

LEGISLATIVE FEDERAL ECONOMIC STIMULUS PROGRAM OVERSIGHT COMMISSION
ACT 150, SESSION LAWS OF HAWAII 2009

DEPARTMENT/AGENCY QUESTIONNAIRE:

Community Health Centers and the Hawai'i Primary Care Association

1. For each group/category or program/project for which ARRA funds have been obtained, please provide the following information:

(a) A brief summary of the program/project, including goals;

Increased Demand for Services (IDS). The purpose of these funds is to stabilize and enhance the capacity of community health centers at a time when more uninsured and underinsured people are seeking their services and fewer public and private resources are available to support this surge. Funds are also aimed at allowing the health centers to maintain or increase clinical, support, and administrative staff related to the capacity initiative.			
County/Entity	Awarded	Expended 6/30/10	Employment Enhancement
Hawai'i County <ul style="list-style-type: none"> • Bay Clinic (Hilo, Kea'au, Pahoa, Ka'ū) • Hāmākua Health Center (Honoka'a, North Kōhala) • West Hawai'i Community Health Center (Kailua, Kona and Kealakekua) 	\$254,278 \$175,263 \$163,502	\$187,512 \$175,263 \$144,434	2.05 FTEs 2.67 FTEs 1.85 FTEs
TOTAL County IDS Funds	\$593,043	\$507,209 (86%)	6.57 FTEs
Maui County <ul style="list-style-type: none"> • Community Clinic of Maui (Wailuku, Lāhaina) • Hāna Health • Lāna'i Community Health Center (aka, Lāna'i Women's Center) • Moloka'i 'Ohana Health Care 	\$217,915 \$119,807 \$101,483 \$118,193	\$127,453 \$12,370 \$58,760 \$26,591	3.00 FTEs 1.20 FTEs 1.20 FTEs 1.50 FTEs
TOTAL County IDS Funds	\$557,398	\$225,174 (40%)	6.90 FTEs
Kaua'i County <ul style="list-style-type: none"> • Ho'ōla Lāhui Hawai'i/Kaua'i CHC (Kapa'a, Waimea) 	\$181,330	\$104,497	1.40 FTEs
TOTAL County IDS Funds	\$181,330	\$104,497 (58%)	1.40 FTEs
Honolulu County <ul style="list-style-type: none"> • Kalihi-Pālana Health Center (Honolulu) • Kōkua Kalihi Valley (Honolulu) • Ko'olauloa Community Health & Wellness Center (Hau'ula, Kahuku) • Wai'anae Coast Comprehensive Health Center (aka, Wai'anae District Comprehensive Health & 	\$343,984 \$210,258 \$149,669	\$333,864 \$131,411 \$144,669	1.16 FTEs 4.75 FTEs 12.00 FTEs

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Hospital Board) (Leeward O'ahu)	\$335,656	\$197,566	5.12 FTEs
• Waikīkī Health Center (Honolulu, Health Care for Homeless across O'ahu)	\$211,619	\$138,465	0.91 FTEs
• Waimānalo Health Center (Waimānalo)	\$141,768	\$85,768	4.53 FTEs
TOTAL County IDS Funds	\$1,392,954	\$1,031,743 (74%)	28.47 FTEs
Total State IDS Funds	\$2,724,725	\$1,868,623 (69%)	43.34 FTEs

Capital Improvement Program Grants (CIP). The purpose of this program is to provide funds to community health centers for building renovation, construction, health information technology, or other capital equipment.

County/Entity	Awarded	Expended 6/30/10	Notes
Hawai'i County			
Bay Clinic (Hilo, Kea'au, Pāhoa, Ka'ū). • Construction of data center. • Renovation of Ka'ū Family Health Center. • New electronic practice management system. • New telephone system.	\$805,415	\$283,308	Delays due primarily to staging of projects, i.e., one part couldn't start until preceding segment was finished. Also, data center plans delayed due to difficulty finding technical expertise.
Hāmākua Health Center (Honoka'a, North Kōhala) • Replace computer network to support new EHR. • Renovations to existing business office, nurses' station, and medical records room.	\$270,480	\$29,251	Plans were to be completed by July 2010 with permits and contracts to follow.
West Hawai'i Community Health Center (Kailua, Kona and Kealahou) • Renovation of Kuakini site to increase exam rooms and efficiency. • HIT enhancement.	\$471,620	\$19,991	0.23 FTE jobs supported.
TOTAL County CIP Funds	\$1,547,515	\$332,550 (21%)	0.23 FTE jobs supported
Maui County			
Community Clinic of Maui (Wailuku, Lāhaina) • Build out of dental operatories in new facility.	\$530,455	\$239	Plans submitted for permits 5/10. Contractor bids

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			solicited 7/10. 4.00 FTE jobs supported.
Hāna Health <ul style="list-style-type: none"> • Development of nutrition center. 	\$311,495	\$1,000	7.00 FTE jobs supported
Lānaʻi Community Health Center (aka, Lānaʻi Women’s Center) <ul style="list-style-type: none"> • Acquire new EHR/PMS System. • Upgrade telephone system. • Renovation of clinic facility. 	\$251,820	\$34,070	County permitting process time-consuming and slow. Technical issues related to Lānaʻi infrastructure slowed other projects. 0.25 FTE jobs supported.
Molokaʻi ‘Ohana Health Care <ul style="list-style-type: none"> • Renovation/retrofit structures to become a modern health care facility. 	\$304,740	\$61,201	Contractor identified 6/10 and notice to proceed 7/10. 2.00 jobs supported
TOTAL County CIP Funds	\$1,398,510	\$96,271 (7%)	13.25 FTE jobs supported.
Kauaʻi County			
Hoʻōla Lāhui Hawaiʻi/Kauaʻi CHC (Kapaʻa, Waimea) <ul style="list-style-type: none"> • New digital dental imaging equipment. • Medical, dental, and pharmacy HIT upgrades. 	\$473,650	\$210,877	2.00 FTE jobs supported.
TOTAL County CIP Funds	\$473,650	\$210,877 (45%)	2.00 FTE jobs supported.
Honolulu County			
Kalihi-Pālama Health Center (Honolulu) <ul style="list-style-type: none"> • Build out pharmacy. • Increase clinical space. • Increase energy efficiencies. 	\$840,590	\$613,243	
Kōkua Kalihi Valley (Honolulu) <ul style="list-style-type: none"> • Expand facility to increase exam rooms. • Expand administrative office space. • Add Children’s Reading Room. • New IT equipment. 	\$586,980	\$310,072	1.78 FTE jobs supported.
Koʻolauloa Community Health & Wellness Center (Hauʻula, Kahuku)	\$392,240	\$20,000	

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<ul style="list-style-type: none"> Renovate space at Hau'ula Shopping Center to add medical and dental exam rooms. 			
<p>Wai'anae Coast Comprehensive Health Center (aka, Wai'anae District Comprehensive Health & Hospital Board) (Leeward O'ahu)</p> <ul style="list-style-type: none"> Build substance abuse treatment center. Upgrade mammography unit. Implement data warehouse system. Institute fax capture workflow automation center. Upgrade HR information system. Upgrade workstation/server maintenance security. 	\$1,195,070	\$272,090	Treatment facility approval pending OK by AG's office. Approved by State Board of Land & Natural Resources 3/10. 1.74 FTE jobs supported.
<p>Waikiki Health Center (Honolulu, Health Care for Homeless)</p> <ul style="list-style-type: none"> Complete upgrade, renovation, and expansion of existing facility. 	\$517,890	\$379,591	Renovations are reported to be completed and funds expended. 1.18 FTE jobs supported.
<p>Waimānalo Health Center (Waimānalo)</p> <ul style="list-style-type: none"> Facility renovation and reconfiguration to increase efficiency and clinical space. HIT upgrades. 	\$365,675	\$174,303	0.55 FTE jobs supported
TOTAL County CIP Funds	\$3,898,445	\$1,769,299 (45%)	5.25 FTE jobs supported
Total State CIP Funds	\$7,318,120	\$2,408,997 (33%)	20.73 FTE jobs supported

Other ARRA Funds	
Award to University of Hawai'i for 5-year intervention project on weight loss maintenance among Native Hawaiians and Pacific Peoples.	Sub-award to Kōkua Kalihi Valley in the amount of \$71,501. \$6,935 disbursed.
Facility Improvement Program for major construction of a community health center facility.	Kōkua Kalihi Valley . \$1.5 million. Not started as of 6/10.
Health information technology implementation network to enhance use of EHRs among community health centers.	Hawai'i Primary Care Association . \$750,000. \$107,915 expended. 1.00 FTE job supported.
TOTAL Other ARRA Funding: \$2,321,501	Disbursed/Expended: \$114,850 (5%)

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Summary of ARRA Funds of All Kinds to Community Health Centers & Hawaii Primary Care Association			
Hawai'i County	Awarded: \$2,140,558	Expended: \$839,759 (39%)	6.80 FTE job supported
Maui County	Awarded: \$1,955,908	Expended: \$321,684 (16%)	20.15 FTE job supported
Kaua'i County	Awarded: \$654,980	Expended: \$315,374 (48%)	3.40 FTE job supported
Honolulu County	Awarded: \$6,862,900	Expended: \$2,806,977 (41%)	34.72 FTE job supported
State Total	Awarded: \$12,364,346	Expended: \$4,391,709 (36%)	65.07 FTE job supported

- (b) Whether funds were appropriated for expenditure by a federal agency, were awarded as a formula/block grant to a State or county agency, or were awarded on a competitive grant basis;

Funds for Increased Demand for Services (IDS) were awarded on a formula basis as follows: \$100,000 base funding for each CHC plus \$6/patient plus \$19/*uninsured* patient, as reported for CY 2008.

Funds for the Capital Improvement Program (CIP) were awarded on a formula basis as follows: \$250,000 base funding for each CHC plus \$35/patient, as reported for CY 2008.

Funds for the Facility Improvement Program (FIP), the University of Hawai'i Weight Intervention Program, and the Health Center Controlled Network (HCCN) or HIT Network Enhancement grant were awarded on a competitive basis.

All of the above funds were from the Department of Health & Human Services. Funds were awarded directly to recipients noted.

- (c) Whether matching funds are required, and, if so:
- (i) Are they available;
 - (ii) Have they been secured;
 - (iii) If they have not been secured, why not; and
 - (iv) Will the State be required to continue that match or provide increased/full funding in the future;

Matching funds were not required.

- (d) If there are additional requirements to receive funds, what are they;

Not applicable.

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- (e) The amount of funds involved and the state/federal fiscal year within which the funds must be expended (e.g. SFY 2009-2010 or FFY 2009-2010);

IDS – Fourteen 2-year awards ending 4/11.

FIP – Fourteen 2-year awards ending 10/11.

CIP – One 2-year grant ending 12/11.

HCCN – One 2-year grant ending 8/11.

- (f) What criteria were used to identify the program/project as a priority and how does the program/project meet them;

The criteria for funds awarded by the HRSA Bureau of Primary Health Care that address community health center operating capacity and capital for facilities and equipment are consistent with the BPHC mission, which is to expand access to primary care for underserved communities.

- (g) Efforts undertaken to coordinate application for funds and administration of the program/project, including expenditure of funds, with other federal, state, and county agencies;

Not applicable. Funds were granted directly to community health centers and the Hawai'i Primary Care Association, independent of other public initiatives.

- (h) The criteria used to select activities for the program/project;

IDS and CIP grants were awarded on a formula basis to existing grantees (see item b above). The FIP grant was a competitive grant to an entity planning to construct a new facility. The HCCN grant was to support the implementation of functional EHR systems at community health centers, which is a high priority for the health centers as well as for the federal government under ARRA and ACA.

- (i) Efforts made to provide public notice and seek public comment/input or, if public comment/input was not sought, why; **Not applicable.**
- (j) Efforts made during the bidding/award process to ensure that it was transparent and that the funds were awarded based on merit and in a prompt, fair, and reasonable manner; **Not applicable.**
- (k) Measures employed to: (1) reduce duplication of efforts, (2) ensure that funds were used for authorized purposes, and (3) prevent cost overruns, fraud, waste, error, and abuse;

Grantees comply with federal ARRA reporting requirements that address 2 and 3 above. In addition, each has its own internal processes and external audits in conformance with A-133 guidelines. Item 1 is not applicable.

- (l) Current status of the program/project, including percentage of awarded funds that have been obtained, percentage of awarded funds encumbered and/or expended, and what part(s) of program/project have been completed; and

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See tables in item 1 above.

- (m) Actual or anticipated economic impact to the State of the program/project, including the number of jobs saved/created and the long-term public benefits of the program/project.

A total of 65.07 jobs were created or preserved for employment related to both operating and capital costs.

Focusing on operating funds (IDS plus the KKV weight loss intervention sub-award and the HPCA grant for HCCN EHR implementation grant), the economic and service expansion benefits are even greater.

- **A total of 44.34 jobs (43.34 for IDS and 1 for HCCN) were created. Using the US Department of Commerce Regional Input-Output Modeling System (RIMS II) the expanded jobs factor shows that more than 68 FTE positions will be supported by the additional funds.**
- **Moreover, the expanded economic factor for investment in ambulatory care in Hawai'i is 1.99; hence the real impact of the \$3.55 million for non-capital ARRA funds to CHCs and HPCA amounts to \$7.1 million.**

Additional public benefits accrued are due to the nature of the positions and services that are being expanded, including 8.71 primary care medical providers, 2.43 more dentists and hygienists, and 4.09 more behavioral health clinicians. These clinicians would have the capacity to serve 25,000 – 30,000 patients, resulting in savings to our health care system of at least \$27 million.¹

2. For other programs/projects, if ARRA funds, such as competitive grants, were available for a program/project but were not sought or were denied, please briefly describe why the funds were not sought or why they were denied.

Not applicable.

3. Please describe:

- (a) Any legal/operational barriers/constraints encountered in the award, receipt, encumbrance, or expenditure of funds, including procurement, late/delayed federal guidance, and reporting requirements;

Delays in projects noted by the grantees included:

¹ Ku, Leighton, Rosenbaum, S., & Shin, P. "Using Primary Care to Bend the Cost Curve: The Potential Impact of Health Center Expansion in Senate Reforms," *The George Washington University School of Public Health and Health Services*, 10/14/2009. The Robert Graham Center used Medical Expenditure Panel Survey data for 2006 to estimate that average savings to the health care system is \$1,093 for every patient served by a community health center.

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- **County permitting and processes for renovation and construction projects were not timely.**
- **High speed communications infrastructure for IT projects on some neighbor islands is lacking.**
- **Positions for certain technical and clinical staff who are in high demand and short supply in Hawai'i are difficult to fill.**

(b) The effect of those barriers/constraints; and

Projects have been delayed but not unreasonably. There is still an expectation that the projects will be completed on time.

(c) If and how they were mitigated.

Obstacles were overcome either by following/negotiating the process successfully, as in the permitting issue, or finding a creative alternative to meet immediate needs if staff or infrastructure were not expected to be available in the immediate timeframe.