

HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY
1177 Alakea Street, Suite 402 • Honolulu, HI 96813 • Phone: (808) 587-0788 • www.shpda.org
Hawaii County Subarea Health Planning Council

DRAFT

Meeting Minutes

Tuesday, November 18, 2025

1:30 PM | Hawaii Time

Virtually via Zoom and Physical Meeting Location at
 The Keoni Ana Building, 1177 Alakea Street, Suite 402

MEMBERS: Tamia McKeague, Stacy Haumea, Amy Feeley-Autin, Allen Novak, Sanoe Kauhane, Roxanne Rowe,
 MEMBERS ABSENT: Evelyn Kaneshiro, Hannah Preston-Pita
 GUESTS: Jamie Cameros
 SHPDA: Jack Lewin, Terry Visperas, Jonas Yee

ATTENDANCE RECORD OF APPOINTED MEMBERS

Date	11/12/2024	12/17/2024	2/18/2025	3/18/2025	4/18/2025	7/15/2025	09/16/2025	10/21/2025	11/18/2025
Tamia McKeague*	X	X	X	X	X	X	X	X	X
Stacy Haumea**	O	0	0	X	0	X	X	X	X
Evelyn Kaneshiro	O	0	0	0	0	0	0	0	0
Hannah Preston-Pita	X	X	X	X	0	X	X	X	0
Roxanne Rowe	-	X	X	X	X	X	X	0	X
Allen Novak	-	-	-	-	-	X	0	X	X
Sanoe Kauhane	-	-	-	-	-	X	0	0	X

Hawaii County Subarea Health Planning Council
 Minutes of November 18, 2025
 Page 2 of 4

Amy Feeley-Austin	-	-	-	-	-	-	X	X	X
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Legend: X=Present; O=Absent /=No Meeting *-Chair, **-Vice Chair

Meeting Recording:

https://www.zoomgov.com/rec/share/7QbGrA47t7McvbjCFrwKaxamw7JLCKX20Pom0k5svwG0e1jolwXj_WMOz08GDCw2.Z5IVLrSdBgMcK4uj

Passcode: S*\$0EnCS

TOPIC	DISCUSSION	ACTION
Call to Order	The meeting was called to order at 1:36 p.m. with T. McKeague, Chair, HCSAC presiding.	
Roll Call	Member and staff roll call.	
Meeting Minutes	Chair called for approving September 16, 2025, Motion: Stacy Haumea Second: Amy Feeley-Austin Unanimous Approval. Chair called for approving October 21, 2025 Motion: Allen Novak Second: Stacy Haumea Unanimous Approval Public – No public comments	
Administrator’s Report	The Administrator’s Report was posted online at our SHPDA website.	
State Health Planning and Development Agency (SHPDA) Updates	J. Lewin, Administrator, SHPDA provided an administrative report, focusing on legislative updates and SHPDA activities. <ul style="list-style-type: none"> • AHEAD Grant Update: <ul style="list-style-type: none"> • Project moving forward; \$12 million over 5 years • Rural Health Transformation Program: <ul style="list-style-type: none"> • Stated the Governor is seeking up to \$180 million/year for Rural Health Transformation for the next 5 years. Informed the council that the Governor designated SHPDA's sub-area advisory 	

<p>Guest Speaker: HCSAC Member, Amy Feeley-Austin, West Hawaii Regional Chief Operations Officer Kona Community Hospital and Kohala Hospital</p>	<p>councils (this group) to have a much bigger role in providing community feedback on how the Rural Health Transformation dollars are spent. Asked the council to provide names of people who could be helpful in this expanded role.</p> <ul style="list-style-type: none">• Funding could be used to prepare for AHEAD, preserving AHEAD grant dollars. Emphasized that SHIPDA will help administer funds to achieve full interoperability among healthcare providers, including rural and neighbor island facilities, by providing/upgrading Electronic Health Records (EHR).• Mentioned the potential for Wi-Fi access and creating a quality-of-care hub.• Discussed a proposal to extend primary care into the home for <i>kupuna</i> (not covered by traditional Medicare). <ul style="list-style-type: none">• Staffing Updates:<ul style="list-style-type: none">• Introduced Jonas Yee, HI-AHEAD Project Manager• Another AHEAD grant position will be starting possibly in December.• Presented a comprehensive report on hospital and healthcare services in West Hawaii.• Shared updates on rebranding and strategic planning, major construction/renovation projects, ongoing staffing challenges, and regional achievements.• Discussed the successful conversion to EPIC for electronic health records, improvement in STAR ratings, and partnership with Queens for workforce support.	
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	<ul style="list-style-type: none"> • Highlighted key initiatives: adolescent behavioral health development, new oncology facilities, addition of aeromedical services, and plans for inpatient dialysis. • Emphasized collaboration for future services and a regional foundation for continued project funding. • WHR Revitalization 2022 2038 PowerPoint Presentation attached. 	
<p>Next Meeting/Agenda Items Adjournment</p>	<p>Next HCSAC Meeting scheduled for Tuesday, December 16, 2025, at 1:30PM. The meeting was adjourned at 2:30 p.m.</p>	

AMY FEELEY-AUSTIN COO

WHR revitalization

2022-2038



HHSC is the “Safety Net” for Neighbor Island acute care.

This means that HHSC facilities provide services to all regardless of whether an individual has health insurance or the ability to pay for the health care service they receive.

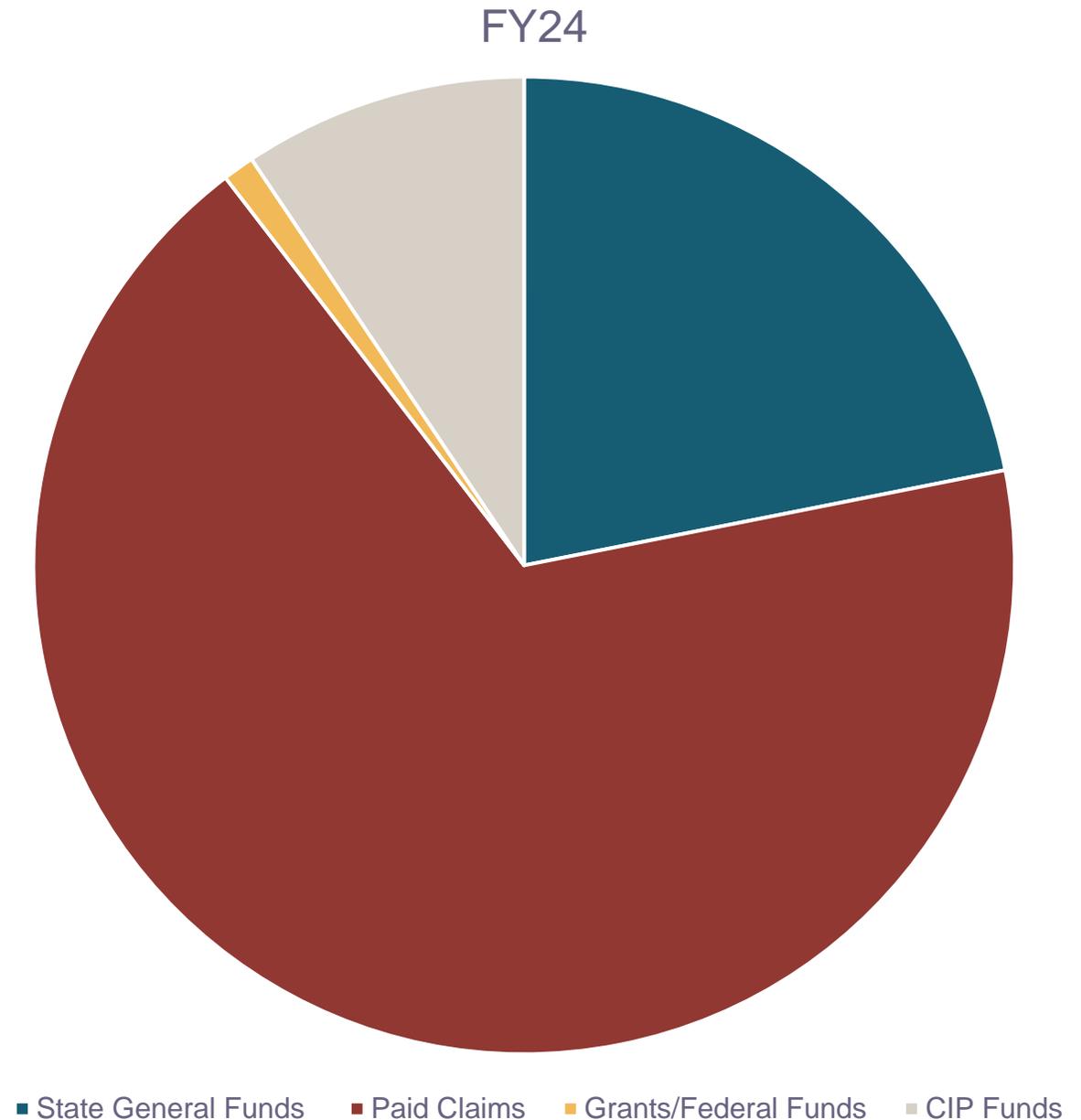
- Origins of KCH as a state facility began pre-statehood when sugar and pineapple plantations, responsible for providing medical care to their employees, wound down operations. **Aging rural facilities were turned over to counties.**
- **In 1965, the county public hospitals officially became a state responsibility by legislative mandate.** Later, the state began the transition from county management to state control.
- In 1996, the legislature formally created HHSC. DOH transferred liabilities and assets to the new corporation board of directors.
- ***It was understood that operation of the HHSC facilities would continue to require state funding support. Most HHSC facilities are located in remote, rural and low-populated areas with insufficient business to support their high costs of operation.***
- The hospital system was internally reorganized into regions in 1998. The premise for regionalization was to provide each of the five regions with shared-services support for its respective facilities.
- Later, the five HHSC regions were allowed to govern themselves with autonomous boards of directors, while maintaining the corporate board.

WHR

Revenue Sources in FY24 equaled 192m annualized; 16m a month

*~18m were earmarked state and federal funds, earmarked for specific use**

*In FY 24, the state CIP allocation was unusually high due to awarded "risk of closure funds"****



Expenses at Kona and Kohala rank as follows:

#1-Salaries and wages

#2-Agency and Professional Fees

#3- Overhead, (equipment, contracts, supplies etc.)

- *Because HHSC is a public agency, its employees receive the same benefit rights and privileges of employees in other state agencies*
- *Benefits in other agencies are covered directly by the state- HHSC hospitals are required to "pay back" **a fringe rate of 63% (and rising) which is more than 2x the average fringe rate for health systems ****
- *Staffing is a challenge on rural islands- the use of agency staff is costly and unavoidable*
- **Leadership is actively working to reduce this through multiple strategies** and is engaged in statewide efforts to improve the pipeline of qualified staff

Challenges in FY26

- West Hawaii Region is navigating increasing operational costs driven by labor shortages, inflation in medical supplies and pharmaceuticals, and a heightened reliance on contract physician services.
- Recruiting and retaining permanent medical staff remains challenging, especially in rural areas.
- Changes to Medicare and Medicaid could cost WHR tens of millions of dollars in FY26.
- Other concerns that could have a negative impact on our HHSC facilities include:
 - Changes to the 340B drug discount pricing program
 - Changes to telehealth policy
 - Proposed Laws pushing "site neutrality,"
 - Unfunded federal mandates such as "price transparency requirements"
 - Reduction in insured Medicaid population increasing uncompensated ED visits

Major Direction

- Strategy:
 - Improved Quality
 - Strategic Partnerships
- Areas of Focus
 - OP Services
 - Workforce
 - Adjusting to changes at the federal level (i.e.: Medicaid Changes)



Planning for Our Future



KCH HAS A STRATEGIC ROLE IN
COMMUNITY HEALTH

We aim to be a highly engaged, collaborative partner *working with its community to transform our healthcare ecosystem.*



Big Wins

- EPIC
- Improved Stars rating by 1 star in 2025
- Needs and site assessment/plans for future of W Hawaii
- Rebranding/media efforts
- ~50m in state and philanthropic funds for W Hawaii over just 4 years driving major infrastructural projects and service line improvements
- Drive towards regionalization
- Shared provider workforce agreement
- Added on-site aeromedical services
- Added Dialysis

Physical Site Improvements

Pharmacy Expansion

Oncology Suites

Wastewater

Electrical Systems

Imaging Expansion

Building Envelope

Parking

New Beds/Gurneys

Helipad

Adolescent BH

Emergency Rooms

Lab

Waiting outside OR/ICU

Café

Kohala CT

Kohala Admin

Microgrid

Connection of outbuildings to generator

Farm

SPD

INPATIENT

Adolescent BH

- Today, there is no IP Adolescent BH for youth on Hawaii Island.
- Annually there are ~90 transfers to IP care on Oahu
- Kona has held kids waiting for beds in Oahu, in the Kona ED for as much as 21 days
- Featuring clinical best practices from western medicine and the support of technological advancements that meet the needs of rural Hawai'i Island, the program folds in indigenous for emotional, spiritual, and communal restoration.
- Our goal is to create a sustainable model that addressed the unmet community need for adequate adolescent behavioral health services and reduces disparities.
- Our addition of 5 adolescent beds raises statewide capacity by nearly 18%

WHR

The Concept

WHR's development of the Kua o Kanaeue farm; the land mauka of KCH with great historical and cultural value

Repurpose existing newly built community kitchen

- WHR kitchen extension
- Meals on Wheels/School Meals
- SDOH meals/food basket

Food as Medicine ('ai pono)

- Nutrition Counselling
- Group condition care management
- Food "prescriptions"

Expanded Integrated Clinical Programs

- Community gardens/healing gardens and walking path
- Space for Adolescent Behavioral Health Programming
- Youth mentorship and pathways to employment
- Free education/Retreat space for outside organizations and schools



KCH

Improvements In Oncology



Improvements to Oncology

- Three new FT employed providers in 2025
- Radiation Oncology renovations completed Nov 2025
- New Infusion Center to open January 2026 (double the size)
- Oncology cottage renovation late 2026
- Outpatient dispensing of 340b Oral Oncolytics 2026







WHR

Improvements In Critical Care



Aeromedical

- Existing activation-to-bedside time 3:30
- Now ~20 min
- Added new servicer onsite
 - Crew lives onsite
 - Extends ED/ICU staff
 - Helipad Improvements
 - Work to develop ETA transparency



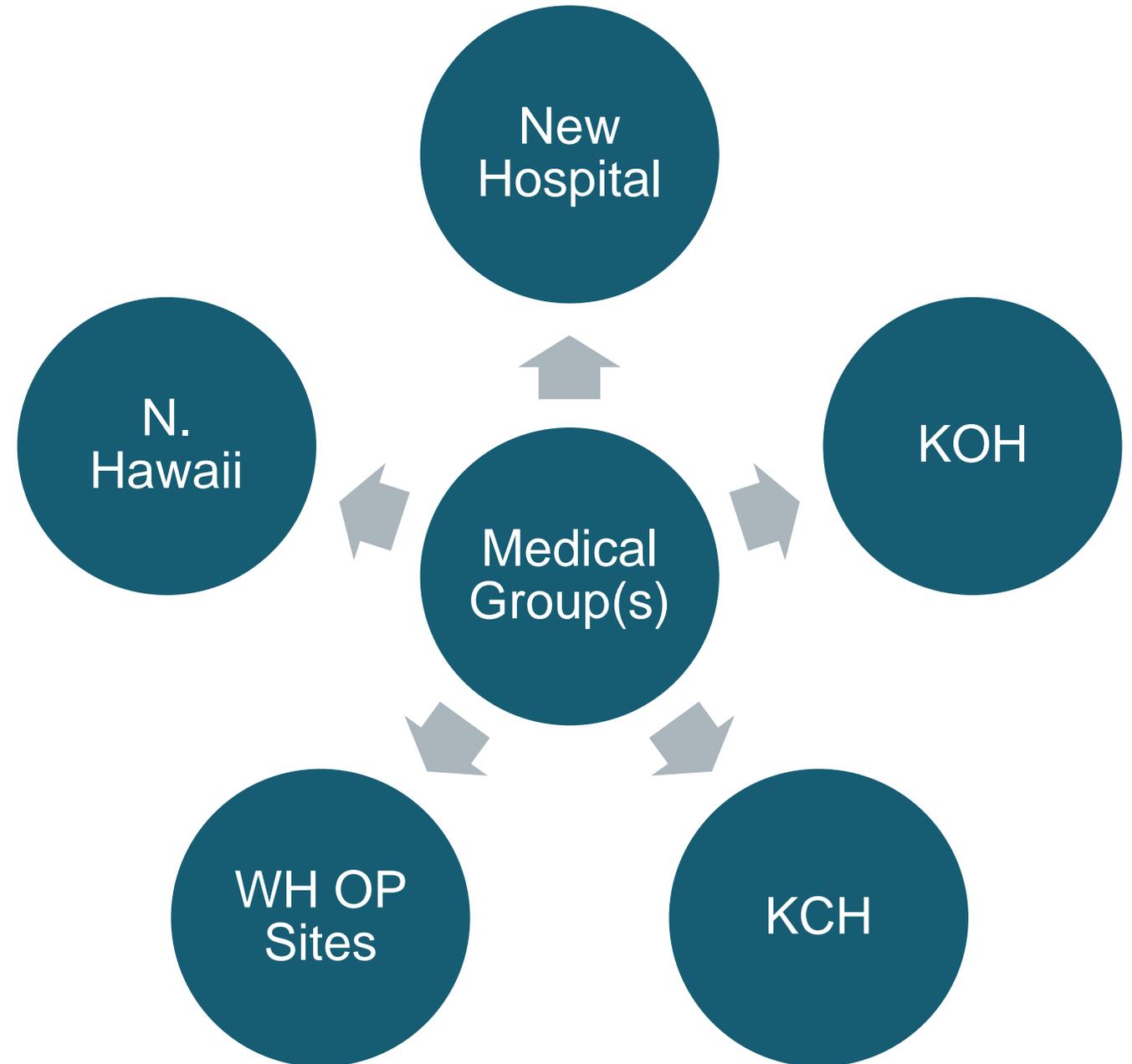
Emergency Department

- 13m for ED improvements from State CIP
- KCH will continue to operate at ED in perpetuity for the south population after new assets spring up in Kona
- Anticipate improved capacity, Pt. Flow



System Design

- Aligns financial and quality goals/incentives
- Reduces redundancy/competition
- Reduces complexity of governance structure
- Reduces administrative burdens
- Improves access and coordination of care, and clinical integration (population health capacity)
- Improved data transparency
- Prepares system for Risk Models with payors
- Prepares system for changes to healthcare landscape (i.e.: introduction of QHS new hospital) allowing the entity to partner fluidly



The Importance of Ali'i

- **Ali'i health center is the 501c3 provider group resource for KCH**
- **It employs providers at a cost that is lower than agency cost, and lower than the cost to HHSC would be were we to employ physicians**
- **It allows KCH to recruit and retain specialists that are in shortage throughout the state**

Specialty	% Rural Counties in US With No Provider	HI State FTE Shortage
Urology	63%	17
Cardiology	86%	40
Anesthesia	45% or higher	33
Ortho	51% or higher	35
Gastro	69% or higher	16
Psych	60%	43
Infectious Disease	80% or higher	24
Plastic Surgery	95%	8

WHRHF

Foundation



- Developed in 2024 to support WHR
- West Hawaii Region Hospital Foundation www.whrhospitalfoundation.org is a registered 501c3 org.
- Funder collateral developed based on strategic priorities and needs for WHR
 - 2 funder site visits since Sept
 - Currently writing for ~5 grants; Planning 25-30 grants/major asks for FY2026 totaling ~18.4m w/ support from HK
- Developing a philanthropic plan w/support from EL
 - Looking for assistance from Board/Providers

Mahalo!

