House District 39 Attn: Puna Chai - Room 306

THE TWENTY-SIXTH LEGISLATURE HAWAI'I STATE LEGISLATURE

Log No: 108-C

Sanata District 99	APPLICATION	FOR GRANTS & SUBSIDIES	108-C
Senate District 22 Attn: Rodrick Becker - Room 215		F, Hawai'i Revised Statutes	For Legislature's Use Only
Type of Grant or Subsidy Request:			REC'D JAN 2 7 2011
GRANT REQUEST - OPERATING	X	GRANT REQUEST - CAPITAL	SUBSIDY REQUEST
"Grant" means an award of state funds by the lepermit the community to benefit from those action "Subsidy" means an award of state funds by the incurred by the organization or individual in proving "Recipient" means any organization or person in	vities. e legislature, by an viding a service av	appropriation to a recipient specified in the a ailable to some or all members of the public.	
STATE DEPARTMENT OR AGENCY RELATED TO THE	S REQUEST (LEAVE	BLANK IF UNKNOWN):	
STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKN	OWN);		
I. APPLICANT INFORMATION: Legal Name of Requesting Organization or Indiv Wahiawa Genera Dba: Street Address: 128 Lehua Street Mailing Address: Wahiawa, Hawaii 967 3. Type of business entity: X Non-Profit Corporation For Profit Corporation Limited Liability Company Sole Proprietorship/Individual.	l Hospital	2. CONTACT PERSON FOR MATTERS APPLICATION: Name: R. Don Older Title: CEO Phone Number: 621-4211 Fax #: 621-4451 Email: rdolden@a	en rol.com
4. FEDERAL TAX ID#: 5. STATE TAX ID#: 8. STATUS OF SERVICE DESCRIBED IN THIS REQUE New Service (Presently Does not exist)	W-0.00	SPECIFY THE AMOUNT BY SOURCES OF FUN	2,500,000 NDS AVAILABLE
X EXISTING SERVICE (PRESENTLY IN ENTATIVE:		AT THE TIME OF THIS STATE FEDERAL COUNTY PRIVATE/OTHER	REQUEST: \$ 0 \$ 0 \$ 0 \$ 180,000

Application for Grants and Subsidies

If any item is not applicable to the request, the applicant should enter "not applicable".

I. Background and Summary

A brief description of the applicant's background:

Wahiawa General Hospital, a 501(c)3 tax exempt organization has served the healthcare needs of the Central Oahu and North Shore populations since 1944. Currently the hospital is licensed for 59 acute care beds and 103 skilled nursing beds with excellent emergency services supported with state-of-the-art radiology and laboratory services. What began as a basic clinic operation for plantation workers, military personnel and other Central Oahu residents has evolved into a complex general acute care, emergency, OP clinics, Home Health and long-term-care. The hospital serves the needs of a diverse population of adults, seniors, military personnel and tourists. The hospital's emergency room is the nearest fullservice emergency service for residents from Kahuku on the North Shore through Haleiwa, Wahiawa and Mililani—a distance of approximately 30 miles primarily on a two-lane road. In fiscal year 2010, the emergency room treated 17,050 patients in a 7-bed emergency room remodeled in the 1970's for approximately 6,000 patients per year, or 16 patients per day. Based on emergency visits through the 6-months of fiscal year 2011, the hospital is trending towards 18,000 emergency visits, or 49 patients per day. Currently the standard deviation in patients per day is approximately 20 which is larger than the daily average ER visits when the emergency room was last remodeled.

Due to the emergency room having been developed based on 1970's design criteria, the emergency room does not have private treatment rooms, or the necessary space to provide patient privacy and physician/patient work space found in modern emergency rooms. Nevertheless, independent of the space limitations, superb emergency physicians and hospital staff have always provided excellent emergency care for the area residents. The emergency physician group is board certified in emergency medicine and cover Hilo Medical Center, North Hawaii Community Hospital, Castle Medical Center and Wahiawa General Hospital. Emergency services have been growing at a 4% rate for the last decade as a result of population growth and excellent emergency services at the hospital. Approximately 95% of the patients admitted to Wahiawa General Hospital acute care services are first treated in the emergency room. Consequently, emergency services at WGH are critical to the community and to the hospital's being able to provide both emergency and acute services to the community.

In conjunction with the University of Hawaii's John A. Burns School of Medicine, Wahiawa General Hospital sponsors and supports the Family Practice Resident Training program on Oahu via an OP clinic in Mililani and Wahiawa General Hospital. Eighteen Family Practice Residents and approximately 8 FTE JABSOM faculty physicians provide education and training to the Family Practice Residents and the provision of patient services at both the hospital and the Physician Center Mililani (PCM). WGH provides approximately \$2.4 million in annual funding for the Residency program. The PCM OP clinic currently treats 13,000

outpatients per year and 1,000 inpatients at the hospital. Family Practice Residents and the Teaching Faculty are currently admitting and treating over 50% of the hospital's acute admissions in conjunction with the emergency physicians and related hospital emergency support services.

Wahiawa General Hospital is a major employer in the area with approximately 550 full time and part time employees and approximately 400 FTE's working on a weekly basis. The combination of annual employee payroll and professional fees paid to physicians of over \$32 million is reinvested many times over in the community and the State. Approximately 65% of the WGH employees live in Kahuku, Haleiwa, Waialua, Wahiawa, and Mililani. Physicians providing services at WGH live in many areas of Oahu, including Kailua, Honolulu, Central Oahu and the North Shore.

2. Goals and objectives related to request

Wahiawa General Hospital critically needs to renovate and expand its emergency department to meet demands of the current patient case load, provide enclosed treatment rooms for patient care, provide a patient/visitor waiting room with sufficient space, provide a registration area that meets patient confidentiality needs, provide storage space for supplies and equipment, provide adequate bathrooms, provide staff with a lounge area and to generally meet the needs of modern regulatory requirements. The current emergency room space is significantly too small: curtains are used to separate patients, private/confidential discussions with patients cannot occur, department staff do not have rest areas, bathrooms are too small and limited, the admitting and triage area are inadequate and staff have to be careful to not bump their heads on storage cabinets when treating patients—in general, the emergency room is outdated by 30 years.

- a. The proposed renovation is planned in three phases. Phase I is a small interim expansion and Phase II is a major expansion that provides a modern based space plan. It is believed that a Certificate of Need will be required for Phase II but not for Phase I and the C.O.N. applications will be submitted in the near future. It should be noted that most hospitals on Oahu have expanded their emergency rooms over the last ten years. Copies of the architect's drawings and cost estimates are attached as Exhibit I.
 - Phase I: A minor renovation that adds an expanded waiting room, an enhanced staff work area, two new bath rooms, new furniture and an expanded storage area with a total estimated cost of \$340,000. This phase includes the renovation of 339 square feet of existing space and an expansion of 495 new square feet. The women's auxiliary group of the hospital has donated approximately \$180,000 for this portion of the project and the additional \$160,000 is being requested from GIA CIP funding. The hospital desires to start and complete this phase within 12 months from obtaining the necessary funding commitments.

There will not be a disruption of existing emergency services during Phases I, Phase II or Phase III.

Phase II: Is a major expansion and renovation at an estimated additional cost of \$5,239,000. This phase includes a renovation of 2,472 square feet in the existing ER and development of new work space of 3,162 square feet. Fifteen treatment rooms will be developed along with supporting space for a waiting room, separate patient and ambulance entrances, a new clean room, plus an isolation room and other critical space. Phase II will require fund raising by the Wahiawa Hospital Foundation and GIA CIP support funding from the State of Hawaii. The start date for Phase II will be deferred until sufficient funding is developed from charitable contributions and State funding as necessary. Also, Phase II will be developed while emergency services are being provided in the existing space and the new space created by Phase I. Phase II includes the construction aspects of the renovation only.

 Phase III: Includes transitioning all emergency services to the new space created during development and construction aspects of Phase II. The costs related to Phase III will primarily be operational costs and not require any significant capital costs.

3. State the public purpose and need to be served:

The public purpose of this grant request is to assure the continued provision of Emergency Services to residents of Central Oahu and The North Shore in a modern emergency room equipped with appropriate equipment, excellent emergency physicians and emergency hospital staff. The existing facility is old and inadequate to meet community needs for emergency services and has been for over a decade. Continued development in the area and increased emergency visits are stressing the existing facility's capacity to meet community needs.

Describe the target population to be served

The overall population served by Wahiawa General Hospital is approximately 110,000 residents of the Central Oahu and North Shore area. These areas include the communities of Kahuku, Wajalua, Haleiwa, Wahiawa and Mililani with some overlap into Wajpahu and Kunia, plus, over two million tourists annually. The number of people from this area that use Wahiawa General Hospital's emergency services equates to approximately 55,000 to 60,000 based on normal emergency visits per 1,000 residents in the population, or over a 50% market penetration. The Kaiser population should be excluded from Wahiawa Hospital's market potential as well as most of the military personnel and their dependents. However, both Kaiser Members and military affiliated personnel frequently use the emergency services. Without considering Kaiser Members and the Military personnel, the market penetration of Wahiawa General Hospital is a much larger percentage. All North Shore and Central Oahu community members will benefit from the project. A new modern emergency room will provide better access to emergency care in the area and improve access due to the expanded services available. The small existing emergency room at the hospital is over taxed due to having been designed for a smaller population. An expanded emergency room will also reduce the number of times the hospital has to go on divert due to overcrowding.

5. Describe the geographic coverage (Covered in item 4 above)

II. Service Summary and Outcomes

Wahiawa General Hospital will contract with licensed architect and construction firms to finalize the design construction and construction management of the project. The planning study in Exhibit I was developed by Architects of Hawaii who have extensive experience in design and development of emergency services in Hawaii.

III. Financial

Budget

Phase I: planned for fiscal year 2011-2012.

Phase II: the estimated start date in fiscal year 2013-2114 is contingent upon the Wahiawa Hospital Foundation's ability to raise the necessary funds.

	Fiscal Year 2011-2012
Phase I	
Construction Cost	\$320,100
Furniture	20,000
	\$340,1 00
Source of Funding	
Hospital Auxiliary	\$180,100
State GIA CIP (2011-2012)	160,000
	\$340,100
Phase II	Fiscal Year 2013-2014
Construction Cost	\$4,338,600
Equipment and Furniture	900,000
	\$5,238,600
Hospital Foundation Fund Raising	\$2,738,600
State GIA CIP (2013-2014)	2,500,000
	\$5,238,600

IV. Experience and Capability

A. Necessary Skills and Experience

Wahiawa General Hospital will contract with licensed architect and construction firms to finalize the design construction and construction management of the project. The planning study in Exhibit I was developed by Architects of Hawaii who have extensive experience in design and development of emergency services in Hawaii.

B. Facilities

Wahiawa General Hospital is a 59-bed general acute care hospital with emergency services. The Hospital has been in operation since 1944. The Hospital meets ADA requirements.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training Wahiawa General Hospital's Emergency Services are staffed by Board Certified Physicians, Registered Nurses, Certified Nurse Assistants and clerical personnel per State Licensing requirements for hospitals. The existing staffing currently providing

services will continue to do so after the remodel and renovation is completed.

B. Organization Chart

Wahiawa General Hospital's Emergency Room is run as a department of the hospital. The ER Manager reports to the Director of Nursing and the Emergency Physicians, who are independent contractors, report to the hospital CEO and through the Organized Medical Staff to the Board of Directors of the hospital. An organizational chart is provided as Exhibit III.

VI. Other

A. Litigation

Wahiawa General Hospital is involved in litigation concerning the original Koa Ridge Project which was being pursued by the Wahiawa Hospital Association, the Parent Company of the Hospital. A project consultant to the Association initiated a claim for unpaid reimbursement related to services provided several years ago. The Hospital and The Association are both named in the litigation and a counter claim has been filed by the Association and the Hospital. The Hospital anticipates a positive outcome.

B. Licensure or Accreditation

Wahiawa General Hospital is licensed by the State of Hawaii and Accredited by The Joint Commission. Copies of the license and accreditation notice are enclosed in Exhibit II.

BUDGET REQUEST BY SOURCE OF FUNDS

(Period: July 1, 2011 to June 30, 2012)

Applicant: Wahiawa General Hospital

	DGET TEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)	
A.	PERSONNEL COST	\$7,				
	1. Salaries					
	2. Payroll Taxes & Assessments					
	3. Fringe Benefits					
	TOTAL PERSONNEL COST					
B.	OTHER CURRENT EXPENSES					
	Airfare, Inter-Island					
	2. Insurance					
	3. Lease/Rental of Equipment					
	Lease/Rental of Space					
	Staff Training					
	6. Supplies					
	7. Telecommunication					
	8. Utilities					
	9.					
	10.					
	11.	NOT APPLICABLE				
	12.					
	13.					
	14.					
	15.					
	16.					
	17.					
	18.					
	19.					
	20.					
	TOTAL OTHER CURRENT EXPENSES					
C.	EQUIPMENT PURCHASES		-			
D.	MOTOR VEHICLE PURCHASES			-		
E.	CAPITAL		-			
	TAL (A+B+C+D+E)		-			
101	(ATDTOTOTE)		Budget Prepare	id Bv		
SOL	JRCES OF FUNDING		addyst repare	w Dy.		
	(a) Total State Funds Requested					
	(b)		Name (please type or print) Date		Date	
	(c)					
	(d)		Signature of Au	thorized Official [Date	
	TAL BUDGET			(please type or pri	776	

BUDGET JUSTIFICATION PERSONNEL – SALARIES AND WAGES

Applicant: Wahiawa General Hospital

Period July 1, 2011 to June 30, 2012

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY	% OF TIME ALLOCATED TO GRANT REQUEST	TOTAL STATE FUNDS REQUESTED (A=B)
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
	NOT APPLICABL	NOT APPLICABLE		\$
				S
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
TOTAL				\$
JUSTIFICATION/COM	MENTS:			

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Wahiawa General Hospital

Period July 1, 2011 to June 30, 2012

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
			\$	
	NOT APPLICABLE		\$	
	NOT APPLICABLE		\$	
			\$	
TOTA	AL .			
JUSTIFICATION/COMMENTS				
JUSTIFICATION/COMMENTS				

VEHICLES	VEHICLE	COST	TOTAL BUDGETED
		\$	
		\$	
NOT APPLICABLE		\$	
		\$	
		\$	
	OT APPLICABLE		OT APPLICABLE \$ \$ \$ \$

BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Applicant: Wahiawa General Hospital

Period: July 1, 2011 to June 30, 2014

TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY 2009- 2010	FY 2010- 2011	FY 2011-2012	FY 2011-2012	FY 2012- 2013	FY 2013 -2014
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION			160,000	2,500,000		2,340,000
EQUIPMENT						
TOTAL	0	0	160,000	2,500,000		2,340,000
JUSTIFICATION/COMMENTS						

DECLARATION STATEMENT APPLICANTS FOR GRANTS AND SUBSIDIES CHAPTER 42F, HAWAI'I REVISED STATUTES

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawai'i Revised Statutes:

- Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
- (2) Comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:

- (1) Is incorporated under the laws of the State; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

For a grant or subsidy used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant or subsidy was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant or subsidy used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Wahiawa General Hospital	
(Typed Name of Individual or Organization)	1 1
	1/27/2011
(Signature)	(Date)
R. Don Olden	Chief Executive Officer
(Typed Name)	(Title)

ATTACHMENT I

WAHIAWA GENERAL HOSPITAL

EMERGENCY DEPARTMENT SPACE PLANNING STUDY

А

EMERGENCY DEPARTMENT SPACE PLANNING STUDY





EMERGENCY DEPARTMENT SPACE PLANNING STUDY

Current

- •17,000 ER visits/ year
- . Seven (7) treatment stations total (4 cubicles).
 - Treatment stations at capacity during peak hours, patients are over capacity
- -Waiting is too small
 - sometimes people wait outside
- ·Lack of privacy
 - sometimes people with minor injuries are treated in waiting room
- •No Triage room
- ·Inadequate staff break area
- *Entry not friendly or welcoming









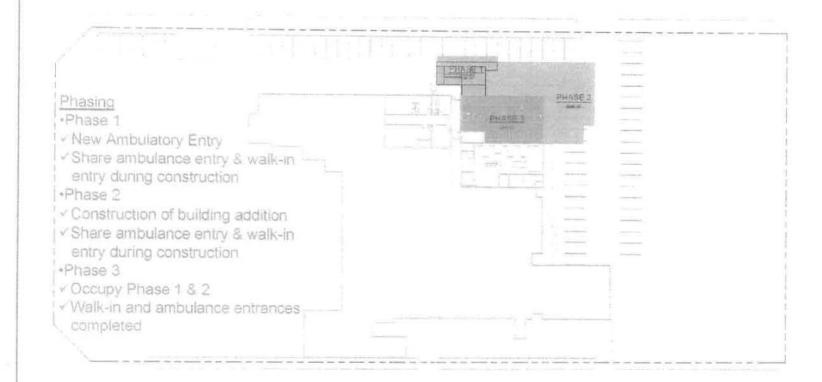
EMERGENCY DEPARTMENT SPACE PLANNING STUDY

Planning Goals

- •Plan for 20,000 patients/ year
- *Double size of Emergency Department
 - plan for 15 rooms
- Separate patient and ambulance entrances
- ·Larger waiting
- ·Staff break room
- Consultation room
- Office space for manager
- More storage
- ·Clean Utility Room
- Observation Room for Psychiatric patients
- Designated OB/Gyn Room
- ·Isolation Room



EMERGENCY DEPARTMENT SPACE PLANNING STUDY









EMERGENCY DEPARTMENT SPACE PLANNING STUDY

Rough Order of Magnitude Construction Cost



EMERGENCY DEPARTMENT SPACE PLANNING STUDY

Upgrade and Expansion

Renovated Area: 2,472 sf

New Area: 3,162 sf Site Work: 3,323 sf

Rough Order of Magnitude

Construction Cost:

\$4,338,600

Estimated Equipment & Furniture Cost: \$900,000

Interim Phase

Renovated Area: 339 sf

New Area: 495 sf

Site Work: 0

Rough Order of Magnitude

Construction Cost:

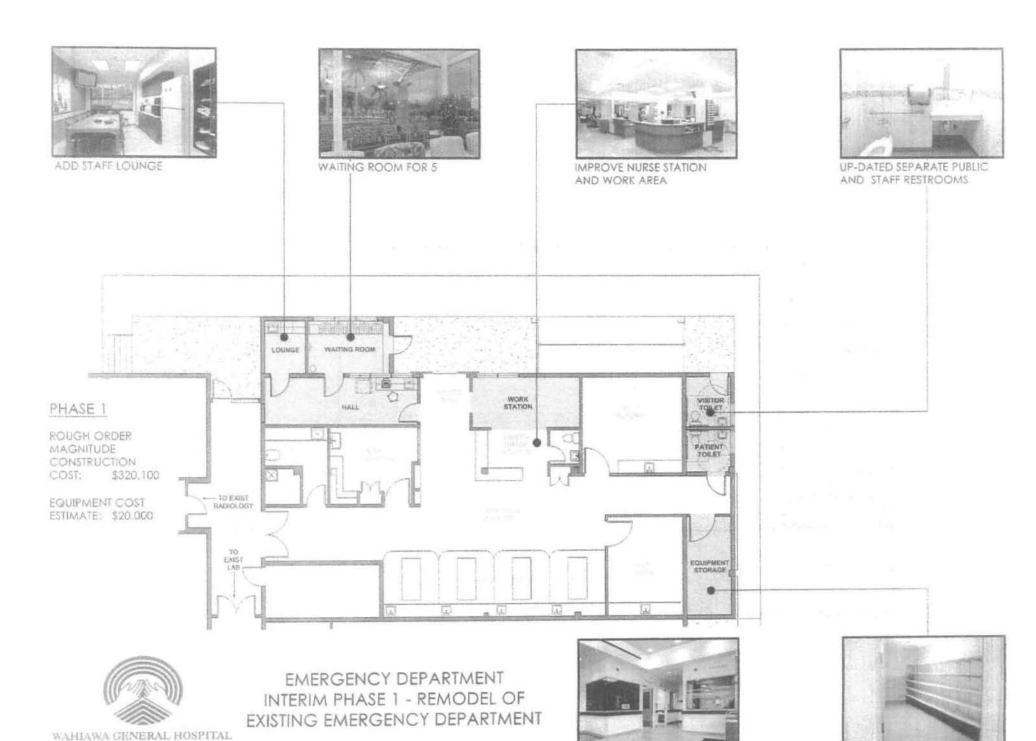
\$320,100

Estimated Equipment & Furniture Cost: \$20,000



EMERGENCY DEPARTMENT SPACE PLANNING STUDY

INTERIM REMODEL OF EXISTING EMERGENCY DEPARTMENT PHASE 1



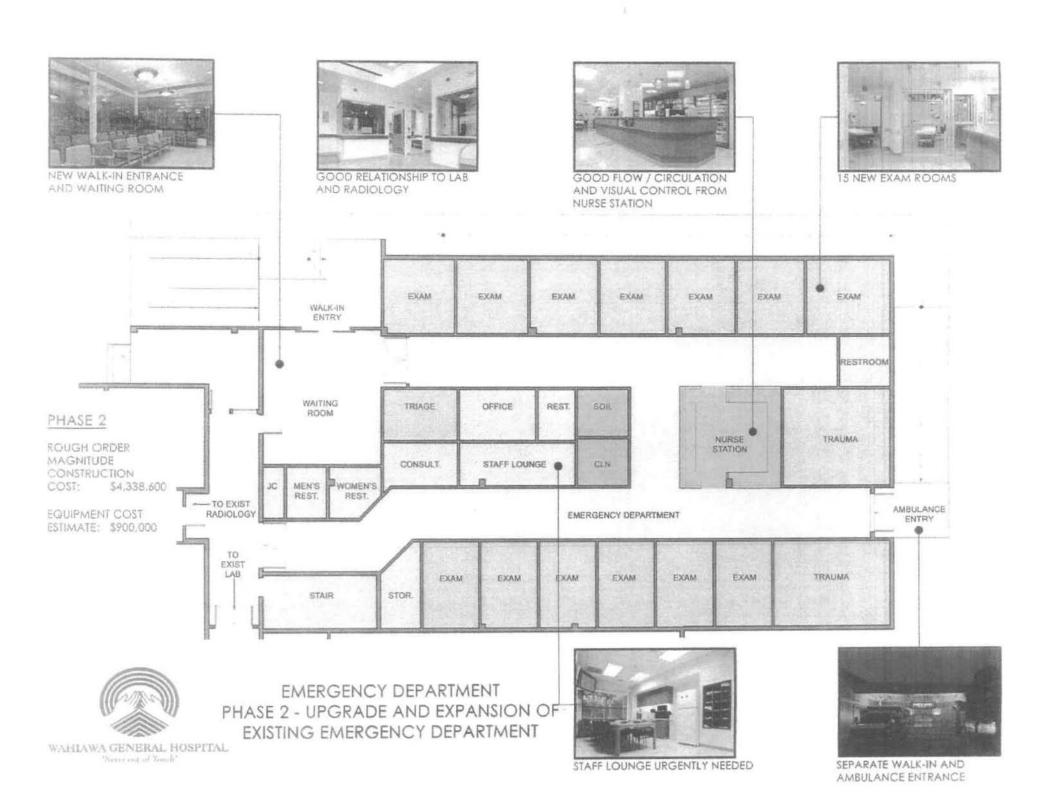
EXPANDED REGISTRATION / ADMITTING / TRIAGE ADD EQUIPMENT STORAGE





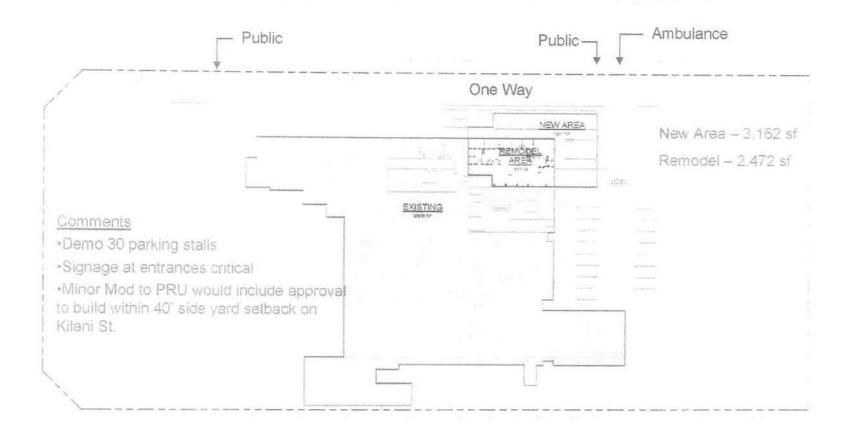
EMERGENCY DEPARTMENT SPACE PLANNING STUDY

UPGRADE AND
EXPANSION OF
EXISTING EMERGENCY
DEPARTMENT
PHASE 2





EMERGENCY DEPARTMENT SPACE PLANNING STUDY







DEPARTMENT OF HEALTH LICENSE

EXHIBIT II



License is not transferable.

STATE OF HAWAII DEPARTMENT OF HEALTH

LICENSE

THE WAR	AWA HOSPITAL ASSOCIATION	is hereby granted a license to operate a
	Hospital (WAHIAWA GENE	RAL HOSPITAL)
at	128 Lehua Street, Wahiaw	va, Hawaii 96786
with a capacity of	59 beds. This license is va	did for Six Months
ending May 31, 2011		unless revoked for just cause.
Effective Date:	December 1, 2010	State Public Health laws and regulations.
Date Issued:	November 29, 2010	2,
	A. CONTRACTOR OF THE PROPERTY	- A parties

Wahiawa General Hospital

Wahiawa, HI

has been Accredited by



The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the

Hospital Accreditation Program

August 30, 2008

Accreditation is customarily valid for up to 39 months.

This award excludes skilled nursing and nursing home services.



The Joint Commission is an independent, not-for-profit, national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.









WAHIAWA GENERAL HOSPITAL - ORGANIZATION CHART EXHIBIT III

