

House District 47

Senate District 23

THE TWENTY-EIGHTH LEGISLATURE
APPLICATION FOR GRANTS
CHAPTER 42F, HAWAII REVISED STATUTES

Log No:

For Legislature's Use Only

Type of Grant Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

"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.

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

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

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN):

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:

Ko'olauloa Community Health and Wellness Center

Dbas: Ko'olauloa Health Center

Street Address: 54-316 Kamehameha Hwy, Hau'ula, HI 96717

Mailing Address: P.O. Box 395, Kahuku, HI 96731

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name TERRENCE ARATANI

Title Chief Executive Officer

Phone # 808-375-3192

Fax # 808-293-5390

E-mail taratani@koolauloachc.org

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION INCORPORATED IN HAWAII
- FOR PROFIT CORPORATION INCORPORATED IN HAWAII
- LIMITED LIABILITY COMPANY
- SOLE PROPRIETORSHIP/INDIVIDUAL
- OTHER

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2017: \$ 100,000

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 \$ 162,00

FEDERAL \$ 940,462

COUNTY \$ _____

PRIVATE/OTHER \$ _____

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

AUTHORIZED SIGNATURE

TERRENCE H. ARATANI, CHIEF EXECUTIVE OFFICER
NAME & TITLE

DATE SIGNED

01/20/2016



RECEIVED

1/20/16 *WJZ*

Application for Grants

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

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. Please include the following:

1. A brief description of the applicant's background:

Ko'olauloa Community Health and Wellness Center, DBA as Ko'olauloa Health Center (KHC) was organized in 2003 by community members in response to the need for affordable, quality, culturally appropriate health care for the residents of Ko'olauloa. Since opening its doors twelve years ago as a Federally Qualified Health Center (FQHC), it has steadily increased the number of residents served as well as expanded its service array to address the unique needs of the residents in the community. Today, KHC serves approximately 7,000 patients with over 18,000 encounters per year.

KHC is one of two organizations in the 35-mile service area of Ko'olauloa that provides primary medical services. Other services include dental, behavioral health and pharmaceutical services. All these services are provided to the patients regardless of ability to pay and on a sliding fee discount. It should be noted that KHC is the only provider of dental services in the region. This area *has the greatest shortage of primary medical doctors and dentists in the entire State of Hawaii*, as determined by the U.S. Department of Health and Human Resource, Health Resources Services Administration (HRSA). KHC currently has three locations, one in Hau'ula and two in Kahuku. The Red Raider Health Center is the first school-based health clinic in the State of Hawaii and services from this clinic have expanded to not only student and faculty patients but other residents in the community.

KHC recently received its new mobile dental/medical unit. Most of the funding for this unit was through a grant that HRSA agreed to extend. Costs for the unit have increased since the grant was approved but KHC moved forward with this project as it will provide a much needed service to areas in the region that may be too distant for patients to travel on a regular basis to one of its clinics.

2. The goals and objectives related to the request:

The primary goal is to assist KHC with its operational costs. While management has established ongoing payment plans for prior debts, due to a lack of providers willing to work in the region, KHC has been challenged with paying off prior debts while attempting to maintain current operations. If the grant request is approved, KHC will be able to use the assistance to continue stabilizing its operations.

3. The public purpose and need to be served:

As noted, KHC is providing health care to a region that has been recognized as underserved.

4. Describe the target population to be served:

The Ko'olauloa region has a population of 22,468 based on the Census 2010 with approximately 7.3 providers within this region for medical care.

5. Describe the geographic coverage:

Ko'olauloa is approximately 35 miles from Kualoa to Waimea. KHC also plans to expand its coverage to Haleiwa in the future.

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:

1. Describe the scope of work, tasks and responsibilities:

KHC offers medical, dental, and behavioral health services. One of KHC's primary responsibilities is to provide these services to the underserved and uninsured.

2. Provide a projected annual timeline for accomplishing the results or outcomes of the service:

Timeline	Year 1			
	Q1	Q2	Q3	Q4
Medical and Dental Supplies	X	X	X	X
Rent for Hau'ula Clinic and Office Space	X	X	X	X
Electricity	X	X	X	X
Insurance Premiums	X	X	X	X
Billing Services (Synergy)	X	X	X	X
Operation of Mobile Unit	X	X	X	X
Audit Fees		X	X	X
Telecommunications	X	X	X	
Repair and Maintenance	X			

3. Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results:

As a federally qualified health center, HRSA and KHC's bylaws mandate the establishment of a quality assurance committee that regularly reviews patient care at KHC. KHC goes through an annual audit which will provide an evaluation and testing on the financial statements and use of funds within KHC.

5. 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:

KHC will report on the status of funds expended and the purposes of those expenditures and other information requested from the expending agency.

III. Financial

Budget

The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.

1. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2017.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
25,000	25,000	25,000	25,000	100,000

2. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2017. **See attachment A**
3. 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. **Not Applicable**
4. The applicant shall provide a listing of all federal, state, and county government contracts and grants it has been and will be receiving for program funding. **See spreadsheet provided as Page 9.**
5. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2015.

Approximate balance-\$1,000,000.

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.

KHC has been serving the region since 2003. As a federally qualified health center recognized by the HRSA, it annually reports through the Uniform Data System on patient encounters. KHC has recently been permitted by Kahuku High and Intermediate School to expand its scope of services to the community.

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.

KHC has three separate facilities at the following locations:

1. Hau'ula Kai Shopping Center (lease)-54-316 Kamehameha Hwy
2. Red Raider Health Center-Kahuku High and Intermediate School
3. Kahuku Clinic-56-119 Pualalea Street

In addition, a mobile unit will be operational in 2016.

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.

All medical, dental and behavioral providers are duly licensed to practice in the State of Hawaii. KHC is aggressively recruiting providers who would like to establish their careers in the region. The Chief Executive Officer is a licensed attorney (currently inactive status) with over twenty-five years in state government culminating as the Chief of Staff for the Senate President. The Chief Financial Officer has over ten years' experience in the healthcare industry. The Chief Operating Officer has been working with community health centers for approximately nineteen years. The Chief Medical Officer has been a nurse practitioner for over 30 years.

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 organization chart that illustrates the placement of this request. **See attachment B**

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.

- Physician, M.D.-\$175,000
- Physician, M.D.-\$136,448
- Nurse, A.P.R.N.-\$104,000

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.

Ko'olauloa Health and Wellness Center, et. al. v. Danette Lale-this case was filed by the former CFO for wrongful termination. The case is pending.

B. Licensure or Accreditation

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

KHC is designated as a federally qualified health center by HRSA and has been granted its 501(c) (3) status by the Internal Revenue Service.

C. Private Educational Institutions

The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of this question. **Not Applicable**

D. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2016-17 the activity funded by the grant if the grant of this application is:

- (1) Received by the applicant for fiscal year 2016-17, but
- (2) Not received by the applicant thereafter.

KHC has been attempting to balance its operations. As prior debts are paid off, KHC will be able to meet its current operating cost against its revenues. If KHC receives the grant, it will be able to pay off its debts earlier and become a more stabilized organization. If KHC does not receive the grant, it will continue its operations even if it needs to seek other avenues of income.

E. Certificate of Good Standing (If the Applicant is an Organization)

If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2015.

BUDGET

(Period July 1, 2016 to June 30, 2017)

Applicant/Provider: Ko'olauloa Health Center
 RFP No.: _____
 Contract No. (As Applicable): _____
 Period: _____

BUDGET CATEGORIES	Budget Request (a)	(b)	(c)	(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. Airfare, Out-of-State				
3. Audit Services	25,000			
4. Contractual Services - Administrative				
5. Contractual Services - Subcontracts				
6. Insurance	8,200			
7. Lease/Rental of Equipment				
8. Lease/Rental of Motor Vehicle				
9. Lease/Rental of Space	21,000			
10. Mileage				
11. Postage, Freight & Delivery				
12. Publication & Printing				
13. Repair & Maintenance	921			
14. Staff Training				
15. Substance/Per Diem				
16. Supplies	14,000			
17. Telecommunication	10,000			
18. Transportation				
19. Utilities	15,000			
20. Dues, fees, licenses				
21. Payroll Processing				
22. Janitorial				
23. Operating - Mobile Care	5,879			
TOTAL OTHER CURRENT EXPENSES	100,000			
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
TOTAL (A+B+C+D)	100,000			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Budget Request	100,000	Bryan Talisayan 808-594-7250		
(b)		Name (Please type or print) Phone		
(c)		01/20/2016		
(d)		Signature of Authorized Official Date		
		Terrence Aratanl, CEO		
		Name and Title (Please type or print)		
TOTAL REVENUE	100,000	For State Agency Use Only		
		Signature of Reviewer Date		

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2016 to June 30, 2017

Applicant: Ko'olaupoko Health Center

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2016 to June 30, 2017

Applicant: Koʻlauoa Health Center

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

GOVERNMENT CONTRACTS AND / OR GRANTS

Applicant: Ko'olauloa Health Center

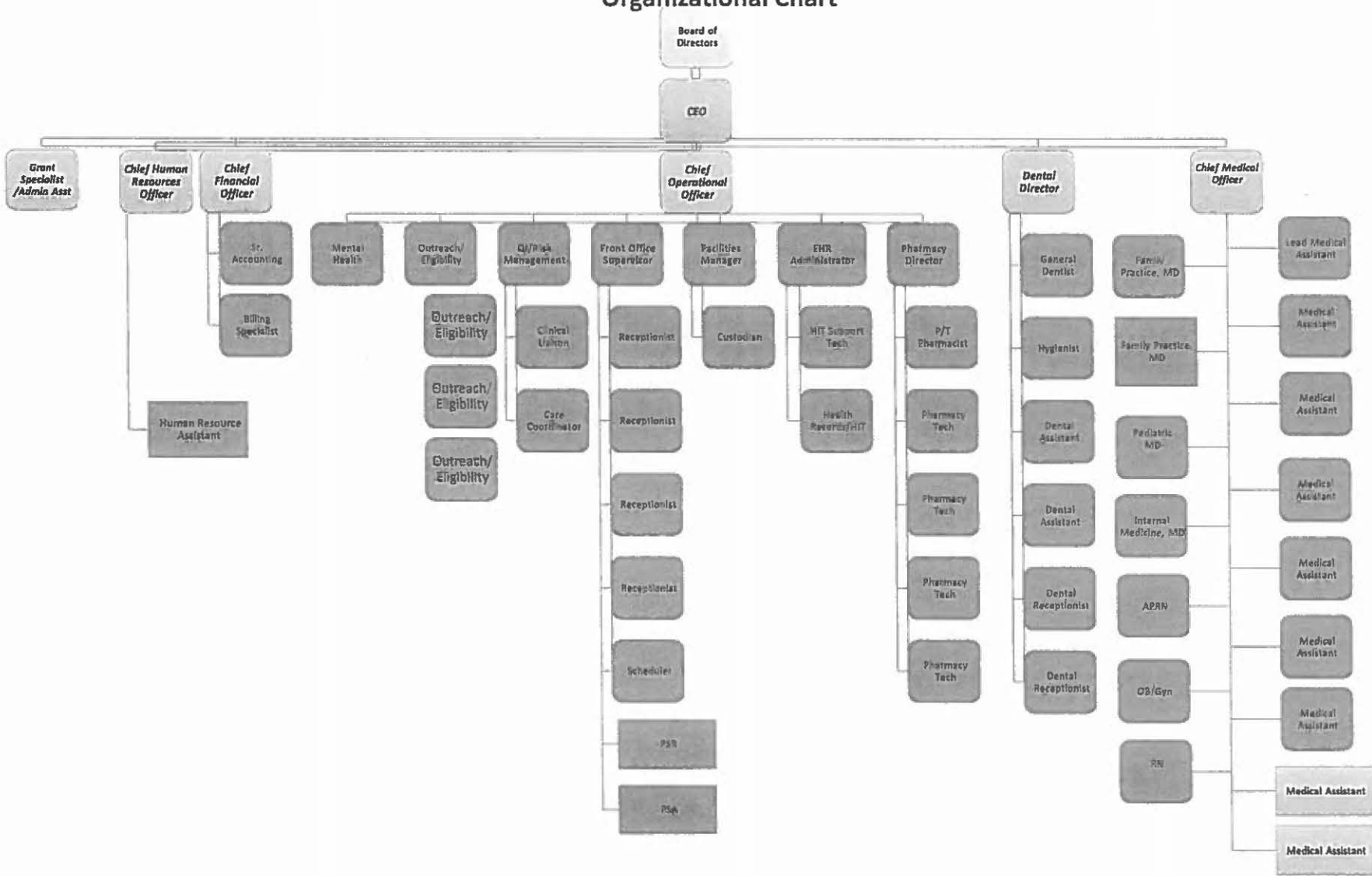
Contracts Total: 1,264,462

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1	330(e) Community Health Center Funding	1/1/2006	HRSA/BPHC	U.S.	940,462
2	Primary Care & Dental Uninsured Contract	7/1/2006	DOH	State	150,000 (apx)
3	Family Planning Title X Services	7/1/2006	DOH	State	85,000
4	Outreach & Eligibility	12/1/2015	DLIR	State	77,000
5	Grant in Aid	Pending	DOH	State	162,000
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ATTACHMENT A
OTHER REQUESTED SOURCES OF FUNDING

GRANTOR	PROJECT	AMOUNT
Harold K.L. Castle Foundation	Nurses' Aide Education Program	\$47,000
Hui o Malama	Mobile Unit	\$65,000
HRSA	Oral Health Service Expansion	\$350,000

Attachment B Ko'olauloa Health Center Organizational Chart



**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS 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 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 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 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.

- 2) If the applicant is an organization, 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 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 used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant 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 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.

Ko`olauloa Health Center
(Typed Name of Individual or Organization)


(Signature)

01/20/2016
(Date)

Terrence H. Aratani
(Typed Name)

Chief Executive Officer
(Title)



Department of Commerce and Consumer Affairs

CERTIFICATE OF GOOD STANDING

I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that

**KO'OLAULOA COMMUNITY HEALTH AND WELLNESS CENTER,
INCORPORATED**

was incorporated under the laws of Hawaii on 10/10/2003 ;
that it is an existing nonprofit corporation; and that,
as far as the records of this Department reveal, has complied
with all of the provisions of the Hawaii Nonprofit Corporations
Act, regulating domestic nonprofit corporations.

IN WITNESS WHEREOF, I have hereunto set
my hand and affixed the seal of the
Department of Commerce and Consumer
Affairs, at Honolulu, Hawaii.

Dated: January 19, 2016



Director of Commerce and Consumer Affairs

