

House District 13
Senate District 06

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

Log No:

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST – OPERATING

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): DEPARTMENT OF HEALTH, FAMILY HEALTH SERVICES DIVISION
STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): _____

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Lānaʻi Community Health Center

Street Address: 624A Houston Street (Sixth, Houston, & Gay Streets, Lānaʻi City, HI 96763)

Mailing Address: P.O. Box 630142, Lānaʻi City, HI 96763

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name: Diana V. Shaw, PhD, MBA, MPH, FACMPE

Title: Executive Director

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3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION
 FOR PROFIT CORPORATION
 LIMITED LIABILITY COMPANY
 SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

Construction of the Lānaʻi Community Health Center (LCHC) a Federally Qualified Health Center (FQHC) with 330e status that serves low- and moderate-income persons. LCHC has a special focus on those who live below 200% of the federal poverty level – nearly 40% of the island's population.

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$ 2,400,000.00

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
 EXISTING SERVICE (PRESENTLY IN OPERATION)

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

STATE \$ 500,000 (IN PROCESS OF BEING RELEASED)

FEDERAL \$ 855,288

COUNTY \$ 1,493,407

PRIVATE/OTHER \$ 239,251

Diana V. Shaw, Executive Director
NAME & TITLE

January 10, 2014
DATE SIGNED

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Application for Grants and Subsidies

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

A brief description of the applicant's background. Lāna‘i Community Health Center (LCHC) is a 501(c)3 nonprofit organization, and a Federally Qualified Health Center (FQHC) with 330e status awarded in September 2007 that serves the whole island of Lāna‘i, Census Tract 316, with targeted access to low- and moderate-income persons. LCHC has a special focus on those who live below 200% of the federal poverty level—nearly 40% of the island’s population, or 1,288 individuals. LCHC provides health care services (including but not limited to primary care, integrated behavioral health, dental, cardiology, OBGYN, CLIA waived lab services, PT/OT, case management, outreach and enabling services) to all individuals regardless of their ability to pay. No one is turned away because they lack money.

The Lāna‘i Community Health Center’s mission is to take care of the community of Lāna‘i by directly providing health services (primary care, dental, and behavioral health) to the community; providing activities and services through partnerships with local organizations as well as the many off-island organizations reaching out to Lāna‘i by serving as coordinator, advocate, resource, initiator, and convener; and working collaboratively to provide space for partners who can provide needed services for Lāna‘i. LCHC achieves this with a focus on physical, mental, emotional, intellectual and spiritual welfare and by enriching and empowering individuals to help build healthy families in a supportive environment.

LCHC provides integrated services incorporating the philosophy of the Patient Centered Health Home Model – a philosophy that embraces the ‘whole’ patient and engages the patient as a participant in their own care, through education and self-awareness. Basically, a primary care provider coordinates a patient’s care with specialists and other caregivers, using electronic health records (also called electronic medical records) to help facilitate care and ensure the patient and all of the health care providers are on the same page with regard to office visits, prescriptions, diagnoses, checkups, and other pertinent information. Most importantly, though, the idea is that the patient’s overall health, not just his or her condition, will be monitored. Cost of care should fall as the patient becomes healthier. LCHC also when possible brings services to Lāna‘i and utilizes telemedicine rather than sending patients off island for services. This also contributes to a lower cost of care, as patients are more likely to seek care earlier when illness occurs and care is available on island.

The goals and objectives related to the request. This request is to fund (in part) the final phase of our project vertical construction of the Lāna‘i Community Health Center capital improvement project. This 6,800SF LEED certified health care facility is configured to provide LCHC with improved capability to truly provide patients and the community with a patient centered medical home. Plans call for a facility with 9 exam/consult rooms, a procedure room, dental x-ray, 2

dental operatories and CLIA waived lab facilities, conference and administrative office facilities, and a community activity room. The new facility will consolidate all our activities under one roof, increasing efficiency and cost effectiveness, while providing our patients with improved care through their ability to utilize medical, integrated behavioral health, OBGYN, telemedicine, PT, dental, and cardiology services in one location, and even set up back-to-back appointments. Our new facility will serve an ADDITIONAL 755 unduplicated patients, and potentially more with expanded hours of service if warranted.

The public purpose and need to be served. The island of Lānaʻi, our target population, is the smallest of the major Hawaiian Islands with a land area of 140 square miles and approximately 3,100 residents. Its history is one of transition from an independent kingdom to a Mormon development with a focus on ranching then a focus on cultivation of pineapples to an island with 98% single ownership focused on development of the island as a high-end tourist escape. Each transition produced results that affected the island, as we know it today. For example, residents have had to change their occupations substantially. The economy and financial status of the community has also been affected, because new jobs that have been created are predominately low income while land values have increased due to high-end homes being built and the island being marketed to the wealthy as the 'private' isle. The cost of living on Lānaʻi is amongst the highest in the nation. The result being that approximately 74% of the households on Lānaʻi reported household income that was "low to moderate". Approximately 40% of the island population is at or below 200% of the Federal Poverty Level (FPL). Though much of the island is now fully employed, the vast majority of the jobs are in the hospitality industry and remain low paid. In addition, a number of residents are employed as casuals leaving them without health insurance - even with the Accountable Care Act now being implemented many remain uninsured as immigrants do not yet qualify for Medicaid until after 5 years residency, and tax subsidies/credits through the health insurance exchange do not apply. The County of Maui 2010 - 2014 Consolidated Plan addressing low-income concentrations has determined Lānaʻi as a census tract with a concentration of low- and moderate-income persons. The County made this determination by relying on HUD's definition of low- and moderate-income areas for purposes of the CDBG Program as areas in which at least 51% of the household have incomes at or below 80% of the area median.

From a health care perspective, Lānaʻi has significant gaps in the area of women's health (among other issues, Lānaʻi has no mammography capabilities on island), limited oral health (only one dentist serves the island, flying in on Monday and out on Thursday), limited behavioral health (no psychiatry, inpatient substance abuse facilities, or domestic violence shelters on island), limited case management, and limited prevention services. Lānaʻi also does not have any hospice services (though there is currently an initiative to contract with Honolulu Hospice to provide some services on island), and no nurse home care services (except that provided by your neighbor). Babies are not born on the island, so mothers-to-be must relocate to O'ahu or Maui at 36 weeks to avoid endangering the mother or baby. Other health issues are consistent with the island's ethnic mix, and though specific data for the various racial/ethnic groups is not reported for the island of Lānaʻi alone, the statewide data for 2005-2007 from the Department of Health provides some insight into health conditions in our own service area of Lānaʻi. With almost 72% of the population of Lānaʻi coming from two ethnic groups (Filipino and Native Hawaiian), the

reported percentages are of specific concern. For example, 27% of Filipinos, 29.5% of Native Hawaiians and 21.6% of Caucasians have been told that they have high blood pressure. Women aged 40+ never having a mammogram: 11.3% Filipinos, 10.6% Native Hawaiian, and 7.2% Caucasian. Body weight based on estimated BMI, obese: 15.9% Filipinos, 42.0% Native Hawaiians, and 18.9% Caucasians.

In 2009, 16% of our patients were at or below 200% of poverty. In 2010, our percent was 29%. In 2012, with more individuals finding employment our numbers at or below 200% of poverty dropped to 17.5%. We do not expect this number to drop much further unless the type of employment on our island changes to a category of higher paying occupations. We are also concerned about the influx of new individuals seeking employment, but being hired as contractors or being hired then laid off as work stops (mainly construction). LCHC has made the following projections that 1629 patients (54% of the residents on island) will be seen by the end of 2015 after the new facility opens with 5814 encounters (almost a twofold increase). Even if a number of these individuals have health insurance they are expected to remain in the low-to-moderate income categories and are likely to be underinsured. LCHC is the only provider who serves these individuals, because we are the only health care provider on island who accepts the un- and underinsured.

Our current facility at 478 Lauhala Place is too small to accommodate any significant growth (approximately 900SF with only 2 exam rooms and 1 small intake room in the health center, and an additional approximately 530SF in a converted garage with a conference room and 1 consult/office). LCHC is actually not even able to accommodate all its current functions, which force outreach and dental activities offsite at separate locations. Administration is also offsite leading to operational inefficiency and increased costs. Due to our current Health Center's residential zoning, in addition to the lot being small, there is no opportunity to expand. In addition, our current facility's location is remote from the center of Lānaʻi activity and hard to get to, especially for our seniors and children. LCHC cannot actively seek out patients at this time, due to our current space constraints—this means that patients are often sicker by the time they come to us.

We have just concluded the purchase of the land upon which our new facility will be built; we are now beginning the site preparation (using a combination of CDBG 2013, Federal HCOF, and Atherton funds already awarded). We have hired a Project/Construction Coordinator to manage the horizontal (site preparation) and vertical construction phases of our project. The horizontal work includes infrastructure site work, inspection fees, demolition and removal, preparation of bids and awarding of contracts, and purchase of equipment and furnishings -- all activities that need to be completed other than the actual vertical construction of the new facility. The total cost of this phase is \$1,931,930 of which \$330,091 is already awarded and in hand (CDBG 2013 and USDA funding). We anticipate being awarded another \$400,000 from CDBG 2013 as funds become available. And we have requested from CDBG 2014 an additional \$866,546, which will cover the final components of infrastructure, a year's salary of the Project/Construction Coordinator and equipment/furnishings. The final phase, vertical construction, is the subject of this GIA request. This phase is anticipated to cost \$4,618,617; we are requesting \$2.4million from the State GIA process. We already been have awarded \$500,000 from HRSA School-

Based Capital, \$500,000 from the State's FY2012 GIA, and will obtain the remainder from New Market Tax Credits.

The new facility will be centrally located—one block from the only school in town, and across the street from the new Senior Center—in the heart of town activity. It is within easy walking distance for the majority of our residents and in the most populated area of our island, Lānaʻi City. Plans call for a facility that is 6,800SF with 9 exam/consultation rooms, a procedure room, 1 dental x-ray unit, 2 dental operatories and CLIA waived lab facilities, conference and administrative office facilities, and a community activity room. The new facility will consolidate all our activities under one roof. In addition to increased efficiency and cost effectiveness, this consolidation will also provide our patients with improved care, through their ability to see their medial, behavioral health, dental, and cardiology providers in one location, and even set up back-to-back appointments. Our new lab will provide our patients and the community with the only outpatient based lab program on Lānaʻi—resulting in lower lab costs to patients. The other only lab on Lānaʻi is the Hospital and LCHC has not been able to arrange a discount with a third party who will work with the hospital, so patients do not obtain their required labs to avoid huge bills.

Building on our island is very expensive, and LCHC realizes that funding is very difficult to obtain especially right now. But LCHC also realizes that our proposed project is appropriate and critical to meeting the health needs of our island and our population of underserved, ethnically diverse, disadvantaged patients—especially given our current facility's lack of capacity and overall need for consolidation. Many people think that Mr. Ellison, as the new owner of most of the island, will take care of all needs -- including health care. However, to date, Mr. Ellison's leadership team has focused upon bringing new elder care support services to the island that have not existed in the past. For example, there is an effort to bring hospice services to Lānaʻi. It appears that a goal is to provide services that will attract new residents to the island – part of the future growth plans to double the population to 6,000, and diversify the economy. He has been informed of our needs; however, his efforts and funds have been directed elsewhere. Mr. Ellison's customer of focus appears to be the well-educated, higher income resident and tourist. Lānaʻi Community Health Center's customer of focus is the island's core residents who are un- and under insured, low income, immigrants – those who suffer from social and economic disparity.

This new facility will have a major long-term impact on our small community: an increase in permanent, higher paying jobs and careers (from 15 FTE to 25.25 FTE); increased pedestrian traffic for the local restaurants and stores; and the increased opportunity for improved health care. LCHC serves a WHOLE island, a WHOLE community—and that this project will impact EVERYONE on this island in one way or another. Our community is firmly behind this project, as can be seen from the letters of support and petitions which are available upon request. This poor community is doing more than just talking about support: the business owners are donating money, in-kind effort, and goods to our new Center. While the donations will most likely add up to less than \$125,000— this is a significant amount in view of economic status of the majority of our residents and small businesses. This show of faith is just a small measure of what LCHC's new facility and the Hawaiʻi State Legislature's continued support means to this community.

Describe the target population to be served. The target population to be served includes all residents living on the Island of Lāna‘i, a federally designated Medically Underserved Population. As a census designated place (CDP, tract 316), Lāna‘i has a total area of 140.5 square miles and at the time of the 2010 census, supported 3,102 individuals. The majority of Lāna‘i’s residents live in or around Lāna‘i City, which is located in the heart of the island; the rest of the island is primarily rural and sparsely inhabited. Once a farming stronghold, Lāna‘i residents (many of whom were long time plantation workers of the now defunct pineapple industry) are characterized by unique demographic, socio-economic, cultural, and health status indicators. Because of its physical isolation, Lāna‘i residents experience some of the most significant barriers to health care compared with residents of other islands.

The target population for LCHC consists of everyone on Lāna‘i with a special emphasis on those individuals of low to moderate income. Of those who live below 200% of the federal poverty level, 61.1% are Filipino, 14.3% are Hawaiian/Part Hawaiian, 7.3% are Japanese, and 7.2% are Caucasian. Twenty-five percent are 65 years or older and 30.5% are 17 years or younger. In the overall island population, only 15.5% are 65 years or older and 24.2% are 17 years or younger.

Lāna‘i has an eclectic mix of ethnicities and cultures which has important implications for the provision of health care on the island, with health information materials needed in languages other than English (primarily in Ilocano), required bilingual capacities among community health center staff, and necessary cultural sensitivity to the provision of health care. Language barriers, especially for older Lāna‘i residents, are considerable. Other factors are also of concern:

- **Health and Wellness.** Definitions of what conditions require medical attention and what conditions are healthy and acceptable have a significant impact on health outcomes. For example, on Lāna‘i pregnancy is viewed as a natural condition that does not require medical attention until later stages before delivery. This has resulted in late entry into perinatal care and poor health outcomes.
- **Prevention and Health Education.** Most immigrants originate from countries where the health care systems are inadequate and unable to meet the needs of their citizens, and health promotion is not widely practiced. Many have a crisis-oriented perspective of health, and do not seek medical care until their condition reaches a crisis stage.
- **Westernization.** Immigrants experience health disparities that have resulted from the tension between their culture and traditions, and American culture. “Westernization” has resulted in diets high in fat and processed foods, which increases dental disease, heart disease, and obesity.

Populations in need of access to primary care include:

- Women, particularly women of child-bearing age; Lāna‘i has among the worst maternal and child health indicators in the state.

- Immigrants, primarily Filipino and more recently Kosraean, who come to Lāna‘i to work in its hotel service industry; 32% of residents on Lanai are foreign born.
- Full and part Native Hawaiians, who comprise nearly 15% of the population and have particularly high rates of chronic disease, mortality due to cancer, and incarceration compared to the other ethnic groups in the state.
- Elderly, who make up 15.5% of the population, compared to 14% for the state and 12.4% for the nation.

The per capita income for Lāna‘i (2006-2010 American Community Survey 5 Year Estimates, Selected Economic Characteristics; American FactFinder, U.S Census Bureau) is \$21,200 (vs. \$29,180 for Maui and \$28,900 for the State). Majority (56%) of Lāna‘i residents are Asian (primarily of Filipino ethnicity who immigrated to work in the pineapple fields) and 86% of all residents are of ethnic minority including those with two or more races. Data for Lāna‘i are extremely limited, however, according to the 2009 State of Hawai‘i Primary Care Needs Assessment Data Book, the following statistics are alarming:

Maternal and Child Health: Lāna‘i is ranked 1st in the county (3rd in State) based on the maternal and infant health risk index. The lack of prenatal care is a significant problem for Lāna‘i residents and it is not uncommon for women to enter prenatal care after the first trimester or not enter into care at all. (Note: LCHC has recently trained its nurse practitioner to provide pre- and post-natal services so we are hoping to affect this statistic in a positive many -- a larger more centrally located facility would help us in this effort though.) Furthermore, there are no birthing facilities on the island so women have to fly (or take a ferry) to the Islands of Oahu or Maui to give birth or to receive OB services.

Indicator	Lāna‘i %	County %	State %
Births with less than adequate prenatal care	34.3	50.31	29.2
Births with low birth rate	13.3	7.4	3.2
Births to teens 10-17 years old	3.2	3.2	2.6
Births to mothers with pre-existing medical conditions	50.8	29.9	44.5

Obesity, Diabetes, Cardiovascular Health, and Physical Fitness: Native Hawaiians have the highest prevalence of obesity (43% in Hawai‘i) and diabetes in the State, and among the highest prevalence of obesity in the nation. Similar trends are also found in other Pacific Islanders and Asian (Filipino, Japanese, Chinese, Laotian, etc.) communities introduced to western living. Statewide, obesity is the major contributing factor for Type II diabetes, a trend likely to become progressively worse as children become young adults and depend more on technology for entertainment rather than outdoor activities. The number of adults on Lāna‘i who report having no physical activity is 1 to 2 percent higher than County and State trends

¹ Lāna‘i has the 5th worst rate of inadequate prenatal care in the County.

Indicator	Lānaʻi %	County %	State %
Obese residents	23.0	20.7	20.5
Residents reporting no physical activity	20.3	18.4	19.2
Adults with Diabetes	14.3	6.9	8.6
Adults (20+) with hypertension	34.6	NA	28.8
Diagnosed by clinician that blood cholesterol was high (2007 BRFSS)	37.3	NA	36.3
Cardiovascular associated mortality rate (ibid)	NA	NA	247.6%
Diagnosed by clinician that patient had angina or coronary heart disease (BRFSS, 2007)	4.1	NA	3.1
Never had blood cholesterol checked (BRFSS 2007)	24.9	NA	20.7

Oral Health Care: Lānaʻi is ranked 1st in the county and 9th in the State based on the adult oral health risk index. Statewide, oral health is poor, especially among rural, underserved, and otherwise disenfranchised communities who are three times more likely to have decayed or filled/capped teeth. They are also seven times more likely to experience baby bottle tooth decay compared to national averages. QUEST (Medicaid) users are particularly at risk for oral health concerns. For adults oral health is generally not covered except for emergency extractions – though, as one of his first changes, Hawaiʻi’s Governor has reinstated dental benefits to QUEST participants it is still unclear what level of coverage will be available, or how long services will be covered.

Indicator	Lānaʻi %	County %	State %
Adults who did not visit a dentist within the past year	31.1	26.3	24.4
Adults who have had any number of permanent teeth pulled	46.7	30.0	27.3
Adults who have not had their teeth cleaned in the past year	35.0	30.0	27.3

In Hawaiʻi, Filipinos and Native Hawaiians (the largest two ethnic groups on Lānaʻi, nearly 72%) have some of the poorest health statistics. Data specific to the Island of Lānaʻi is not available, statewide data presented in the following table is illustrative of LCHC’s target population.

Health Statistic	Filipinos %	Native Hawaiians %	Caucasians %
Ever been told by doctor that you have diabetes? Yes	8.7	11.7	5.2
Ever been told by health professional that you have high blood pressure? Yes	27.0	29.5	21.6
No pap smear, women aged 18+	11.3	6.6	4.2
No mammogram, women aged 40+	11.3	10.6	7.2
Never had a PSA test, men aged 40+	61.9	56.3	36.5
Had your blood cholesterol checked? No	33.1	27.9	16.5
Child Asthma status? Current Asthma – Yes	12.6	16.7	10.4
Body Weight based on Estimated BMI, obese	15.9	42.0	18.9

Selected Statewide Health Indicator Statistics, BRFSS Data, 2005-2007

Data for LCHC's patient population is representative of the community. According to LCHC's 2012 Uniform Data System (UDS): Forty-seven percent were Asian (primarily Filipino but includes Japanese, Chinese, Laotian, and other Asian cultures); 3% other Pacific Islander (includes Samoan, Tongan, and other representatives from Polynesia); 7% Native Hawaiian; 57% of patients were women (30% of which are of adult childbearing age); 24% were school aged children. Eighteen percent were at or below 200% poverty (83% of the population had undocumented income, most often the result of embarrassment or shame, though 46% were either uninsured or receiving public benefits, indicative of income level). Twenty-eight percent received public benefits including QUEST (Medicaid) or Medicare, 27% were uninsured. Forty percent of all children were on QUEST, 22% uninsured. Twenty-three percent of all patients had diabetes and/or cardiovascular disease; 43% had other reported chronic conditions like obesity and behavioral health concerns.

All LCHC services are provided in a culturally sensitive manner—with many of our written materials translated into Ilocano (the prevalent Filipino dialect on Lānaʻi), and numerous staff members are available for translation assistance. Lānaʻi Community Health Center is the only health care provider on island who targets the un- and under-insured. It is also the only FQHC, 330e on Lānaʻi. With at least 74% of the households on island reporting low to moderate income based upon 2000 census data. There are 1,200 residents below the 200% FPL. In 2010, LCHC provided services to 867 individuals, or 29% of the total population. Thru December 2013, LCHC has provided service to 1067 unique patients and is seeing a continued increase due to our quality of care, sensitivity to the underserved and socio-disadvantaged resident, integrated care philosophy, and State and Federal government health care programs continuing to be curtailed and eliminated. Accordingly, LCHC has made the following projections: 1,629 patients (66% of the Lanaʻi residents) seen by the end of 2015 after the new facility opens (a 150% increase in unduplicated patients) with 5,814 encounters (almost a twofold increase).

Describe the geographic coverage. Lānaʻi has only one real town, and approximately 3,100 residents. There are no chain stores or shopping malls, no movie theatre or nightlife to speak of, no public transportation, and rental cars cost about \$150 a day. There is no pharmacy, and career options are extremely limited due to the focus on tourism. There is only one school (K thru 12) and housing is scarce and very expensive. There are no stoplights, only one gas station (with gas around to \$5.50 a gallon), and only about 30 miles of paved roads. Most everything on the island has to be flown in or brought in on the weekly barge, and this can lead at times to prices which approach double what is seen elsewhere—even in rural communities on the Continent. Transportation off-island is by plane to Honolulu, Oʻahu (with interisland fares ranging as much as \$214.40 or more round trip) or ferry to Maui (at a cost of \$50 round trip); most recently there is a new route offering limited air travel to Maui.

The proposed facility will serve the entire Island of Lānaʻi, with targeted dedication to those suffering from social and economic disparity. The LCHC has strategically selected our new facility's location because of its close proximity to the only school and the island's only senior center; our new facility's site is also within easy walking distance of a significant amount of all of the island's residents. The new facility will also reduce financial, cultural, geographic, and

socio-economic barriers to care. Furthermore, enhanced capacity provides the ability for LCHC to expand programs and bring more specialists to the island (both via telemedicine and physical presence) therefore greatly increasing access to the underserved and reducing the number of patients needing to fly or ferry to neighboring islands for services.

II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant’s approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request. The applicant shall:

Describe the scope of work, tasks and responsibilities. Our current facility is too small to accommodate any significant growth. LCHC is actually not even able to accommodate all its current functions, which force outreach, dental, and administrative activities offsite at separate locations. This leads to operational inefficiency and increased costs. Due to our current Health Center’s residential zoning, in addition to the lot being small, there is no opportunity to expand. In addition, our current facility’s location is remote from the center of Lānaʻi activity and hard to get to, especially for our seniors and children. LCHC cannot actively seek out patients at this time, due to our current space constraints—this means that patients are often sicker by the time they come to us. The best solution is to proceed with and fund this final phase – the vertical construction of the Lānaʻi Community Health Center capital improvement project. A combination of factors makes this project an urgent priority:

- Increased social and economic disparity. Permanent employment opportunities continue to be relatively low paid positions (primarily tourism related positions in the hotels), while high end development also continues—hence, an increase in need for LCHC services.
- Immigration continues. Immigrants continue to come to our community to fill the hotel industry positions. As LCHC is the only health care provider on island skilled in serving this population of patients, we continue to see an increased need for our services – both from the lack of insurance eligibility, as well as our provision of culturally sensitive services.
- Limited medical services, due to size and location of Lānaʻi. The only other outpatient medical provider on Lānaʻi is a for-profit organization that serves primarily residents with private insurance. Lack of adequate health care on Lānaʻi for the low- and moderate-income households, uninsured or under-insured residents has resulted in poor health indicators including higher rates of drug abuse, obesity, high teen birth rates, dental caries, and diabetes.
- Geography. The geographic isolation of Lānaʻi makes medical services expensive for both residents and providers. Residents must travel by ferry to Maui or air to other islands for medical care. A round trip ticket from Lānaʻi to Oʻahu costs \$200 or more, assuming the patient travels alone. Accommodations, food, and ground travel can involve

additional expense, with hotel rooms typically costing more than \$100 per night and taxi costs of \$70. Emergency air transport to an Oʻahu health facility costs upward of \$10,000.

- Low-income with high cost of living. Lānaʻi's per capita income is lower than 60% of communities statewide (Lānaʻi Area Community Profile, 2003, Center on the Family, University of Hawai'i) though our cost of living is among the highest in the Nation, due in part to our isolation. This makes the need for LCHC services for those suffering from social and economic disparity imperative. More recent comparison data is not yet available, however being familiar with the employment opportunities and costs of housing and groceries, it is safe to say that this situation has continued, and perhaps worsened with the increased development and interest since Mr. Ellison's 2012 purchase of the island.
- Limited health care infrastructure. Health and social services on the island is a patchwork of organizations, with significant gaps in the areas of women's health, oral health, behavioral health services, case management, prevention, and continuity of primary care.
- CDBG funds. LCHC has utilized Maui Community Development Block Grant funds for its design, permitting, subdivision, land acquisition, and some of the site preparation. These funds require completion of the project in total (i.e., including construction) within a 5-year period.
- Federal Funds. LCHC has some federal funds earmarked for construction. There is a time limit on these funds also, requiring construction to be completed within the next two years.
- New Market Tax Credits. Lastly, LCHC has an interested partner (USBank) for New Market Tax Credits (NMTC). Delay will risk the loss of this partner, and the loss of our ability to obtain NMTC to complete the funding picture of our project.

LCHC has made strides in serving the low to moderate income residents on Lānaʻi, since beginning to provide services in 2008, first provided out of the temporary three-room apartment at 624-A Houston Street; then moved to 478 Lauhala Place in our current 900 square foot temporary facility (which was renovated with the assistance of a County of Maui Line Item Grant). Additional minor alterations have been made with ARRA funds that have slightly increased usable square footage by an additional 503 square feet. Services will continue to be provided out of the Lauhala Place location until vertical construction of the new facility located in the heart of Lānaʻi City (the subject of this proposal) is complete. Administration and Outreach Services are currently provided in a separate facility (the original Health Center location, 624-A Houston Street), resulting in decreased efficiency and, at times, patient confusion regarding location. These activities will also remain in their current location until the new facility is completed.

Completion of the construction project will provide a location from which LCHC will have the ability to serve all the low- to moderate-income residents, those who are uninsured or underinsured, and others facing cultural, ethnic, and geographic barriers. The ability to serve this entire population will eliminate the need for many residents to travel off island for primary or specialty care, saving residents and government agencies thousands of dollars in travel money. It will also increase our ability to provide services to patient early on in the disease process. It is an obvious fact that provision of timely and necessary medical attention and preventative health education, particularly for our school based health services, is essential to obtain positive health outcomes.

In addition to the impact on patients further discussed below, LCHC’s project will increase the number of construction jobs on the island and create permanent jobs within its new facility (including clinical, administrative, facility related, and a variety of other positions that offer a higher paid career opportunity) improving the economic condition and employment diversity on Lāna‘i. The following table presents the current and projected utilization post construction:

Indicator	Current (end of 2013)	Projected Upon Completion (2015)
Number of Patients Served	1,067	1,629
Current Number of Visits	3,834	5,814*

*Based on historical data demonstrating an average of 3.5 encounters per unduplicated client

This 6,800SF LEED certified building will be configured to provide LCHC with improved capability to provide patients and the community with a truly culturally sensitive, patient centered medical home. Working as an integrated team, providing as many services as possible through ‘one stop shopping’ at one site, including use of telemedicine, and being able to practice the patient centered medical home philosophy (taking care of the whole patient and knowing that patient’s issues and challenges) are all activities where research has shown quality of care to be enhanced and improved patient outcomes. This new facility provides LCHC with the ability to continue enhancing its program and services – and most importantly, improving patient outcomes and lives.

Plans call for a facility with 9 exam/consult rooms, a procedure room, dental x-ray, 2 dental operatories and CLIA waived lab facilities, conference and administrative office facilities, and a community activity room. The new facility will consolidate all activities under one roof – in addition to increased efficiency and cost effectiveness, this consolidation will also provide our patients with improved care, through their ability to see their medical, behavioral health, dental, PT, cardiology, and nephrology providers in one location, and even set up back-to-back appointments. They will also be able to access telemedicine services – a program that LCHC currently offers in psychiatry, retinal imaging and dermatology, with plans to expand to pediatrics and other specialty services as warranted and needed by our patients and community.

Our total project is estimated to cost \$7,887,947; our funding gap is \$2,400,000 to reach the point where we are able to secure the final \$2,400,000 from New Market Tax Credits (for which

we have already secured a partner). This application requests \$2,400,000 to support the construction phase of the project.

Provide a projected annual timeline for accomplishing the results or outcomes of the service. The proposed timeline for implementation is reasonable for construction projects of this size. Permitting and subdivision has been completed (CDBG Funds) by Architects Hawaiʻi LTD (AHL) project manager, Ms. Marni Murdock, under the supervision of Dr. Shaw. LCHC has also completed the purchase of the land (on 12/31/2013). Dr. Shaw has successfully recruited a project/construction manager (Ms. LaTeeka Washington) who will start with LCHC mid-January 2014.

Under the leadership of the newly hired project/construction manager, bids will be prepared and posted for the site preparation activities which are expected to begin in May 2014; Bid process for the construction is expected to begin May 2014 as soon as the site preparation activities begin, with award of the construction contract anticipated to be in July 2014, construction mobilization will occur in September 2014, and occupancy is anticipated by December 2015. The timetable is developed with the expertise of AHL, who has a great deal of experience with construction in Hawaii, and conversations with the County to ensure that Maui processes are accounted for in the schedule.

Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results. AHL has designed the proposed facility (including schematic design, design development, construction documents and permitting, and project management of all consultants, sub-contractors) and initial estimates have been provided by licensed contractors (Rider Levett Bucknall). In addition to the basic architectural services described, the design team provided surveying, geotechnical report, subdivision, environmental assessment, LEED certification design submittal, cultural and archaeological assessment, building signage, interior design and FF&E (furniture, fixture and equipment) selection for construction documents and permitting of the Lānaʻi Community Health Center. The construction phase of our project, the subject of this grant, will utilize a similar process – with the project/construction manager charged with the responsibility of executing the complete the infrastructure and vertical construction of the new LCHC facility. Ms. Washington (project/construction manager) will work closely with Dr. Shaw (Executive Director) and her staff to deliver all services aforementioned through regular design meetings, eco-charettes and project review.

Ms. Washington will also be responsible for submission to all government agencies having jurisdiction and responding to all issues related to the construction of the project as well as reporting to LCHC required capital improvement project information. The new facility, by design, will be developed to not only meet the needs of our community but will also ensure: (1) visual consistency with existing architecture styles in our plantation home; (2) products to be used will have LEED Certification to ensure a facility with maximized energy efficiency and sustainability; and (3) cultural sensitivity to our target population.

List the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

Measure of Effectiveness	Outcome
Identify Property	Completed
Design Facility	Completed
Finalize Design	Completed
Hire Project/Construction Manager	Completed
Solicit Bids & Selections of Site Work Contractor(s)	To be completed, during Q2 of 2014, funds secured already
Award Site Work Contract	To be completed, during Q2 of 2014, funds secured already
Site Work and Infrastructure	To be completed, during Q3 of 2014, funds secured already
Solicit Bids & Selections of Vertical Construction Contractor(s)	To be completed, during Q2 of 2014, using NMTC funds
Award of Vertical Construction Contract	To be completed, during Q3 of 2014, using NMTC funds
Construction & Occupancy of New Facility	To be completed, during Q4 of 2015, upon award (see III. Financial Quarterly needs below)

Q1 = Quarter 1 (January, February, March); Q2 = Quarter 2 (April, May, June);
Q3 = Quarter 3 (July, August, September); Q4 = Quarter 4 (October, November, December)

III. Financial - Budget

The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2015.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$240,000	\$960,000	\$960,000	\$240,000	\$2,400,000

The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2015. Maui County Community Development Block Grant; Bank of Hawaii; First Hawaiian Bank; T. C. Ching Foundation; New Market Tax Credits.

The applicant shall provide a listing of all state and federal tax credits it has been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.

LCHC is actively seeking New Markets Tax Credits to support the Capital Improvement Project that will include treatment and examination rooms, consultation rooms, dental/specialty rooms, a clinical laboratory, offices and administrative support space. It will also include a multipurpose activity room to be used for joint programs with the Lāna‘i Art Center, for flu clinics, outreach program activities, health education events and other activities benefitting the community. It is estimated that New Markets Tax Credits could provide a 17 – 22% subsidy to the project, upon LCHC raising 78 – 83% of the project costs. LCHC has already secured an interested partner – USBank.

New Markets Tax Credit (NMTC) Program: The federal New Markets Tax Credit (NMTC) program is currently the largest federal economic development incentive program. The program was enacted as part of the Community Renewal Tax Relief Act of 2000 to encourage investment into operating businesses and real estate projects located in low-income communities.

NMTC is very flexible and can be used for a wide range of purposes. Most types of businesses, including not-for-profit businesses are eligible for NMTC subsidy. The program has supported a wide variety of community and economic development initiatives including restaurants, childcare facilities, community centers, charter schools, supermarkets, shopping centers, manufacturing and industrial facilities, health care centers, and mixed-use buildings with affordable housing. For the many communities that could benefit from the NMTC, the first step is to understand how it works.

In brief, the NMTC Program attracts investment capital to low-income communities by permitting individual and corporate investors to receive a tax credit against their Federal income tax return in exchange for making equity investments in specialized financial institutions called Community Development Entities (CDEs). The Community Development Financial Institutions (CDFI) Fund, part of the U.S. Treasury Department, certifies qualified Community Development Entities and conducts competitions for the allocation of NMTCs to CDEs. An “allocation” allows the CDE to select a project and coordinate funding, including by receiving the tax credit investor’s capital and directing the tax benefits to the investor.

The credit totals 39 percent of the original investment amount and is claimed over a period of seven years (five percent for each of the first three years, and six percent for each of the remaining four years). The investment in the CDE cannot be redeemed before the end of the seven-year period.

The capital is typically approximately the project budget amount. At closing, investors pay a percentage of the total benefits they receive over time. This means the tax credits result in a subsidy for projects typically in the range of 17 – 22% of the total capital raised by the CDE. The capital must be used for qualifying projects, usually required to be located in low-income census tracts or projects that serve or employ low-income persons.

Since the NMTC Program’s inception, the CDFI Fund has made 664 awards allocating a total of \$33 billion in tax credit authority to CDEs through a competitive application process.

Source: Community Development Financial Institutions Fund, United States Department of the Treasury (http://www.cdfifund.gov/what_we_do/programs_id.asp?programID=5).

The applicant shall provide the balance of its unrestricted current assets as of 12/31/2013.

LCHC's unrestricted current assets as of 12/31/2013 (unaudited) is \$331,616.01

IV. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

LCHC has significant experience and expertise in working with the Lānaʻi Community that originates prior to award of our current Federal 330 status and funding.

LCHC was the brainchild of Ms. Jackie Woolsey and Ms. Phyllis McOmer, both long time Lānaʻi residents. Starting as Lānaʻi Women's Center (LWC), the organization was envisioned to fill the health care gaps for Lānaʻi women who faced the burden of leaving the island for preventive screenings. Additionally the organization was seen as the hope of raising the level of health and education services taken for granted in most communities in Hawaiʻi and elsewhere. Incorporated in 2004, they conducted needs assessments and focus groups to identify community concerns. The organization opened its doors for business in March of 2006 utilizing the services of Molokai midwives who provided GYN services to LWC patients.

With a medically underserved population, it was quickly seen that not only the women of Lānaʻi needed a health care alternative, but so did the men and children. In October 2007 the organization, doing business as the Lānaʻi Community Health Center, received its first Federal 330e grant and its designation as a Federally Qualified Health Center (FQHC), and hired its own providers. In August 2009, the organization legally changed its name to Lānaʻi Community Health Center to better reflect its mission—to take care of the whole community of Lānaʻi—men, women, and children. As a 501(c)3 nonprofit organization, LCHC takes care of the community with a focus on physical, mental, emotional, intellectual and spiritual welfare and by enriching and empowering lives to help build healthy families in a supportive environment.

LCHC carries out its mission in three ways:

- By directly providing health services (including but not limited to primary care, dental, and behavioral health) to the community;

- By providing activities and services through partnerships with local organizations as well as the many off-island organizations reaching out to Lānaʻi by serving as coordinator, advocate, resource, initiator, and convener; and
- By working collaboratively to provide space for partners who can provide needed services for Lānaʻi.

Our target population consists of everyone on Lānaʻi, with a targeted focus on those who are of low to moderate income. No one is turned away because they lack money. LCHC serves individuals of all ages, ethnicity, gender, and residency—old timers, part-timers, and newcomers.

Staff experience includes:

- LCHC currently has 1 FTE experienced APRN Rx provider who lives on Lānaʻi and takes care of our patients, and is fluent in both Ilocano and Tagalog. In addition, LCHC has 2 PT APRN Rx providers who provide backup coverage for our full-time provider and 1 PT physician employee serving as our Medical Director, providing medical services to our most difficult chronic disease patients, and also providing Quality Assurance oversight of our program. These individuals together have over 110 years of combined experience in nursing and over 65 years as health care providers. Many of our providers also have a relationship with the University of Hawaiʻi School of Nursing and Dental Hygiene, and through this relationship LCHC patients have benefited from students providing service on Lānaʻi. Most of our providers are local to Hawaiʻi and represent a mix of ethnic backgrounds, as well as having a long time relationship working in community health centers with a wide ethnic mix of patients.
- Two board certified cardiologists rotate their presence on Lānaʻi, every other month. These individuals live on Oʻahu and are affiliated with Queen's Heart Center, Queen's Medical Center. John J. Cogan, MD, FACP, FACC, has been practicing interventional cardiology since he performed the first coronary angioplasty at Queen's Medical Center on 9/15/1980. He became Board Certified in Interventional Cardiology when the first boards were offered in 1999. He is one of only approximately 10 practitioners in the State of Hawaiʻi with Board Certification in Interventional Cardiology. He has performed over 3,000 interventional cases in his career: Over 1,000 of them using the transradial approach. (The transradial technique is safer and is associated with less discomfort than the transfemoral technique.) He has performed more interventional cases than any practitioner in the State of Hawaiʻi and has one of the largest experiences in the world. Lee Guertler, MD, PhD, FACP, FACC, is an interventional cardiologist who has been a member of The Queens Hospital medical staff since 1989. He has an active interest in preventive medicine/cardiology and obtained his PhD in Biochemistry in 1978 at Wake Forest University. He completed a National Institutes of Health fellowship in Lipoprotein and Hepatic Metabolism, University of California San Diego, 1980. Dr. Guertler is Board Certified in Cardiology and is a Fellow of the American College of Cardiology and the American College of Chest Physicians.

- Through an MOU arrangement, LCHC has hired a part-time echo cardiology technician, Ms. Mel Lysgaard. She works closely with Drs. Cogan and Guertler in their practices elsewhere, and is highly skilled in dealing with a wide range of patients, and provides services at LCHC every other month.
- LCHC has recently trained its nurse practitioner to provide OB services and expand our Women's Health Program. LCHC has also created relationship with OBs on Maui and Oahu so that our our pregnant patients have options for delivery.
- LCHC has full-time behavioral psychologist services with our clinical psychologist, Serenity Chambers, PHD living and working on island. We also have tele-medicine Psychiatry Services (provided by Dr. Chad Koyanagi of O'ahu. Saturday coverage is currently provided via phone or by the local psychologist who works full time at Lānaʻi High and Elementary School and has an MOU with us to provide on-site services at LCHC.
- LCHC has an MOU with the only dentist on Lānaʻi. Dr. Nora Harmsen lives on O'ahu but flies into Lānaʻi on Monday and leaves on Thursday night. She provides LCHC patients with dental services on a voucher system paid for by LCHC, and will provide services to our patients, on site, when our new building is constructed.
- Our two FTE medical assistants live and work on Lānaʻi and represent the area's major ethnicity. One grew up on Maui and has been living on Lanai for several years now. The other MA is from the Phillipines, now relocated to Lanai. All speak Ilocano, Tagalog and some Visayan.
- LCHC also employs a case manager who provides experience in working with our patients, assisting them in navigating the hills and valley's of health care. She also manages our referral process and works with the hospital to ensue a smooth transition for our patients when they are hospitalized or present at the ER.
- LCHC recently expanded its Outreach services, creating and Outreach and Education Division, lead by our long-time employee, Ms. Wilma Costales Koep, who is also Filipino, understands and speaks Ilocano (the most commonly spoken Filipino dialect in the area), Tagalog and Visayan fluently. She is also the individual on our staff who translates our written materials into Ilocano. The Division has two additional FTEs, who provide insurance eligibility assistance, peer education and transportation services.

Of utmost importance is that all our staff are trusted by the community, which is extremely important in a small, tight knit community such as Lānaʻi.

LCHC has a dedicated, focused Board of eleven volunteers, representing the different ethnicities and age of the Lānaʻi community, including Filipino, Native Hawaiian, Japanese, and Hispanic. Collectively they have a wealth of experience in different areas, such as non-profit organizations,

finance, education, banking, church groups, law, personnel management, profit and non-profit business development, counseling, substance abuse, and emergency preparedness.

Other Organizations Serving the Target Population Support LCHC: LCHC has received widespread community support from: Women Helping Women, Aloha House, Na Pu'uwai/Ke Ola Hou, Nora Harmsen DDS, Lānaʻi High and Elementary School, Lānaʻi Community Hospital, Straub Family Health Center, Hawaiʻi State Department of Adult Mental Health, Maui and Lānaʻi Public Health Office, Coalition for a Drug Free Lānaʻi, Lānaʻi Art Center, and the Hawaiʻi Primary Care Association.

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In the many years of community involvement, the founders and Board members bring a wealth of knowledge and depth of experience providing identified health care needs for the community. LCHC's history includes:

- Representation at community events. Fairs and farmers market throughout 2008, 2009, 2010, 2011, 2012, and 2013 providing screenings, education and outreach.
- National Community Health Center Week. For the last four years, LCHC has provided a week-long celebration of Community Health Centers, with daily demonstrations, workshops and lectures to the community, topics ranging from nutrition to men's health to stress management.
- Women's Health Day. In February 2013 LCHC held its first Women's Health Day. Over 100 women were reached through the following events: breast screenings, flu shots, traditional Hawaiian and Filipino medicinal education, mini-manicures, and massage.
- Outreach and eligibility. The outreach workers reach residents to secure health insurance and other benefits. This activity increases the Medicaid population on-island and consequently contributes to the growth of LCHC's revenue under Medicaid cost-based reimbursement and PPS.
- Breast cancer prevention. LCHC has received annual grants from with the Susan G. Komen Breast Cancer Foundation for the past several years. With these funds LCHC provides breast cancer outreach, education, and access to preventative screenings to the women on Lānaʻi. This program is important as there are no mammogram facilities on Lānaʻi, and this grant provides LCHC with the funds to assist women to travel to Maui for annual breast cancer screenings. In addition, LCHC works with Na Pu'uwai/Ke Ola Hou when they host screenings by providing providers, staff and, when possible, a venue for the screenings.
- Medical Literacy Education. Using funds from the State, LCHC provided classes in medical literacy, aimed at our Ilocano speaking population to assist with understanding of common medical terms and instructions.

- Health Education. LCHC has designed its website in both Ilocano and English, listing numerous educational materials and websites for patients and the community. We are also in the process of training all our staff in motivational interviewing techniques, and chronic disease management. Our goal is to enhance all staff members' skills so that they can act as peer educators. We are also providing weekly education to students in the school, teaching them basic health techniques – how to wash your hands and brush your teeth, keep colds at bay, etc.

As part of the network of community health centers, in the past four years LCHC has also gained assistance and valuable expertise from other Federal 330 grantees including: Waianae Coast Comprehensive Health Care, Waimānalo Health Center, Molokai Community Health Center, Maui Community Health Center, Hana Community Health Center, and Kauaʻi Community Health Center/Houʻola Lahui.

Careful review and updating of the service area's identified health care needs as part of annual applications to HRSA keeps LCHC abreast of the community's needs, and permits readjustments as needed.

Additionally, continuous patient comments, input from community surveys, presentations made throughout the year, and input from our consumer Board keep LCHC in sync with the community and its needs. Therefore, LCHC's Health Plan targets health issues addressed at community meetings and identified through multiple assessments across every sector of the community.

Health plan health indicators are consistent with Healthy Hawaiʻi 2020, where the first goal is to help all ages increase life expectancy and improve their quality of life—a universal theme in health professions. The second goal of Healthy People 2020—to eliminate health disparities among its population—is also part of LCHC's goals, values, and work plans.

Organizational Structure: The LCHC's organizational structure is designed to support its mission and philosophical values by promoting innovative programs that are mission-based, responsive to community need, cost-effective, culturally competent, and accessible to all. Simply, the LCHC goal and mission is *“to take care of the people of Lānaʻi.”* LCHC's Executive Director Diana Shaw, PhD, MPH, MBA, FACMPE, is responsible for the direction of all aspects of the operation of LCHC. Dr. Shaw works in concert with a multi-disciplinary management team to provide leadership for staff and to encourage leadership among staff. In addition to Dr. Shaw, her key management team is comprised of the Medical Director and Director of Quality Dr. Joseph Humphry, and Chief Financial Officer/IT Director, Cindy Santiago. Together, the 3.0 FTE make up of the leadership team has proven successful and highly effective for a CHC of our size and scope.

LCHC is the only agency truly accessible for all individuals, regardless of their ability to pay insurance status, or cultural background, and provides a sliding discount for those who are un- or under-insured. LCHC, as a fledgling CHC, has already developed significant skill, experience, and project monitoring capability. Spearheaded by Dr. Shaw, LCHC's key management team

utilizes its electronic practice management and medical records program (eClinicalWorks), Continuous Quality Improvement Program, and Consumer Participation to enhance its ability to monitor and evaluate the quality, efficacy, and outcomes of the proposed capital improvement project. Though the agency has been an FQHC for only five years, our experience in monitoring contracts and provision of quality services extend beyond 1999. Specific experience with contract monitoring and oversight include but is not limited to:

- State Department of Health Family Health Services Division Contract for comprehensive primary care services to the uninsured (Contact: State Department of Health, Administrative Services Office, P. O. Box 3378, Honolulu, HI 96801).
- State Department of Health Maternal and Child Health Contract for the island's only Title X Clinical Family Planning Services (Candice Calhoun, 733-9048; Candice.calhoun@doh.hawaii.gov).
- State Department of Health Perinatal Support Services (depression and substance abuse screening) (Contact: Trudy Okada, Maternal & Child Health Branch, Women's Health Section, State Department of Health, 741-A Sunset Avenue, Honolulu, HI 96816).
- State Department of Health Smoking & Asthma Contract (Contact: Julian Lipsher, Chronic Disease Programs, State Department of Health, 1250 Punchbowl Street, Room 217, Honolulu, HI 96813).
- County of Maui Community Development Block Grant for planning and development of Capital Improvements (Contact: Anthony Arakaki, CDBG Program Manager, Office of the Mayor, County of Maui, Community Development Block Grant Program, 200 South High Street, Wailuku, HI 96793).
- Health Resources and Services Administrations, Bureau of Primary Health Care funding under section 330(e) of the U.S. Public Health Services Act (42 USCS § 254b). (Robert Windom, 301-443-1607; rwindom@hrsa.gov).
- Federal American Recovery and Reinvestment Act (ARRA) appropriation for capital improvements (Contact: C. F. Lin, HRSA/Healthcare Systems Bureau, 5600 Fishers Lane, Room 10-105, Rockville, MD 20857, CLin@hrsa.gov, 301-443-6579).

LCHC utilizes QuickBooks, not-for-profit version, for its financial information system. Developed by Intuit for small business use that is industry-specific with workflow processes and includes audit trail capabilities, and double entry accounting (a set of rules for recording financial information). QuickBooks has proven sufficient and effective for LCHC financial operations and provides the necessary day-to-day, annual, and specific performance data related to the organizations financial feasibility and stewardship. LCHC's electronic practice management and medical records program collects and tracks information on third party reimbursements, patient co-payments, and billing and collection data reports. This Practice

Management data is combined with financial performance data in QuickBooks to provide a clear view of its financial environment.

LCHC maintains accounting and internal control systems consistent with the agency's size and complexity. All systems comply with Generally Accepted Accounting Principles (GAAP) and other functions necessary to safeguard assets and maintenance of financial viability. In addition to internal controls, LCHC also receives an independent annual financial audit and receives/follows financial management recommendations and policies of the National Association of Community Health Centers (NACHC).

B. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities. The applicant shall also describe how the facilities meet ADA requirements, as applicable.

LCHC has four approved service sites within its scope of services including: (1) Lauhala Place, (2) Houston Street, (3) Lāna‘i Elementary and High School, and (4) Mobile Outreach. Site (2), Houston Street, is currently used for administration and outreach services in one building and several other buildings in tear down condition. This is the identified site for the proposed construction project. Site (1), Lauhala Place, is the current site for clinical services that will be relocated to the Houston Street property upon completion of construction. The current facility has a total space of 1,300 square feet.

Upon completion, the new facility will be nearly five times larger (6,800 square feet) than the existing clinical facility and will contain nine exam rooms (compared to the current three), a procedure room, dental x-ray, dental and general lab facilities, conference and general administrative office facilities, and a community activity room. The new facility (see architects site plan below) will bring all LCHC services under one roof in the heart of Lāna‘i City, where most of the islands residents live, be ADA compliant, LEED certified, and conducive to the provision of high quality health and social service care.



V. Personnel: Project Organization and Staffing

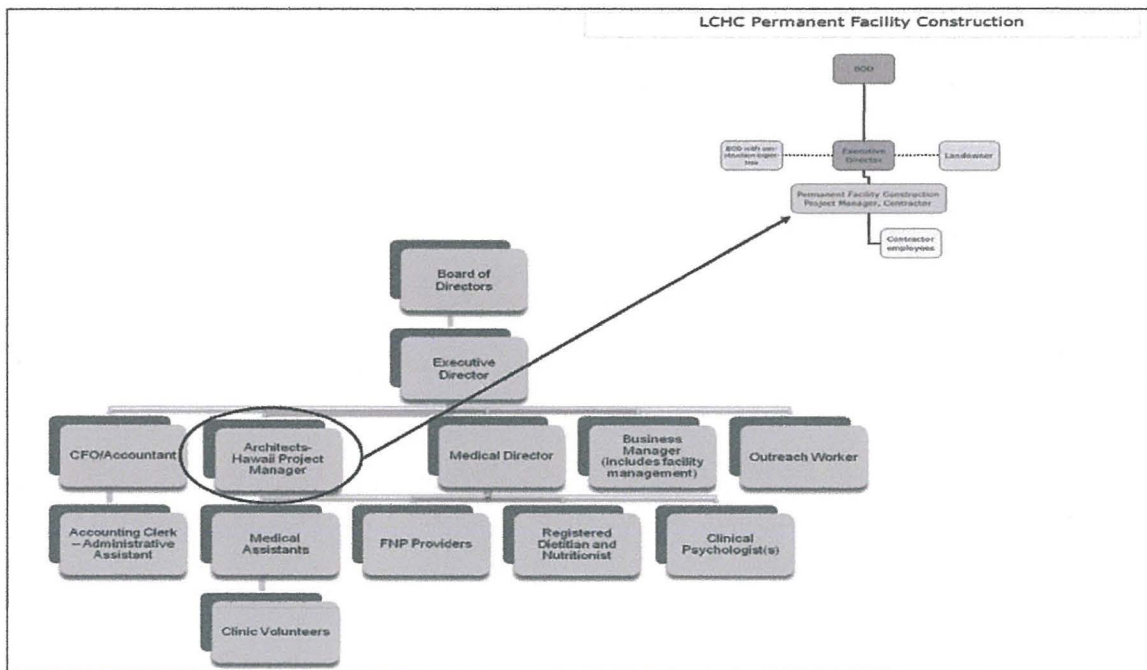
A. Proposed Staffing, Staff Qualifications, Supervision and Training

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

Dr. Diana Shaw, Executive Director, will be responsible for the development of the project team. She will pool existing resources, provide overall project monitoring. Ms. LaTeeka Washington has been hired as the LCHC Project/Construction Manager (1FTE) and is experienced in professional project/construction management for the site preparation and construction phase of the capital project. Ms. Washington will coordinate all aspects of the project including sending out bids for services and ensuring all contractors meet the funding requirements and other requirements associated with construction projects. Dr. Shaw spearheaded the previous phases and will continue to oversee the overall capital improvement project. Dr. Shaw has developed a broad range of expertise relating to this project. She has worked closely with the architect, contractor, and landowner to ensure smooth implementation from beginning to end.

B. Organization Chart

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request.



C. Compensation

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position.

Top 3 highest paid in the organization as a whole:

Full Name	Job Title	Annual Pay
[REDACTED]	Executive Director	\$ 95,400
[REDACTED]	Nurse Practitioner	\$ 90,000
[REDACTED]	Clinical Psychologist	\$ 84,800

Top 3 highest paid in the organization by POSITION:

Full Name	Job Title	Annual Pay
[REDACTED]	Accounting Clerk/Front Desk Representative	\$ 14,560
[REDACTED]	Administrative Assistant	\$ 31,200
[REDACTED]	Case Manager/Referral Specialist	\$ 32,760
[REDACTED]	CFO	\$ 64,480
[REDACTED]	Clinical Psychologist	\$ 84,800
[REDACTED]	Community Outreach & Education Assistant	\$ 31,347
[REDACTED]	Community Outreach & Education Assistant	\$ 31,347
[REDACTED]	Community Outreach & Education Specialist, Supervisor	\$ 36,362
[REDACTED]	Executive Director	\$ 95,400
[REDACTED]	Facilities Housekeeper	\$ 11,442
[REDACTED]	Family Planning and Reproductive Health Community Health Educator	\$ 7,488
[REDACTED]	Front Desk Representative	\$ 31,200
[REDACTED]	Grants, Research, Events & EMR Manager	\$ 45,925
[REDACTED]	Medical Assistant	\$ 32,990
[REDACTED]	Medical Assistant	\$ 31,200
[REDACTED]	Medical Biller	\$ 31,721
[REDACTED]	Medical Provider, Director of Quality, Title X Medical Director	\$ 82,080
[REDACTED]	Nurse Practitioner	\$ 90,000
[REDACTED]	Nurse Practitioner	\$ 3,635

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

Not Applicable

B. Licensure or Accreditation

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

Not applicable, Hawai‘i does not require licensure or accreditation of facilities. However, the design team is providing surveying, geotechnical report, subdivision, environmental assessment, LEED certification design submittal, cultural and archaeological assessment, building signage, interior design and FF&E (furniture, fixture and equipment) selection for construction documents and permitting of the Lāna‘i Community Health Center.

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2014 to June 30, 2015)

Applicant: Lāna'i Community Health Center

BUDGET CATEGORIES	Total State Funds Requested (a)	State and Federal Funds (b)	County of Maui Funds (c)	In-Kind Donations; Individual and Private Foundations (d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	2,400,000	855,288	1,493,407	239,251
TOTAL (A+B+C+D+E)	2,400,000	855,288	1,493,407	239,251
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	2,400,000	Diana V. Shaw, 808-565-6919 x114		
(b) State and Federal Funds	1,355,288	Phone		
(c) County of Maui	1,493,407	January 10, 2013		
(d) In-Kind Donations, Individual and Private Foundation	239,251	Date		
TOTAL BUDGET	5,487,946	Diana V. Shaw, Executive Director Name and Title (Please type or print)		

Note: A Request for Release of Approved 2012 GIA State Funds has been sent to the Department of Health. The 2012 GIA amount Approved was \$500,000.

BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: Lāna'i Community Health Center

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)
Not applicable				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				
JUSTIFICATION/COMMENTS: NOT APPLICABLE				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Lāna'i Community Health Center

Period: July 1, 2014 to June 30, 2015

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Not applicable			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:			\$ -	
JUSTIFICATION/COMMENTS: NOT APPLICABLE				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
Not applicable			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:			\$ -	
JUSTIFICATION/COMMENTS: NOT APPLICABLE				

BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Applicant: Lāna'i Community Health Center

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 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						
SITE PREP	305,091	866,000				
CONSTRUCTION	500,000		2,400,000	2,284,532		
EQUIPMENT						
TOTAL:	805,091	866,000	2,400,000	2,284,532		

JUSTIFICATION/COMMENTS: This request is to fund in part the final phase of our new facility -- vertical construction of the Lāna'i Community Health Center capital improvement project. This 6,800SF LEED certified health care facility is configured to provide LCHC with improved capability to truly provide patients and the community with a patient centered medical home. Vertical construction of the Lāna'i Community Health Center capital improvement project is approximately **\$4,618,617**; Not also that prior to FY2012-13 \$1,532,323 was awarded by County and Federal to cover costs of Planning, Design, Permitting, Subdivision and Land Acquisition.

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

Lāna'i Community Health Center

 tion)
(Signature)

January 10, 2013
(Date)

Diana V. Shaw
(Typed Name)

Executive Director
(Title)