

**THE TWENTY-SEVENTH LEGISLATURE  
APPLICATION FOR GRANTS AND SUBSIDIES  
CHAPTER 42F, HAWAII REVISED STATUTES**

Type of Grant or Subsidy Request:

GRANT REQUEST – OPERATING **XX**

GRANT REQUEST – CAPITAL

SUBSIDY REQUEST

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN):

STATE PROGRAM LD. NO. (LEAVE BLANK IF UNKNOWN):

**1. APPLICANT INFORMATION:**

Legal Name of Requesting Organization or Individual:  
**Five Mountains Hawaii Inc.**

Db/a: **Kīpuka o ke Ola**

Street Address:  
**65-1158 Mamalahoa Hwy, Suite 2D, Kamuela HI 96743**

Mailing Address:  
**65-1158 Mamalahoa Hwy Suite 2D, Kamuela HI 96743**

**2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:**

Name **DR. CLAREN KEALOHA-BEAUDET**

Title **Executive Director**

Phone # **(808) 937-7171**

Fax # **(808) 885-6900**

e-mail **clarenk@aol.com**

**3. TYPE OF BUSINESS ENTITY:**

NON PROFIT CORPORATION **XX**  
FOR PROFIT CORPORATION  
LIMITED LIABILITY COMPANY  
SOLE PROPRIETORSHIP/INDIVIDUAL

**6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:**

FUNDING TO SUPPORT:  
**NEW NATIVE HAWAIIAN HEALTHCARE AGENCY...ADDRESSING NATIVE HAWAIIAN HEALTH DISPARITIES IN WAIMEA/NORTH HAWAII, BIG ISLAND**

**4. FEDERAL TAX ID #:** [REDACTED]

**5. STATE TAX ID #:** [REDACTED]

**7. AMOUNT OF STATE FUNDS REQUESTED:**

FISCAL YEAR 2015: **\$ 300,000**

**8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:**

NEW SERVICE (PRESENTLY DOES NOT EXIST)  
EXISTING SERVICE (PRESENTLY IN OPERATION) **XX**

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$  
FEDERAL **\$100,000**  
COUNTY **\$20,000**  
PRIVATE/OTHER

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

**CLAREN KEALOHA-BEAUDET/EXECUTIVE DIRECTOR**  
NAME & TITLE

**1-29-2014**  
DATE SIGNED

**OLIVER SONNY SHIMAOKA/PRESIDENT -BOARD OF DIRECTORS**  
NAME & TITLE

**1-29-2014**  
DATE SIGNED

## APPLICATION FOR GRANTS & SUBSIDIES, CHAPTER 42F, HAWAII REVISED STATUTES

### I. Background and Summary

Five Mountains Hawaii Inc, dba Kīpuka o ke Ola, a Native Hawaiian Health Program, was established in 2013 to serve Native Hawaiians (*Kanaka Maoli*) in North Hawai'i, a medically underserved population. The Kīpuka o ke Ola provides a broad range of culturally appropriate, high-quality medical and behavioral health services - with a special emphasis on addressing the physical and mental health disparities of the Native Hawaiian population. Kīpuka o ke Ola offers care to any person that seeks its help. However, its central mission is eliminating the health disparities and promoting the wellness of the Native Hawaiian people. Kīpuka o ke Ola is located in the center of Waimea, North Hawai'i, Big Island. It is a non-profit agency.

Kīpuka o ke Ola's Board of Directors have established the following strategic goals:

- to establish an accessible practice facility to deliver physical health and mental health services in Waimea.
- to recruit staff that are qualified to provide services that are: evidence based, adhere to industry best practices, and delivered in a culturally-informed manner.
- to engage in strategic partnerships and collaborations with other human service providers, community groups, businesses, cultural practitioners and kūpuna (elders) to achieve identified health objectives for North Hawai'i residents.
- to bring awareness of Kīpuka o ke Ola services to the community and to encourage the full participation of Native Hawaiian and residents of Waimea in these wellness services.
- to develop and maintain a sustainable business model that will ensure Kīpuka o ke Ola will be able to continue to provide services until the vision is fully achieved.

Funding Request. This proposal requests \$300,00 in total grant in aid funding for a portion of staff salary, facility rental, and facilities build-out - that will assist in increasing access to mental health care and medical health care for residents of North Hawai'i. This will support the goal of reducing health disparities for Native Hawaiians. These upgrades are an essential component of a plan for establishing an a fully operational facility for Kīpuka o ke Ola's Native Hawaiian Health Program. This undertaking is of critical importance at a time when a high incidence of chronic diseases continues to plague this population.

Health Needs. Hawai'i County is a federally-designated Medically Underserved Area and Population (MUA/P). 35 percent of the Native Hawaiian population suffers from chronic diseases, including a steady rise in hospitalizations due to diabetes, in contrast to 17 percent of the general population. A physician shortage further threatens *Kanaka Maoli* access to needed care; the John A. Burns School of Medicine estimates a shortfall of 200 physicians among Hawai'i Island's total population of roughly 186,000. This shortfall necessitates that Kīpuka o ke Ola serve a continually higher share of North Hawai'i's Native Hawaiians who lack access to a physician. Almost one-third of the region's residents are Native Hawaiian, a proportion 24

percent greater than that for the State.

Target Population/Region. An estimated 10,000 Native Hawaiians reside in the NHCH service area, equaling 32.7 percent of the region's approximately 30,600 inhabitants (2010 U.S. Census). Of the five U.S. Census-designated districts that compose the service area, only one possessed a population with less than 20 percent of residents at or below the U.S. poverty level. Three districts registered 20-30 percent of their populations at or below this line, while 31-44 percent in the remaining district had this status.

Kīpuka o ke Ola's service area covers the districts of Waimea, Waikoloa, Hāmākua, Laupahoehoe, Pu'uanahulu, and Kawaihae. The geography of largely rural North Hawai'i presents obstacles to the delivery of efficient and timely medical services. Mountainous landscapes, often poor roads, and long distances between patient and provider prove significant deterrents to patients seeking needed medical care.

## II. Service Summary and Outcomes

**Anticipated Outcomes.** The proposed funding for salary, facilities rental, and facility build-out is designed to support three Program objectives to expand Native Hawaiian medical access and reduce health disparities:

- a) reducing health disparities for a higher patient volume;
- b) cutting “downstream” costly expenditures for treatment (e.g., hospital stays, emergency room care) by utilizing new medical equipment for early detection of diseases;
- c) engendering a more patient-friendly and ADA (Americans with Disabilities) compliant environment that allows for expanded capacity by providing medical care practitioners adequate office/patient space/administrative.

The provision of medical healthcare services, particularly targeting obesity and diabetes, will be of great value in fulfilling the first and second aims listed above. Diabetes positively correlates with other serious conditions such as cancer, strokes, and heart disease. Between 1995 and 2012, there was a continuous increase in hospitalizations for complications from diabetes in North Hawaii. Reducing hospitalization requires improving management through patient support and education as well as decreasing risk factors such as obesity, inactivity, blood pressure, and smoking (*Hawaii County Community Health Profile 2012*). “An ounce of prevention is better than a pound of cure” has special relevance here.

**Timeline.** Once the new facilities are operational, Kīpuka o ke Ola envisions an expansion of its patient base from its current 500 to 5,000 within a five year period. Assuming construction is completed by fall 2014, the figure below details annual increases:

### Projected Volume of Patients Treated

Year	Current	2015	2016	2017	2018	2019
Patient Volume	500	1,000	2,000	3,000	4,000	5,000

**Measures of effectiveness.** Specific success measures will include:

- a) expansion of patient bases;
- b) decrease in post-visit hospital stays and emergency room visits, and;
- c) measures of patient satisfaction.

**Quality Assurance and Evaluation.** Together with its cultural and psychosocial tools, Program staff will conduct regular consumer satisfaction surveys and will aggregate the feedback/data. The use of an integrated Program documentation system will permit the Program to centralize data tracking patient participation in program events, monitoring health indicators, and building the knowledge base for chronic disease risk factors.

The Quarterly Financial Report will evaluate the impact of the program's preventative activities on the Program's global budget. The Report's data will augment Kīpuka o ke Ola's ability to identify overall cost savings due to a lessened need for diagnosis and treatment of chronic diseases such as diabetes.

**Responsibilities.** The Kīpuka o ke Ola Program has partnered with Hui Malama Ola Nā 'Ōiwi, a Hawai'i Island health enhancement non-profit, which offers the nutritional tools to enact healthy weight loss. This hands-on program both encourages obese participants to make wiser food selections and teaches them the skills to grow their own gardens. Kīpuka o ke Ola is currently exploring a collaborative project with both Hui Malama Ola Nā 'Ōiwi and the University of Hawaii-Hilo School of Pharmacy. Kīpuka o ke Ola is also spearheading efforts to establish a Kūpuna Council for its service area. This will allow indigenous practitioners to safely and legally provide ancillary services that would complement Kīpuka o ke Ola's services.

### **III. Financial/Budget Outline**

FY 2014 Quarterly Funding Requests

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
		\$150,000	\$150,000	\$300,000

**Other possible sources of funding.** The Kīpuka o ke Ola Program has secured \$100,000 from the Hawaii Health Connector to assist uninsured residents in securing appropriate health insurance per the Affordable Health Care Act.

## **IV. Experience and Capability**

### **A. Necessary skills and experience**

Since opening its doors in 2013, the Kīpuka o ke Ola Program has been providing mental health services to the residents of North Hawaii, with a special emphasis on addressing the health disparities of Native Hawaiians. The broad spectrum of services offered - behavioral change promotion, psychosocial support, psychotherapy and psychological evaluation, nutritional and substance abuse patient education - is a recognition that Native Hawaiian health is a function not only of physical but mental and cultural well-being. Kīpuka o ke Ola provides culturally-informed direct services, actively collaborates with other like-spirited individuals and organizations, and is led by the community which it serves.

Kīpuka has recently received a Resolution of Support from Office of Hawaiian Affairs and from the Royal Order of Kamehameha I - Moku o Kohala. It has also received recent letters of support from the following community organizations: Hui Mālama Ola Nā 'Ōiwi, West Hawaii Mediation Cntr, Kailapa Community Association, Hawaiian Homestead Association, Rivertop Solutions LLC, Pelatron Center for Economic Development, and Kanu o ka 'Aina Learning 'Ohana.

Dr. Kealoha-Beaudet, Kīpuka o ke Ola's leader and a North Hawaiian native, was instrumental in previously designing and securing a \$241,000 OHA grant for the Ho'omalule Project designed to address Native Hawaiian obesity. Personnel expertise also extends to strengthening communication links/sharing data with other healthcare organizations serving North Hawaiian patients.

Equally as crucial, however, has been Program staff's experience gained and information generated through mastering the tools of preventative medicine. Such vehicles as psychologists' one-on-one meetings with program patients has provided the opportunity for patient feedback on what factors influence behavior choices toward a healthier lifestyle, facilitating staff development of therapies aimed at positively influencing such choices.

### **B. Facilities**

The Kīpuka o ke Ola Program, currently located in the KTA shopping center in the center of Waimea, Big Island. Given space limitations, this GIA is in part to secure and appropriately build-out additional space for the medical team. This will allow Kīpuka o ke Ola to provide ADA approved facilities.

The additional facility space will be in the same shopping center where the program currently exists, but in a non-contiguous space. The current programming is on the second floor, but the anticipated new space is on the ground floor and will be ADA compliant.

## V. Personnel, Project Organization, Staffing

### A. Proposed Staffing, Staff Qualifications

#### Kīpuka o ke Ola Staff

Claren Kealoha-Beaudet, PsyD, Executive Director (and Clinical Psychologist)

Ian Chun, MD, Medical Director (and Psychiatrist)

Franco Acquaro, PhD, Associate Director (and Clinical Psychologist)

Brenda Case Resendiz, Administrative/Program Support, BA, CSAC

Marcy Gleason, Administrative/Program Support, BA

**Dr. Claren Kealoha-Beaudet**, Kīpuka o ke Ola's co-founder/previous Behavioral Health Director of Kaheleaulani's Native Hawaiian Health Program at North Hawaii Community Hospital. She is currently the Executive Director of Kīpuka o ke Ola and continues to provide direct services as one of the program's Clinical Psychologists. She is responsible for the Program's overall administration, staffing, and supervision of personnel. In 2001 Dr. Kealoha-Beaudet obtained her Master of Arts in Counseling Psychology from the American School of Professional Psychology and later completed her Doctorate in Clinical Psychology at Argosy. She brings a history of extensive clinical and programmatic expertise to Kīpuka o ke Ola, having provided both service delivery and grant management funding for a number of community and health organizations. A licensed Clinical Psychologist in the State of Hawaii, she has both public and private sector experience in delivering behavioral health services.

In her tenure at Kaheleaulani, Dr. Kealoha-Beaudet supervised a staff of five professionals. In addition to overseeing hiring and utilization of new behavioral services and primary care personnel. Devising strategy for the Program's administrative direction, she succeeded in obtaining funding for special programs such as the Ho'omalule Project and incorporation of IT into its data system. In consultation with senior staff (see below), Dr. Kealoha-Beaudet designed and monitored primary care and behavioral programs specifically addressing Native Hawaiian health disparities.

**Dr. Franco Acquaro**, is Kīpuka o ke Ola's Associate Director and Clinical Psychologist. He has lived in Hawai'i for 20 years, residing in Waimea for the last 15 years. He graduated from Saybrook Graduate School in 2006 with a Doctorate in Clinical Psychology, specializing in Existential Psychology. He has provided mental health services for 30+ years in a variety of settings, including: psychiatric hospital, correctional facility, day treatment center, community counseling center, residential treatment center, therapeutic group home, medical hospital, special licensed foster home, and private practice. Dr. Acquaro has extensive experience working with clients exposed to complex trauma. He is the author of the book, "Forgiveness in the Wake of Severe Violence." He is a current member of the American Psychological Association. Dr. Acquaro has previously served in the management/administrative positions of Executive Director, Associate Director, and Division Director during his 30+ years in non-profit human services.

**Dr. Ian Chun**, is Kīpuka o ke Ola's Medical Director and Psychiatrist. He is a Native Hawaiian

Health Scholar who has become a triple board certified physician and psychiatrist. He was previously the Lead Clinical Director for Department of Health Child and Adolescent Mental Health in East Hawai'i. He has longstanding 'ohana ties to North Hawai'i.

**B. Organization Chart.** See attachment: "Kīpuka o ke Ola Program Organization Chart"

**C. Compensation.** Annual salaries of 3 highest paid staff:

██████████ Psychiatrist and Medical Director \$220,000

██████████, Psy.D., Clinical Psychologist and Executive Director: \$104,000

██████████, Clinical Psychologist and Associate Director: \$104,000

## **VI. Other**

**A. Litigation.** Kīpuka o ke Ola is not involved in any current litigation.

**B. Licensure or Accreditation.** Kīpuka o ke Ola has fully licensed (State of Hawaii) mental health and physical health practitioners - including psychologists, psychiatrist, and CSAC on staff.

## BUDGET REQUEST BY SOURCE OF FUNDS

(Period: July 1, 2014 to June 30, 2015)

Applicant: Kīpuka o ke Ola

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
<b>A. PERSONNEL COST</b>				
1. Salaries	190,200			
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
<b>TOTAL PERSONNEL COST</b>	<b>190,200</b>			
<b>B. OTHER CURRENT EXPENSES</b>				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space	38,800			
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
<b>TOTAL OTHER CURRENT EXPENSES</b>	<b>38,800</b>			
<b>C. EQUIPMENT PURCHASES</b>				
<b>D. MOTOR VEHICLE PURCHASES</b>				
<b>E. CAPITAL</b>	<b>71,000</b>			
<b>TOTAL (A+B+C+D+E)</b>	<b>300,000</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared : <b>Kealoha-Beaudet</b>		
(a) Total State Funds Requested	300,000	<b>Claren Kealoha-Beaudet</b>		<b>808-937-7171</b>
(b)		Name (Please type or print)		Phone
(c)		[REDACTED]		
(d)		Signature of Authorized Official		Date
<b>TOTAL BUDGET</b>	<b>300,000</b>	<b>Dr. Claren Kealoha Beaudet, Psy.D. Executive Director</b>		
		Name and Title (Please type or print)		



## BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: Kīpuka o ke Ola

Period: July 1, 2014 to June 30, 2015

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Medical Director/Psychiatrist	1.0 FTE	\$220,000.00	25.00%	\$ 55,000.00
Executive Director/Clinical Psychologist	1.0 FTE	\$104,000.00	25.00%	\$ 26,000.00
Associate Director/Clinical Psychologist	1.0 FTE	\$104,000.00	25.00%	\$ 26,000.00
Administrative/Program Support	1.0 FTE	\$41,600.00	100.00%	\$ 41,600.00
Administrative/Program Support	1.0 FTE	\$41,600.00	100.00%	\$ 41,600.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
<b>TOTAL:</b>				<b>190,200.00</b>
<b>JUSTIFICATION/COMMENTS:</b>				

## BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Kīpuka o ke Ola

Period: July 1, 2014 to June 30, 2015

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Not Applicable			\$ 0.00	
			\$ 0.00	
			\$ 0.00	
			\$ 0.00	
			\$ 0.00	
TOTAL:				
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
Not Applicable			\$ 0.00	
			\$ 0.00	
			\$ 0.00	
			\$ 0.00	
			\$ 0.00	
TOTAL:				
JUSTIFICATION/COMMENTS:				

## BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Applicant:     Kīpuka o ke Ola    

Period: July 1, 2014 to June 30, 2015

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2012-2013	FY: 2013-2014	FY:2014-2015	FY:2014-2015	FY:2015-2016	FY:2016-2017
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION	0	0	71,000	0	0	0
EQUIPMENT						
<b>TOTAL:</b>			71,000			
JUSTIFICATION/COMMENTS:						

**DECLARATION STATEMENT OF  
APPLICANTS FOR GRANTS AND SUBSIDIES PURSUANT TO  
CHAPTER 42F, HAWAII REVISED STATUTES**


The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) 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;
  - b) Complies 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;
  - c) Agrees not to use state funds for entertainment or lobbying activities; and
  - d) Allows 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.
- 2) The applicant meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is incorporated under the laws of the State; and
  - b) 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.
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
  - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawaii Revised Statutes, for grants or subsidies 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.

**Five Mountains Hawaii, Inc. dba Kipuka o ke Ola**  
(Typed Name of Individual or Organization)

  
(Signature)

1-29-2014  
(Date)

**Claren Kealoha-Beaudet, Psy.D.**  
(Typed Name)

**Executive Director**  
(Title)

  
(Date)

**Oliver Sonny Shimaoka**  
(Typed Name)

**President - Board of Directors**  
(Title)