hospitals to ensure seamless post-discharge transitions.
 - Coordination with hospice and palliative care providers Ensuring that
 patients with terminal illnesses are appropriately transitioned when curative
 care is no longer indicated.
 - Community-based integration Collaborating with Kupuna Care, ADRCs, and state waiver programs to identify and serve high-need patients.
 - Workforce development- Providing training and clinical rotation opportunities in partnership with local nursing and allied health education programs to bolster Hawaii's healthcare pipeline."

- 29. The applicant states that "The applicant states "Oahu's healthcare landscape is strained by increasing demand for in-home skilled services and a shortage of available providers, especially in rural and coastal communities. The project addresses three critical shortfalls:
 - Rural and underserved areas Regions such as Waianae, Waimanalo, and the North Shore lacks adequate home health resources, leading to delayed care or unmet needs.
 - **Post-acute care transitions** Patients discharged from The Queen's Medical Center and other major hospitals often face delays in initiating home health services, increasing the risk of rehospitalization.
 - Chronic disease support Hawaii's high prevalence of conditions such as heart disease, diabetes, and COPD necessitates regular in-home nursing, therapy, and monitoring-services our agency is prepared to deliver."
- 30. The Agency finds that the relationship to the existing healthcare system of the area criteria have been met.

F. REGARDING THE AVAILABILTY OF RESOURCES CRITERIA

- 31. The applicant states that "Startup capital and operating reserves have been fully secured as of January 20, 2024. Funding sources include:
 - Personal equity and private investment from founding members
 - No reliance on public grants or loans"
- 32. The applicant states that "A comprehensive staffing plan has been developed in accordance with HAR Chapter 11-97 and Medicare Conditions of Participation (CoPs)."
- 33. The Agency finds that the availability of resources criteria have been met.

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CONCLUSIONS OF LAW

Having taken into consideration all of the records pertaining to Certificate of Need Application No. 25-09 on file with the Agency, including the written and oral testimony and exhibits submitted by the applicant and other affected persons, the recommendation of the Oahuwide Certificate of Need Review Committee and based upon the findings of fact contained herein, the Agency concludes as follows:

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The applicant has met the requisite burden of proof and has shown by a preponderance of the evidence that the Proposal meets the criteria established in Section 11-186-15(a), HAR.

Accordingly, the Agency hereby determines that, pursuant to Chapter 323D-43(b), HRS:

- (1) There is a public need for this service; and
- (2) The cost of the service will not be unreasonable in light of the benefits it will provide and its impact on health care costs.

<u>ORDER</u>

Pursuant to the findings of fact and conclusions of law contained herein, IT IS HEREBY DECIDED AND ORDERED THAT:

The State Health Planning and Development Agency hereby APPROVES and ISSUES a Certificate of Need to Malama Maika'i Health and Wellness Alliance, LLC for the Proposal described in Certificate of Need application No. 25-09. The maximum capital expenditure allowed under this approval is \$247,500.

WRITTEN NOTICE

Please read carefully the written notice below. It contains material that may affect the Decision on the Merits. The written notice is required by Section 11-186-70 of the Agency's Certificate of Need Program rules.

The decision on the merits is not a final decision of the Agency when it is filed. Any person may request a public hearing for reconsideration of the decision pursuant to Section 11-186-82 HAR. The decision shall become final if no person makes a timely request for a public hearing for reconsideration of the decision. If there is a timely request for a public hearing for reconsideration of the decision and after the Agency's final action on the reconsideration, the decision shall become final.

(Note, pursuant to Chapter 323D-47, Hawaii Revised Statutes, a request for reconsideration shall be received by the Agency within ten working days of the state agency decision.)

DATED: December 3, 2025 Honolulu, Hawaii

HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

HN C. (JACK) LEWIN, M.D.

Administrator