

House District 13
Senate District 6

THE TWENTY-NINTH 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:

HANA HEALTH

Db/a:

Street Address: 4590 HANA HIGHWAY

HANA, HAWAII 96713

Mailing Address:

P.O. BOX 807

HANA, HAWAII 96713

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name Cheryl Vasconcellos

Title Executive Director

Phone # 808-248-7515, ext. 26

Fax # 808-248-7225

E-mail cvasconcellos@hanahealth.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:

HANA HEALTH OPERATIONS

4. FEDERAL TAX ID #

5. STATE TAX ID #

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2018: \$ 1,500,000

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 \$ _____

FEDERAL \$ 1,282,000

COUNTY \$ _____

PRIVATE/OTHER \$ _____

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE

AUTHORIZED SIGNATURE

Cheryl Vasconcellos, Executive Director

NAME & TITLE

1-14-17

DATE SIGNED



RECEIVED

1/19/17

HC

Application for Grants and Subsidies

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. Include the following:

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

Hana Health is a 501(c)(3) non-profit organization. The purpose of Hana Health is to improve the general health and well-being of the Hana community through the provision of medical care and other social, economic and health related programs. Hana Health is the only health care provider in the Hana district, serving the primary health care and emergent medical needs of residents and visitors alike. Hana has been designated by the federal government as a Medically Under-Served Population, a Primary Care Health Professional Shortage Area, a Dental Health Professional Shortage Area and a Mental Health Professional Shortage Area.

Hana Health currently provides primary medical care, dental health services and behavioral health care to the people of Hana. Unlike most primary care clinics in the State, Hana Health coordinates activities with American Medical Response and Maui Memorial Medical Center in the provision of urgent/emergency medical services. Hana Health provides assistance in stabilizing patients with life threatening illness or traumatic injury prior to transport to the hospital on the other side of the island. This takes place seven days a week, 24 hours a day as **Hana Health is the only health care provider in the district.** In addition, Hana Health operates the Hana Fresh farm, farm stand and nutrition center, the cornerstone of the healthy lifestyle and disease prevention programs.

In calendar year 2016, Hana Health provided medical care to 2,017 individual patients who made 6,591 visits to the Health Center of which 201 were for behavioral health services, 139 were for vision services, 310 were urgent care visits and 48 were emergency visits (stabilized and transported to tertiary care: 40 by ground ambulance, 6 by fixed wing, 2 by helicopter). Dental care was provided to an additional 460 patients who made 968 visits to the health center. Fifty Eight percent (58%) of the patients served were insured through Medicaid, Medicare, or were uninsured and provided with subsidized care. Forty percent (40%) of patients served were Native Hawaiian.

2. The goals and objectives related to the request;

Goal I. It is the goal of Hana Health to provide comprehensive primary care services including medical, dental and behavioral health care, as well as urgent care for Hana residents and visitors alike.

Objectives

- A. Provide medical care and urgent care services to 2,000 individual patients annually.
- B. Provide dental care to 500 individual patients annually.
- C. Provide behavioral health care to 60 patients annually.
- D. Provide enabling and support services to district residents.

3. The public purpose and need to be served;

The purpose of Hana Health is to improve the health, wellness and safety of the resident population, as well as visitors to the area. Without Hana Health, the only medical center in the District of Hana, the entire resident population of the District, as well as the approximately 600,000 visitors per year would be at greatly increased risk for serious, often fatal medical problems and injury resulting in death.

Geographic Need Indicators: Located in Maui County, the rural district of Hana (Census Tract 301) is one of the most isolated areas in the state of Hawaii. Hana town is 57 miles from Wailuku, the County Seat. The trip takes approximately 2.5 hours along a single lane road with 632 turns and 59 bridges. The road winds through tropical rain forests and along steep cliffs. Hana District is made up of small, isolated settlements scattered over 233 square miles. Many of the villages are located a minimum of 45 minutes from the main town of Hana. Limited access to health and social services, as well as education, employment and economic opportunity can largely be attributed to Hana's isolation and relatively small population base.

Income and Poverty Level: The median household income in the State of Hawaii is \$68,201, \$64,567 in Maui County, and \$47,056 in the Hana District. Hana's median household income is 44% below the State of Hawaii, and 37% below Maui County (U.S. Census 2010-2014 American Community Survey 5-Year Estimates).

The mean household income in the State of Hawaii is \$85,972, \$84,035 in Maui County, and \$66,024 in the Hana District. Hana's mean household income is 30% below the State of Hawaii, and 27% below Maui County.

Per capita income in the State of Hawaii is \$29,552. Per capita income in Hana is \$20,590, 43% lower than the state. (U.S. Census 2010-2014 American Community Survey 5-Year Estimates). This is the second lowest of all communities in the State (State Primary Care Needs Assessment Data Book, 2016).

More than 12% of Hana families live below the poverty level, compared to 8% in Maui County and 7.8% statewide (U.S. Census 2010-2014 American Community Survey 5-Year Estimates). According to the State Primary Care Needs Assessment, 16% of Hana's population is living at or below poverty, and children live in 21% of the households receiving public assistance. Seventy-six percent (76%) of Hana High and Elementary School students participate in the Free and Reduced Cost Lunch Program based on family size and income (Hana High and Elementary Trend Report 2014-2015, Department of Education).

At the same time, Hana has one of the highest cost of living in the State and the country, at 88% higher than the U.S. average. Maui County is 81% higher, and the State of Hawaii is 85% higher than the U.S. average (Sperling's Best Places 2016, Research and Analysis)

The District of Hana is one of the poorest communities in the State, with a cost of living that is higher than the State average. Overall, the standard of living in Hana is far below most other areas in the State.

The economics of the area force many families to live in multigenerational households, 70% among Native Hawaiian Hana residents, compared to 47% of all Hana residents. The mean household size among Native Hawaiians living in Hana, was 4.35 compared to 3.29 for all Hana residents and compared to 3.01 statewide.

The socioeconomic status of the district is presumed to have a negative impact on health status based on numerous studies in the field.

“Socioeconomic status (SES), whether measured by income, education or occupational status, is among the most robust determinants of variations in health outcomes in virtually every society throughout the world (WHO Health Commission 2008).

“The potential power of the socioeconomic status (SES) paradigm in understanding health disparities—including racial/ethnic disparities—is evident in the fact that socioeconomic differences in health outcomes have been widely documented for most health conditions in most countries. People who are poorer

and who have less education are more likely to suffer from diseases, to experience loss of functioning, to be cognitively and physically impaired, and to experience higher mortality rates" (Adler, Boyce, Chesney, Folkman, and Syme, 1993; Adler et al., 1994; Marmot, Kogevinas, and Elston, 1987; Marmot, Ryff, Bumpass, Shipley, and Marks, 1997; Preston and Taubman, 1994; Williams, 1990 Race/Ethnicity, Socioeconomic Status, and Health).

Additionally, the economy of the district has a significant impact on the availability and accessibility of needed services and is a barrier to assuring a seamless system of health care.

Unemployment: Unemployment in the Hana District was 7.5% in 2014 compared to 8.7% in the rest of Maui County, and 6.7% in the State according to U.S. Census 2010-2014 American Community Survey 5-Year Estimates. According to the State Primary Care Needs Assessment Data Book (2016), 10% of the Hana labor force is unemployed. Fifty-seven percent (57%) of Hana wage earners were in the private sector, 13.5% were in government jobs and almost 30% were self-employed in 2014. This compares to 75.5%, 15% and 9% respectively in the County of Maui; and 71.7%, 21% and 7% respectively in the State - U.S. Census 2010-2014 American Community Survey 5-Year Estimates. **Almost one third of the Hana District workforce is self-employed. This is significant, as it is more than three times the rate in the rest of the County and State, and could infer the lack of other viable employment opportunities in the District, as well as a more self-reliant, culturally based work force. Self-employment also suggests that this population may be less likely to have health insurance coverage.** Particularly when noting that more than 15% of the Hana District labor force works in agriculture, fishing and hunting, compared to less than 3% of the Maui County labor force and only 1.6% of the State labor force. Another 19% of the Hana District labor force works in construction compared to 8% County wide, and 6.9% statewide.

The Hana Health Needs Assessment (2016) also finds that seven percent (7%) of households in the district have someone that is unemployed and looking for work, while seventeen percent (17%) of households have someone who is underemployed, working on a part-time basis but wanting full-time work. Twenty-four percent (24%) of Hana's labor force is unemployed or underemployed. Among Native Hawaiians living in the Hana District, 9% of households have someone who is unemployed and looking for work, while 22% of households have someone who is underemployed, working on a part-time basis but wanting full time work. Thirty-one percent (31%) of Hana's Native Hawaiian labor force is unemployed or underemployed. Employer mandated health insurance in Hawaii is directly tied to full-time employment, which suggests that up to 17% of part-time workers and 22% of Native Hawaiians working part-time may lack adequate health insurance coverage. Among Native Hawaiians who are unemployed or underemployed, the lack of jobs and responsibilities at home that include childcare and also elder care inhibit employment. Some are physically or

mentally unable to hold a job while others lack adequate training and/or transportation. In 2014, the broadest measure of labor underutilization, designated U-6 (which includes the unemployed, workers employed part time for economic reasons, and those marginally attached to the labor force), was 10.2% in Hawaii, down from 12.8 percent the year before (Bureau of Labor Statistics).

Health: "Disease incidence and mortality are strongly associated with lifestyle and risk factors. Of all racial groups living in Hawaii, Native Hawaiians are the racial group with the highest proportion of risk factors leading to illness, disability and premature death. "The data depicts Native Hawaiians experiencing high rates of circulatory diseases and malignant neoplasms, particularly digestive and respiratory types, which appear to be strongly associated to risk factors such as smoking, alcohol consumption, obesity, sedentary life, and so on. The data also indicate that large segments of the Native Hawaiian population were recipients of state and federal sponsored health care services, a clear indication that low income is a barrier to full access to health care systems" (Office of Hawaiian Affairs 2006 Data Book).

"Chronic disease, disability, and early death are destructive forces in individual lives and in whole communities. Their toll is high-and they do not strike at random. A large body of evidence indicates that socioeconomic status (SES) is a strong predictor of health. Better health is associated with having more income, more years of education, and a more prestigious job, as well as living in neighborhoods where a higher percentage of residents have higher incomes and more education." (Network on Socioeconomic Status and Health, Macarthur Foundation).

Native Hawaiians living in the Hana District have a high risk health profile resulting in the onset of preventable chronic health conditions and premature death. Sixty two (62%) of Hana Health patients have been identified as "high risk" for diabetes and hypertension. This is exasperated by high rates of unemployment/underemployment and poverty. In addition, there is limited access to mediating opportunities due to the extreme isolation, small population, limited economic base and rural nature of the Hana District. When asked to identify problems facing their community, in a 2011 needs assessment conducted by QMark Research and Polling for Hana Health, Native Hawaiians identified healthcare related issues (31%) and lack of job opportunities (27%) as the two most serious problems facing Hana.

Hana's isolation and relatively small population base has resulted in limited access to health care, educational opportunity, social services and quality employment. The cost of providing service of any kind to this small, yet vulnerable population is extremely high, often 30% to 50% higher than the main population centers of Maui.

4. Describe the target population to be served; and

Residents of the Hana District make up Hana Health's primary target population with a special emphasis on meeting the needs of Native Hawaiians. The health center also serves visitors to the area who account for approximately 20% of the patients served and more than half of the urgent care visits.

5. Describe the geographic coverage.

The District of Hana – Census Tract 301.

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;

Health care services are provided in a fixed, free standing clinic. Regular hours of Health Center operation are generally Monday through Friday 7:00 am to 6:00 p.m. and Saturday 8:00 am to 12:00 noon. Hana Health is open fifty-nine hours of each week for scheduled and walk-in patient care.

Urgent/emergent care is provided 24 hours a day, 7 days a week, 365 days a year in cooperation with American Medical Response and Maui Memorial Medical Center. Hana Health's providers are on-call to provide patient care after regular operating hours, on a rotating schedule.

Tasks and Responsibilities:

- a) Hana Health has initiated a highly integrated, holistic service delivery model that includes primary medical, dental and behavioral health care, urgent care (24/7/365) and enabling services. The model focuses on the prevention of chronic medical conditions, the development of healthy lifestyles and community as well as individual wellness. Hana Health directly provides the full range of required primary health care services for all lifecycles including general primary medical care, diagnostic lab and x-ray services, health screenings, emergency medical services, voluntary family planning, immunizations, well child services, gynecological care, general dental care, mental and behavioral health care, health education, outreach and referral services.

Women's health care includes, Pap smears, family planning, contraception, STD screening and treatment, pregnancy tests, gynecology care, hormone replacement therapy, mammogram clinics with outside radiologist, counseling/education and referrals for prenatal care and obstetric services. Hana Health has an agreement with Maui Radiology on the other side of the island to provide mammogram and required follow-up ultrasound services to Hana Health patients. Hana Health provides transportation to Maui Radiology for routine mammography on a monthly basis and follow-up care as necessary.

Primary care for children includes EPSDT (Early, Periodic, Screening and Assessment Diagnosis and Treatment), well-child care, immunizations, treatment of illness, chronic disease prevention and management (diabetes, asthma) and case management.

Urgent/emergent care is provided 24 hours a day, 7 days a week, 365 days a year in cooperation with American Medical Response and Maui Memorial Medical Center. Hana Health's physicians are on-call for these services on a rotating schedule.

Lab work currently provided on-site includes a variety of CLIA waived tests. Hana Health also performs phlebotomy for more complex testing and transports specimens to Clinical Laboratories on the other side of the island four days a week. This service is also provided for patients referred by Hana Health to specialists on the other side of the island who require follow-up laboratory work. Results are electronically transmitted directly to the patient's electronic medical record.

X-Rays are provided at Hana Health and are performed, read and evaluated by Hana Health providers. All X-rays are then evaluated by a contract radiologist for definitive diagnosis through digital transmission. More complicated radiology services are referred to Maui Diagnostics.

Optometry services are provided on site once or twice a month depending on need through a formal agreement with an optometry group on Maui.

Home health services including wound care, acute care, chronic disease management, and pain management for the terminally ill, are provided for those with mobility or other problems that prevent them from accessing care at the health center.

Hana Health provides mental health care and substance abuse services both directly and by referral depending on the specific needs of the patient. This service includes assessment and treatment of conditions such as depression, anxiety and children's behavioral problems; health risk programs such as weight management, smoking cessation, substance use cessation

(coordinated with other providers), the management of chronic health conditions; and treatment of psycho-physiological conditions such as chronic pain.

Oral health services including preventive, restorative and emergency care are provided by Hana Health directly. This service is available for all lifecycles and includes prevention/education about baby bottle tooth decay, oral exams, x-rays, fluoride treatments, dental sealants, treatment of dental caries, oral surgery and dentures. Referrals are made for specialized dental care (periodontal, some extractions) when needed.

Hana Health maintains a pharmacy distribution program, stocking pre-packaged medications (including those for acute and chronic health conditions) for dispensing to patients according to provider prescription and the Hana Health sliding fee scale. Prescriptions are primarily ordered from independent pharmacies for pick-up or mail drop, whichever is preferred by the patient.

Complimentary care for which there is evidence of safety and effectiveness including acupuncture, massage therapy and lomilomi therapy (traditional Hawaiian massage), are services that are provided when practitioners are available.

- b) Hana Fresh, the Health Center's organic farm, provides fresh, organic produce for Hana Health's "healthy lifestyle" programs as well as the general community through a daily farm stand held on the health center ground as well as the general community through daily farm markets held on the health center grounds. Hana Fresh and Hana Health bring together farming, nutrition and health care in a unique approach to community wellness that is culturally relevant and a model for contemporary society. Healthy lifestyle programs are designed to prevent and manage prevalent chronic health conditions particularly among Native Hawaiians. Programs are designed to support positive lifestyle choices through a strong case management component and a focus on nutritious meals, the consumption of fresh produce and regular exercise.

The Hana Fresh Farm, Farm Stand and Nutrition Center are cornerstones of Hana Health's approach to preventive health care. It is recognized that cardiovascular diseases, cancer, diabetes and chronic respiratory diseases – are linked by common preventable risk factors particularly as they relate to poor nutrition, inactivity and the use of tobacco, alcohol and drugs. Hana Fresh is helping to create an environment that promotes healthy lifestyle choices and empowers individuals to assume responsibility for their own well-being.

Outreach and eligibility assistance, including help with accessing public

benefits, such as health insurance, welfare, SNAP nutrition benefits, completing applications, and working with families and the State to expedite review and approval of pending applications is an important function of the health center and assures that community members in need are able to access available support.

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

All services are provided on a continuing basis.

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

Hana Health is committed to providing quality services to all beneficiaries in an organization - wide effort to continuously improve our processes and the delivery of care to the community we serve. Hana Health maintains a Quality Assurance/Performance Improvement System to assure excellence in the quality of care provided. The system is designed to increase accountability, support quality improvement, facilitate and support program decisions, monitor the population's health status, empower patients and families to make informed health care decisions and provide evidence to eliminate wasteful practices. Hana Health's quality assurance program measures, monitors, tracks and improves performance in key aspects of all operations.

The Board of Directors maintains oversight for the Quality Assurance and Performance Improvement Program.

4. **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.**

- A. Number of Patients Served
- B. Number of Patient Visits
- C. Quality Improvement Indicators

III. Financial

Budget

1. **The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.**
2. **The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2018.**

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
375,000	375,000	375,000	375,000	1,500,000

3. **The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2018.**

Hana Health has already secured \$1,282,000 in federal funding for health center operations. Patient service fees are projected at \$700,000.

4. **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.**

NA

5. **The applicant shall provide the balance of its unrestricted current assets as of December 31, 2016.**

There are no unrestricted current assets as of December 31, 2016.

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.

Hana Health has been providing medical care to the district of Hana since July 1997 and State POS agreements have been awarded to Hana Health for the same period.

Hana Health's Executive Director and Board of Directors has a demonstrated track record in securing and managing public funds for both operations and

capital improvement. In addition, Hana Health manages a twelve-acre project site leased from the state which currently includes the medical center, an employee residence, administrative offices, Hana Fresh Nutrition Center built in 2012 (a \$2.3 million project), the Hana Fresh organic farm and farm stand.

1. Purchase of Service for operation of the Hana Health in the amount of \$1,164,000 annually for the past three years.
2. Bureau of Primary Care FQHC 330 funds (federal) ranging in amounts from \$994,714 – 1,264,750.
3. State CIP grant released in 2014 in the amount of \$900,000 to up-grade the current medical center.
4. State CIP appropriation in the amount of \$200,000 for replacement of Large Capacity Cesspools.

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.

Hana Health operates on a 2.035 acre parcel of property where the current medical center is located, and on an adjoining ten acre parcel where the Hana Fresh farm is located. Both parcels are owned by the State of Hawaii and have been leased to Hana Health for 55 years, at \$1 per year. Hana Health facilities range from 50 to 80 years old and are in need of continual repair and maintenance. Built in 1965, the current 50 year old, 4,000 square foot medical center underwent a major renovation two years ago including the installation of new windows, floors, central air conditioning and a new roof. The newly constructed Hana Fresh Nutrition Center was completed in May 2012. There are 3 modular units that support administrative office and program needs.

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.

The administrative management team includes the Executive Director (19 years with Hana Health) Health Care Compliance Manager (16 years with Hana Health), Medical Billing Manager (15 years with Hana Health),

Accountant (7 years with Hana Health) and consulting physician for quality assurance (more than 30 years as a practicing Internal Medicine physician).

The clinic staffing plan includes an experienced Clinic Manager responsible for the day to day supervision of the clinic. Two full time board certified family practice physicians are employed, primarily to meet the after-hours urgent/emergent call requirements, given the health centers isolated location. Additionally, a full-time physician's assistant who is also a trained paramedic, and a half time physician's assistant who is also a certified diabetes educator have been employed to support expanded hours of operation, urgent/emergent care delivery during regular hours of operation, and to support the achievement of quality measures through both the "healthy lifestyle" programs, and other quality efforts that have been undertaken to address the prevalent health concerns of the district population.

The health care delivery team also includes, three registered nurses and a licensed medical social worker who is also a certified substance abuse and domestic violence counselor. The social worker provides care coordination services, as well as mental health counseling.

Dental care is provided by a dentist, who is supported by a dental assistant.

Health center support staff includes three medical receptionists, an outreach/eligibility coordinator and two part-time healthy lifestyle coaches. All support staff are directly involved in the health centers quality improvement efforts, and support providers in their efforts.

A team of optometrists provide care on-site one to two days a month depending on need and scheduling.

Hana Health also works in conjunction with the Emergency Medical Services and Injury Prevention System, American Medical Response personnel, Hawaii Air Ambulance and Maui Memorial Medical Center emergency room physicians in providing care to patients with emergent medical conditions.

Hana Health has contracts in place for outside laboratory and radiology services.

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.

See Attached.

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	\$202,100
Physician	\$195,000
Dentist	\$161,000

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.

None.

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.

All clinical staff are appropriately licensed and credentialed.

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 the question.

NA

B. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2017-18 the activity funded by the grant if the grant of this application is:

- (1) Received by the applicant for fiscal year 2017-18, but
- (2) Not received by the applicant thereafter.

State funding will be needed for the on-going support of Hana Health operations. This fact was recognized in Act 263 which transferred the operation of the Hana Medical Center to a community based non-profit corporation.

Prior to Act 263, and the transfer of Hana Medical Center (operating as part of Maui Memorial Medical Center) to Hana Health (formerly Hana Community Health Center) in 1997, operating expenses were estimated to have been \$1.5 million - \$1.3 million in direct expenses, and approximately \$200,000 in basic infrastructure support provided by Maui Memorial Medical Center. This is an estimated figure, as it was difficult for all parties (including Queens and Kaiser who were operating the Hana Medical Center under a management contract with the state prior to the privatization) to reach a definitive conclusion regarding actual operating costs given Maui Memorial Medical Centers accounting system. The state run Hana Medical Center provided medical and urgent care only.

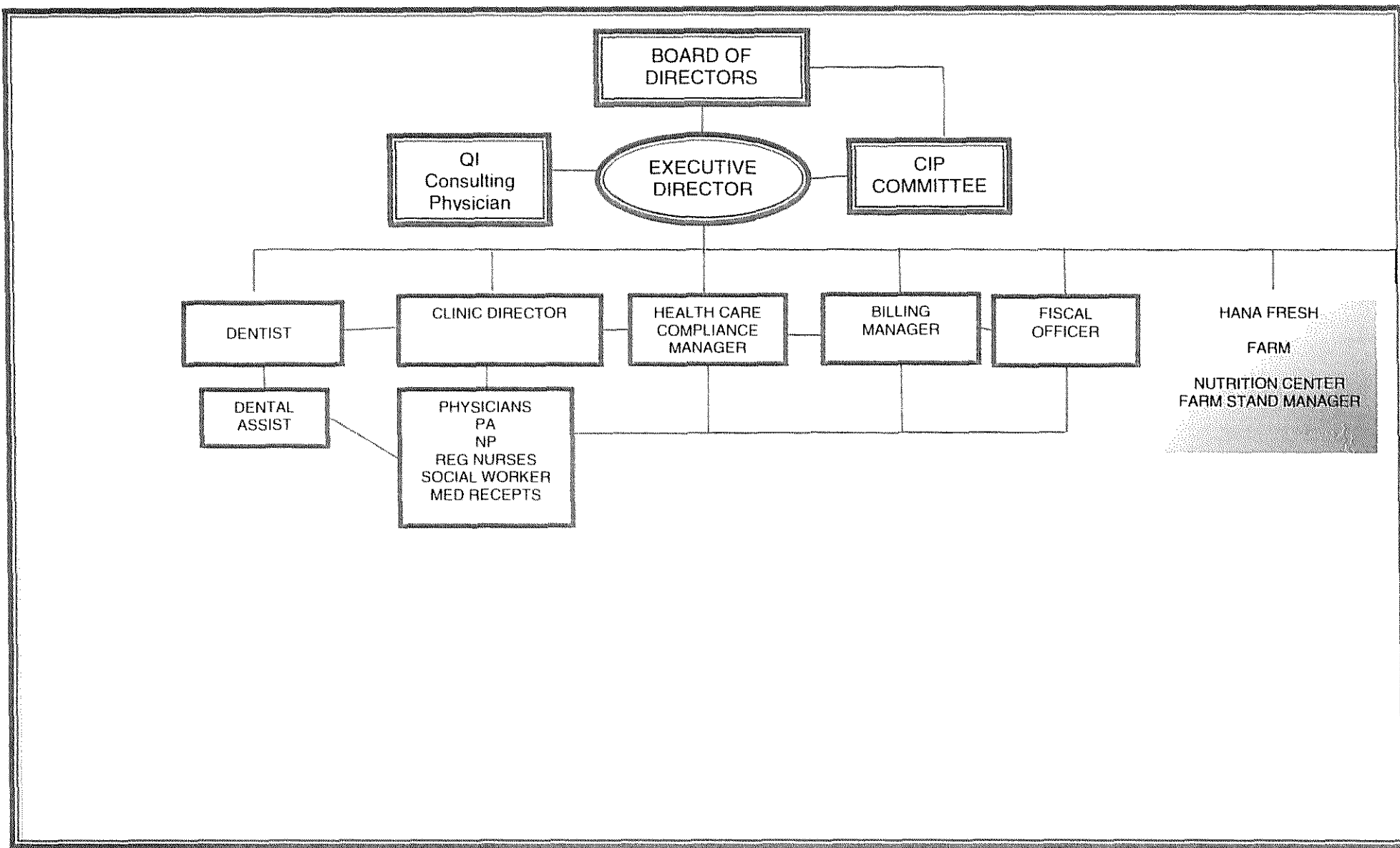
Hana Health provides the full range of primary health care services including medical, dental, mental health and enabling services, as well as urgent/emergent care on a 24/7 basis. Hana Health's 2016-2017 operating budget, not including the Hana Fresh farm operation, is \$2.9 million of which \$1,130,000 is provided by the State through a POS Agreement – **30% less in 2017, then was expended for Hana Medical Center in 1996. During the same period, the cost of living in the state increased by more than 45%.**

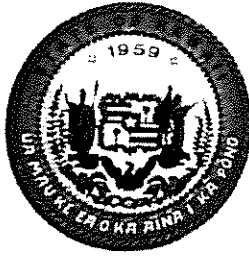
Since the transfer of Hana Medical Center to Hana Health in 1997, the state has saved more than \$9 million, while providing a greatly expanded level of health care in the Hana District. Further, State funding has leveraged more than \$15 million in federal funding for Hana's health care system and approximately \$8 million in patient generated income. Center.

C. 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, 2016.

See Attached.





STATE OF HAWAII
STATE PROCUREMENT OFFICE

CERTIFICATE OF VENDOR COMPLIANCE

This document presents the compliance status of the vendor identified below on the issue date with respect to certificates required from the Hawaii Department of Taxation (DOTAX), the Internal Revenue Service, the Hawaii Department of Labor and Industrial Relations (DLIR), and the Hawaii Department of Commerce and Consumer Affairs

Vendor Name: HANA HEALTH

DBA/Trade Name: HANA COMMUNITY HEALTH CENTER, HANA FRESH

Issue Date: 01/11/2017

Status: Compliant

Hawaii Tax#: W20512184-01

New Hawaii Tax#:

FEIN/SSN#: XX-XXX6154

UI#: XXXXXX4555

DCCA FILE#: 102110

Status of Compliance for this Vendor on issue date:

Form	Department(s)	Status
A-6	Hawaii Department of Taxation Internal Revenue Service	Compliant Compliant
COGS	Hawaii Department of Commerce & Consumer Affairs	Exempt
LIR27	Hawaii Department of Labor & Industrial Relations	Compliant

Status Legend:

Status	Description
Exempt	The entity is exempt from this requirement
Compliant	The entity is compliant with this requirement or the entity is in agreement with agency and actively working towards
Pending	The entity is compliant with DLIR requirement
Submitted	The entity has applied for the certificate but it is awaiting approval
Not Compliant	The entity is not in compliance with the requirement and should contact the issuing agency for more information

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2017 to June 30, 2018

Applicant: **HANA HEALTH**

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
A. PERSONNEL COST				
1. Salaries	858,250	858,250		
2. Payroll Taxes & Assessments	111,572	111,572		
3. Fringe Benefits	85,825	85,825		
TOTAL PERSONNEL COST	1,055,647	1,055,647		
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				18,250
2. Insurance	71,500			71,500
3. Lease/Rental of Equipment	61,900	23,853		38,047
4. Lease/Rental of Space				64,800
5. Staff Training				25,000
6. Supplies	70,953			173,000
7. Telecommunication				35,000
8. Utilities	37,500			37,500
9. Professional Fees	202,500	202,500		56,903
10. Repair/Maintenance				115,000
11. Printing/Promotion				65,000
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TOTAL OTHER CURRENT EXPENSES	444,353	226,353		700,000
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	1,500,000	1,282,000		700,000
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	1,500,000	Cheryl Vasconcellos 808-248-7515		
(b) Total Federal Funds Requested	1,282,000	Name (Please type or print) Phone		
(c) Total County Funds Requested		[Redacted] Jan 15, 2017		
(d) Total Private/Other Funds Requested	700,000	Signature of Authorized Official Date		
TOTAL BUDGET	3,482,000	Cheryl Vasconcellos, Executive Director Name and Title (Please type or print)		

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2017 to June 30, 2018

Applicant: **HANA HEALTH**

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Executive Director	1.0	125,000	50%	62,500
Health Care Compliance Manager	1.0	80,000	50%	40,000
Medical Billing Manager	1.0	75,000	50%	37,500
Accountant	1.0	75,000	50%	37,500
Clinic Manager	1.0	85,000	50%	42,500
Physician, Family Practice	1.0	200,000	50%	100,000
Physician, Family Practice	1.0	195,000	50%	97,500
Physicians Assistant, Family Practice	1.0	120,000	50%	60,000
Physicians Assistant, Family Practice	0.5	60,000	50%	30,000
Licensed Clinical Social Worker	1.0	60,000	50%	30,000
Dentist	1.0	161,000	50%	80,500
Dental Assistant	1.0	36,700	50%	18,350
Registered Nurse	1.0	91,600	50%	45,800
Registered Nurse	1.0	91,600	50%	45,800
TOTAL:	Next Page			
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2017 to June 30, 2018

Applicant: HANA HEALTH

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Registered Nurse	1.0	91,600	50%	45,800
Medical Receptionist	1.0	35,000	50%	17,500
Medical Receptionist	1.0	35,000	50%	17,500
Medical Receptionist	1.0	35,000	50%	17,500
Outreach/Eligibility Worker	1.0	32,000	50%	16,000
Health Coach	0.5	16,000	50%	8,000
Health Coach	0.5	16,000	50%	8,000
TOTAL:	19.5	1,716,500		858,250
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2017 to June 30, 2018

Applicant: **HANA HEALTH**

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:				
NA				

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2017 to June 30, 2018

Applicant: HANA HEALTH

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2015-2016	FY: 2016-2017	FY:2017-2018	FY:2017-2018	FY:2018-2019	FY:2019-2020
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION						
EQUIPMENT						
TOTAL:						
JUSTIFICATION/COMMENTS: <div style="text-align: center; font-size: 2em; font-weight: bold;">NA</div>						

GOVERNMENT CONTRACTS AND / OR GRANTS

Applicant: HANA HEALTH

Contracts Total: 9,358,000

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1	State Purchase of Service - Health Center Operations	July1, 2016 - June 30, 2020	DOH	State	4,512,000
2	330 FQHC Grant - Health Center Operations	March 1, 2017 - Feb 28,2020	HRSA	Federal	3,846,000
3	330 FQHC Grant - Construction - Rehab Center	May 1, 2016 - April 30, 2019	HRSA	Federal	1,000,000
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**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS PURSUANT TO
CHAPTER 42F, HAWAII REVISED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants 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.

HANA HEALTH

(Typed Name of Individual or Organization)



(Signature)

1-16-17

(Date)

Cheryl Vasconcellos

(Typed Name)

Executive Director

(Title)