

House District 27

Senate District 13

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 DEPARTMENT OF HEALTH  
STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): \_\_\_\_\_

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:  
REHABILITATION HOSPITAL OF THE PACIFIC

Dba: N/A

Street Address: 226 N. Kuakini Street, Honolulu, HI 96817

Mailing Address: 226 N. Kuakini Street, Honolulu, HI 96817

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name TIMOTHY J. ROE, MD, MBA

Title President and Chief Executive Officer

Phone # (808) 566-3815

Fax # (808) 544-3335

E-mail troe@rehabhospital.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:

COMPLETION OF INFRASTRUCTURE IMPROVEMENTS TO ENSURE THE HEALTH AND SAFETY OF PATIENTS AND STAFF OF REHABILITATION HOSPITAL OF THE PACIFIC

4. FEDERAL TAX ID #:

[REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2018: \$ 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	\$	<u>0</u>
FEDERAL	\$	<u>0</u>
COUNTY	\$	<u>0</u>
PRIVATE/OTHER	\$	<u>1,281,039</u>

[REDACTED]

TIMOTHY J. ROE, PRESIDENT AND CHIEF EXECUTIVE OFFICER JANUARY 18, 2017

NAME & TITLE

DATE SIGNED



## 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;**

Founded in 1953, Rehabilitation Hospital of the Pacific (REHAB) is the only acute-care rehabilitation hospital in Hawaii serving the Pacific. REHAB specializes in comprehensive rehabilitation services for individuals with physical and cognitive disabilities.

REHAB provides intensive and skilled rehabilitation for patients from as young as early adolescence to kapuna recovering from stroke, spinal cord and brain injury, amputation, cancer, major multiple trauma and debilitating illness or injury. With over 6,500 patients annually, REHAB is committed to giving hope to the disabled through specialized and comprehensive hospital-based rehabilitation. Multiple disciplinary programs give patients the tools to restore function, focus on safety and optimize independence so that they can safely return home, live as independently as possible and most effectively transition back into the community.

As the only acute inpatient rehabilitation facility in the state, REHAB is an essential part of the continuum of medical care for Hawaii residents and visitors. Without REHAB, residents would need to travel over 2,500 miles to the mainland for services (for many patients this is not an option due to condition) or forgo the care they need to recover with loss of connection to family, caregivers and community for their optimal potential. In many circumstances, the lack of quality acute rehabilitation will mean greater dependency on caregivers and public support programs and services to live independently and/or age in place.

**2. The goals and objectives related to the request;**

REHAB's facility was built (with portions renovated) in stages over the past 60 years, with some areas still in the same state as the original construction of 1953.

In 2011, REHAB launched a desperately needed infrastructure improvement project focused on the most critical Patient Care areas to ensure not only the

health, safety and comfort of patients, staff and visitors but also remedy much needed clinical infrastructure resources. Electrical and fire prevention systems were upgraded to meet national standards and emergency preparedness systems and hurricane resistant windows were installed. Lifts and environmental controls were also installed for patients with limited mobility, as well as controls specifically for patients with spinal cord injuries and morbid obesity.

Measures were made to incorporate specialized features to reduce noise and visual stimulation, negative air ionizers to reduce the spread of infection and medical gas and suction in rooms for patients with complex conditions.

**This request for \$500,000 will enable REHAB to complete this segment of facility improvements to enhance patient care and safety through modernization of the following areas and other related costs:**

**Heating Ventilation Air Conditioning (HVAC) Systems** – Replace six remaining 20-year-old units\* with energy-efficient, chilled air handling units that will lower emissions, centralize facility controls and efficiency by utilizing the existing chiller plant. HVAC system replacements will serve patient areas throughout the facility, including Patient Care, Therapy, Dietary/Nutrition, Electronic Medical Records, and other shared spaces.

Over 60% of REHAB patients are age 65 and older, many of whom suffer from a range of critical and highly sensitive respiratory-related conditions in which air quality is vital to their survival. Examples include chronic obstructive pulmonary disease (COPD), Emphysema, Cystic Fibrosis, Pulmonary Hypertension, Asthma, and allergies. The new HVAC systems will establish proper ventilation throughout patient areas and shared spaces to minimize complications that often arise from poor air quality, particular for patients suffering from compromised health conditions and co-morbidities such as heart and lung disease, diabetes or asthma.

Both the HVAC and Elevator equipment systems use outdoor air which introduces other causes of frequent breakdowns: dirt and humidity. Outside ventilation air is rarely filtered. It carries with it large volumes of dust and dirt that are deposited on equipment. Dirt can interfere with the contacts in the control system and can act as a layer of insulation, further increasing the chances of overheating, while humidity accelerates the corrosion. REHAB improvements and modernization strategies will minimize many of these challenges.

HVAC systems replacement/modernization will significantly reduce energy costs and lower emissions. By improving its HVAC systems efficiency, REHAB will also reduce peak demand electrical charges, wasting less energy and better conserving natural resources.

**Elevator Retro Fit/Modernization** – Retro fit/renovate REHAB’s five traction elevators to provide vertical transportation services as well as increase efficiency, reliability and real-time uptime communications.

REHAB’s elevators are over 40 years old\* and although maintained have frequent downtime, significant performance decline, constant repairs/maintenance, low power factor, slow/stalled operation, and overheating, all of which comprises safety. These elevator units have high energy and excessive mechanical noise, with operation of each felt throughout the entire building, specifically on patient floors/rooms. New generation drive and control systems operate more efficiently and will decrease impact to patient care areas.

Because of the many physical challenges patients experience with disabilities resulting from serious injury or illness, the majority of our guests need reliable and safe vertical transportation to access REHAB Hospital, therapy and inpatient programs and services. Many need the assistance of a caregiver, cane, walker or wheelchair to safely navigate from place to place. Over the past several years, REHAB’s elevators have become increasingly unreliable, requiring temporary shut-down for maintenance due to both age and utilization.

*\*REHAB utilizes the facilities/asset management initiatives provided in Facility Condition Index (FCI), Extended Facility Condition Index (EFCI) and Facilities Needs Index (FNI).*

**3. The public purpose and need to be served;**

Disabilities resulting from injury or illness can be devastating for individuals and their families. As the only comprehensive acute-care rehabilitation hospital in Hawaii, REHAB patients struggling with physical and/or cognitive disabilities resulting from injury or disease desperately need REHAB’s specialized, multidisciplinary approach to maximize their independence.

Since 1953, REHAB continues to be the community leader in advanced rehabilitation treatments and development of specialized rehabilitation care programs offering the latest technologies. REHAB’s goal is to assist patients reach their highest level of functioning so they can live as independently as possible. Using a team approach, REHAB teaches rehabilitation techniques to assist patients in their recovery efforts while educating family or caregivers on any necessary lifestyle adjustments to make safe transitions into the community.

Without REHAB, residents with serious illness or injury in need of comprehensive inpatient rehabilitation services would need to seek care on the mainland, or forgo care required to recover to their full potential. In many circumstances, the lack of quality acute rehabilitation will mean greater dependency on caregivers and public support programs and services to live independently and/or age in place.

As the community's need for acute-care rehabilitation continues to grow, in part due to exponential increase of an aging population, REHAB has responded by offering specialized rehabilitative therapy programs to assist patients with successful transition back to home, work and the community.

One measure of the quality of rehabilitation treatments is reflected in our FY15 "Return to Community Rate," which REHAB is 89% compared to 76%, well-above the national average. In addition, REHAB patients equaled or exceeded national averages in 17 of the 18 rehabilitation categories for daily living activities (Function Independence Measures (FIM) by Uniform Data System for Medical Rehabilitation), signifying a high level of patient improvement over the length of their rehabilitative care and stay at REHAB.

Patients with spinal cord injury, traumatic brain injury and major multiple trauma tend to be younger, where rehabilitation is even crucial to helping them adapt to challenges and live productive lives. Through its programs and services, REHAB seeks to reduce or eliminate the effects of illness or disability by helping to restore functions, prevent loss of physical capabilities, and maintain optimal independence.

Dawna Zane was only 17 years old when she was thrown from the vehicle in a horrific car crash which left her paralyzed from the chest down. Suddenly, her world changed and she was forced to learn everything she knew over again. Through a range of REHAB specialized therapies, Dawna regained her upper mobility strength and today lives independently, recently earning a Masters in Counseling at UH. Dawna credits REHAB's multidisciplinary approach for her success. "REHAB gave me my freedom, independence, and confidence to believe in myself. I'm very grateful to be alive today, knowing how easily my life could have been taken away from me. I don't know what I would do without REHAB."

With 1 in 5 people in Hawaii reaching age 65 or older by 2030 (HMSA, Health Trends in Hawaii), REHAB services will continue to be a critical resource for our aging population. Unlike skilled nursing facilities and outpatient clinics, REHAB's comprehensive hospital-based services and therapies enhance independence and self-sufficiency, leading to less reliance on caregivers, social service agencies, and the government.

**4. Describe the target population to be served; and**

REHAB provides comprehensive care that directly serves patients from early adolescence and above who are suffering from strokes, traumatic brain and spinal cord injury, orthopedic and neurological disorders, cancer rehabilitation, amputation and debilitating diseases.

REHAB cared for over 6,500 patients in FY15 due to multiple conditions impacting their physical and cognitive abilities. These are not only Hawaii residents but visitors to the islands, with an approximate patient mix of:

- 46%        Complicated Orthopedic
- 25%        Stroke and other Neurologic
- 6%         Spinal Cord Injury
- 6%         Brain Injury
- 3%         Amputation
- 14%        Other disabilities and conditions

Unanticipated injuries from accidents or illnesses, such as cancer or a stroke affect people of all ages. However, patients with spinal cord or traumatic brain injuries are generally younger and desperately need REHAB's customized programs to adapt to challenges and live productive lives.

For the 60% of our patients who are age 65 and older, REHAB's programs enable our kupuna to be as self-sufficient as possible, allowing them to age in place safely and independently.

**5. Describe the geographic coverage.**

As the only comprehensive acute-care rehabilitation hospital serving the Pacific, this project will benefit all Hawaii residents, as well as patients from Guam, Samoa, the Federated States of Micronesia, other parts of the South Pacific, and any visitors to the State.

While its annual support varies, REHAB serves approximately 50 patients annually from around the world who experience a recreational accident or illness while visiting Hawaii, and require acute rehabilitation before safely returning home.

Without REHAB, residents would need to travel over 2,500 miles to the mainland for services (for many patients this is not an option due to condition) or forgo the care they need to recover with connection to family, caregivers and community for their optimal potential. In many circumstances, the lack of quality acute rehabilitation will mean greater dependency on caregivers and public support programs and services to live independently and/or age in place.

**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;**

This request of Grant in Aid funds will enable REHAB to complete this segment of facility improvements and other related costs to enhance patient care and safety through modernization to areas of:

**Heating Ventilation Air Conditioning (HVAC) Systems:** replace six remaining 20-year-old units with energy-efficient, chilled air handling units that will generate lower emissions, centralize facility controls and efficiently utilize the facilities' existing chiller plan.

**Elevator Retro Fit/Modernization:** retro fit/renovate five over 40-year-old traction elevators to provide vertical transportation services as well as increase efficiency, reliability and real-time communications.

REHAB will retain the services of licensed, experienced contractors for the HVAC systems replacement and elevator retro fit/modernization, who will report progress to REHAB's Director of Facilities throughout the project.

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

If State GIA funds are awarded, the project will be ready to start and draw down funds to enhance patient care and safety through installation of the HVAC systems replacement and elevator retro fit/modernization and other related costs immediately, with project completion estimated within 12 months from the notice to proceed.

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

The Capital Improvements Planning Committee, consisting of the President/CEO, VP/CFO, Director of Facilities and the Director of Finance and Contracts, are responsible for monitoring and evaluating all capital improvement projects. Quality assurance encompasses the following:

- Weekly status meetings between the President/CEO and Director of Facilities to ensure that any delays or problems are addressed immediately so that the project proceeds as planned.
- Bi-monthly meetings of the Capital Improvements Planning Committee to discuss progress toward established timelines, budget vs. actual costs by project, approvals of project budgets, contracts, other decisions and any issues that may arise.
- Quarterly reports by the President/CEO to REHAB Board of Directors to ensure that projects are proceeding in the forecasted timeframe and within the approved budget.
- Ongoing oversight and evaluation of the work of contractors by the Director of Facilities to ensure that construction standards are in compliance with

required building codes, and that the facility is being improved per the contractual specifications and plans.

- Weekly status meetings between the President/CEO, Director of Facilities and Chief Medical Director to ensure that the quality of patient care and safety is not disrupted by projects.
- Measures to ensure compliance with applicable labor laws and proper documentation of expenditures.

In addition to the evaluation and monitoring of this project, the President/CEO, Director of Facilities, VP/CFO and Director of Finance and Contracts work together to ensure that expenses are properly processed on a timely basis, and that the projected expenditures stay within budget. Each year REHAB undergoes a financial audit by certified public accountants to ensure that the financial reporting of the organization complies with U.S. Generally Accepted Accounting Principles.

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.**

REHAB will report quarterly progress to the State based upon its pre-established timeline and milestones for capital improvements.

### 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
	\$250,000	\$250,000		\$500,000

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

REHAB will use existing reserves to support these facility infrastructure improvements. A \$500,000 award from State Grant-in-Aid funds will enable



REHAB to complete this segment of facility improvements and other related costs to enhance patient care and safety through replacement of its HVAC Systems replacement and Elevator Retro Fit/Modernization. No additional funding will be sought for fiscal year 2018.

- 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.**

REHAB has not received, applied for, and does not anticipate applying for any tax credits pertaining to the infrastructure improvements in this project.

- 5. **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.**

<u>Date</u>	<u>Amount and Source</u>	<u>Purpose</u>
10/2014	\$500,000, City GIA	Complete renovations to hospital clinical areas on ground floor
10/2015	\$438,000, State GIA	Toward facility infrastructure improvements

*Note:* The \$438,000 was part of a \$1,750,000 total request to the State for GIA funds. To date, \$340,363 of these funds has been released.

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

REHAB Hospital has approximately \$44.8 million in net 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.**

REHAB recently completed successful renovations to 48 inpatient care rooms with corresponding treatment areas, various hospital operation and administrative

areas, a new outside mobility course, cardiac rehabilitation clinic, hospital-based physicians clinic and lobby and waiting area, which further enhanced the quality of its patient-centered care.

REHAB will secure the services of contractors that are duly licensed and experienced to successfully complete the infrastructure improvements and scope of this project.

REHAB staff responsible for directing the project have the required skills and experience to manage this project. See the qualifications of key staff involved in this project in the section below, *V. Personnel: Project Organization and Staffing*.

## **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.**

REHAB's main facility is a four-story licensed 82-bed inpatient hospital in Honolulu. The three top floors house inpatient services, with each floor featuring physical therapy gyms, speech/audiology and vision areas, life skills simulation and occupational therapy areas, common patient/caregiver areas, in addition to private and semi-private patient rooms. The ground floor contains the Nuuanu specialty clinic (including outpatient physical, occupational and speech therapy services; the cardiac and pulmonary rehabilitation and wheelchair clinics; and the women's health, the cancer rehabilitation and the lifestyle and well-being programs) and the hospital-based physicians clinic (with specialties including pain management, Continuity of Care, osteoporosis and neurotrauma recovery). Inpatient admissions, patient/customer service lobby, outdoor therapy mobility course and healing garden and the gift shop are also located on the ground floor.

REHAB also has two other outpatient clinics: the Aiea outpatient clinic at Pearlridge, and the Hilo outpatient clinic on the Big Island.

## **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.**

REHAB will retain the services of licensed, experienced contractors to complete the infrastructure improvements detailed in this proposal. REHAB personnel directly involved in supervising and directing this project include the following:

***Timothy J. Roe, MD, MBA, President and Chief Executive Officer (President/CEO)*** is responsible for communicating with the Board of Directors regarding all pertinent renovation related activities and serves as their fiduciary agent regarding all renovation-related matters. Dr. Roe also serves on the Capital Improvements Planning Committee. Dr. Roe has previous experience with the planning and construction of healthcare facilities at St. Joseph Regional Rehabilitation Center.

***Wendy Manuel, CPA (not in public practice), Vice President and Chief Financial Officer (VP/CFO)*** is responsible for overseeing all matters relating to capital planning and funding for capital improvement projects. Wendy oversees REHAB's financial operations including revenue cycle and capital planning and serves on the Capital Improvements Planning Committee. She has more than twenty years of experience in public accounting including internal and external audit responsibilities involving multiple major healthcare systems in Hawaii.

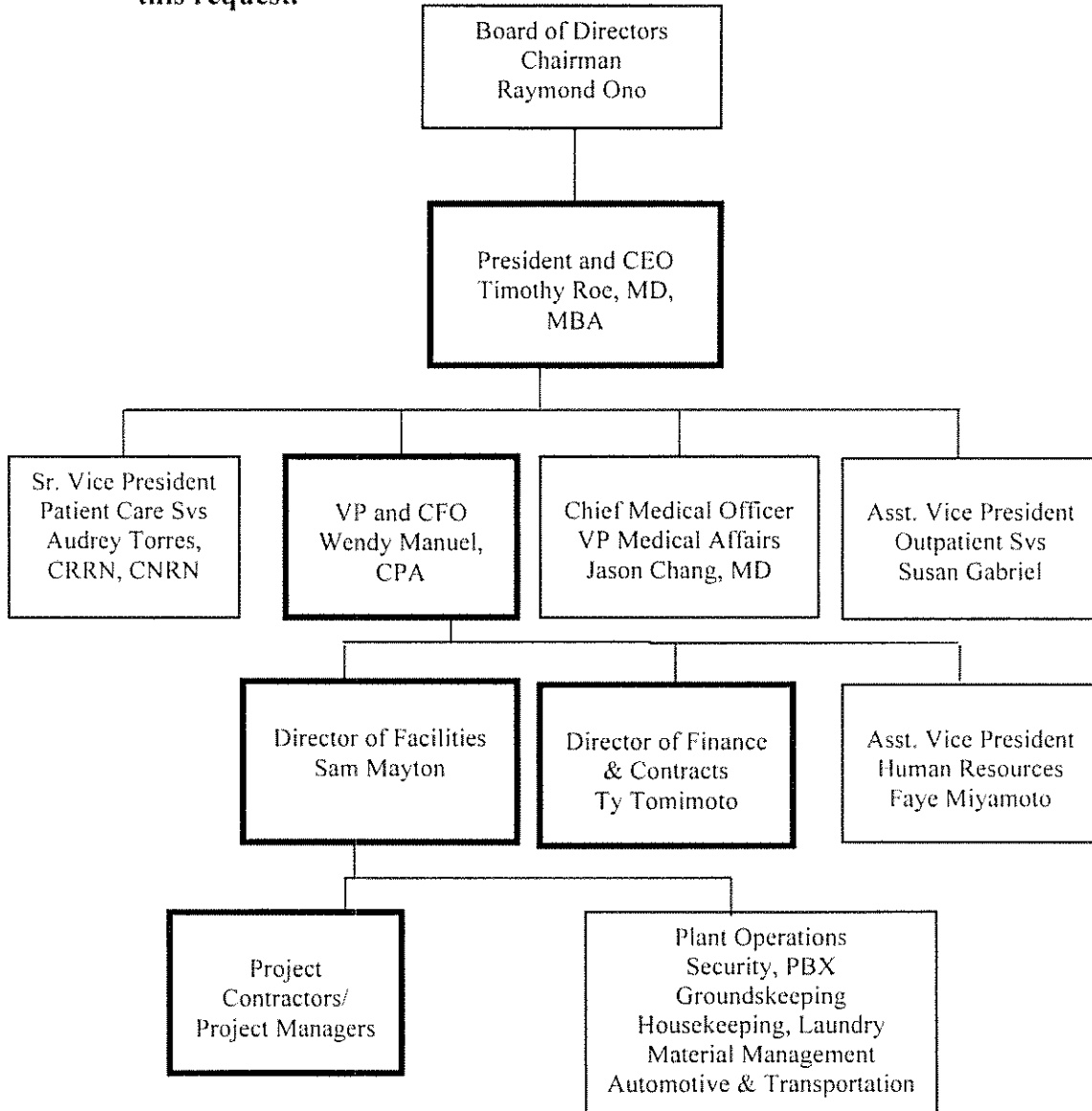
***Sam Mayton, Director of Facilities*** is responsible for management and review of all specifications for equipment and improvements made during facility improvement/renovation projects. Sam serves as the liaison between the Hospital and/or project manager/contractor during the entire construction/renovation cycle. He also develops and determines priorities to maintain compliance on safety, plant site management and environmental regulations for the care of staff, patients and guest while meeting Hospital/project business objective and goals.

Sam leads the Capital Improvements Planning Committee and determines priorities while monitoring status of special projects on an on-going basis. He was former Department Head of Naval Facilities Engineering Command Hawaii with extensive experience in facilities engineering and construction management, and is a member of the American Society for Quality, Society of American Military Engineers and the Institute of Industrial Engineers.

***Ty Tomimoto, Director of Finance and Contracts*** is responsible for reviewing budgetary items related to the project, including invoices and change proposals submitted by the contractors, and ensuring that they are consistent with various contracts executed on behalf of REHAB. He reviews all contractual agreements, assists with the development and revision of the master budget and the master timeline and serves on the Capital Improvements Planning Committee.

**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.



**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.

<u>Employee</u>	<u>Gross Wages</u>
Timothy J. Roe, President and Chief Executive Officer	\$398,608
Jason C. Chang, Chief Medical Officer/VP Medical Affairs	\$220,647
Wendy K. Manuel, Vice President and Chief Financial Officer	\$208,945

## VI. Other

### A. Litigation

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

REHAB is not party to any pending litigation related to general liability claims.

### 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.**

REHAB is accredited by the Joint Commission, and is the sole organization in the State of Hawaii that is qualified as an Inpatient Rehabilitation Facility by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, and the Hawaii State Health Planning and Development Agency (SHPDA). In addition, REHAB's cardiac rehabilitation program received certification from the American Association of Cardiovascular and Pulmonary Rehabilitation (AACVPR), and is the only program with this certification in the State of Hawaii and Pacific Region.

### 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.**

This does not apply.

### D. 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.**

An award of \$500,000 through FY 2018 State Grant-in-Aid would enable REHAB to complete this segment of facility improvements and other related costs for improvements to enhance patient care and safety through replacement of its

HVAC Systems replacement and Elevator Retro Fit/Modernization. No additional funding will be sought for this project.

This project will enhance efficiency by reducing costly and unnecessary repairs and maintenance of REHAB's existing HVAC systems and elevators. To ensure the facilities are well-maintained in the future, REHAB has an ongoing maintenance plan in place, which is supported by general operating funds.

**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, 2016.**

A Certificate of Good Standing from the Director of Commerce and Consumer Affairs is included as an Attachment to this application.

## BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2017 to June 30, 2018

Applicant: Rehabilitation Hospital of the Pacific

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Committed (d)
<b>A. PERSONNEL COST</b>				
1. Salaries	\$0	\$0	\$0	\$0
2. Payroll Taxes & Assessments	\$0	\$0	\$0	\$0
3. Fringe Benefits	\$0	\$0	\$0	\$0
<b>TOTAL PERSONNEL COST</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>B. OTHER CURRENT EXPENSES</b>				
1. Airfare, Inter-Island	\$0	\$0	\$0	\$0
2. Insurance	\$0	\$0	\$0	\$0
3. Lease/Rental of Equipment	\$0	\$0	\$0	\$0
4. Lease/Rental of Space	\$0	\$0	\$0	\$0
5. Staff Training	\$0	\$0	\$0	\$0
6. Supplies	\$0	\$0	\$0	\$0
7. Telecommunication	\$0	\$0	\$0	\$0
8. Utilities	\$0	\$0	\$0	\$0
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
<b>TOTAL OTHER CURRENT EXPENSES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>C. EQUIPMENT PURCHASES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>D. MOTOR VEHICLE PURCHASES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>E. CAPITAL</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,281,039</b>
<b>TOTAL (A+B+C+D+E)</b>	<b>\$500,000</b>			<b>\$1,281,039</b>
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	\$500,000	Wendy Manuel	808-566-3881	
(b) Total Federal Funds Requested	\$0		Phone	
(c) Total County Funds Requested	\$0		1/19/17	
(d) Total Private/Other Funds Committed	\$1,281,039		Date	
<b>TOTAL BUDGET</b>	<b>\$1,781,039</b>	Wendy Manuel, VP and CFO Name and Title (Please type or print)		

## BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2017 to June 30, 2018

Applicant: Rehabilitation Hospital of the Pacific

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Not Applicable				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
<b>TOTAL:</b>				N/A
<b>JUSTIFICATION/COMMENTS:</b>				



## BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2017 to June 30, 2018

Applicant: Rehabilitation Hospital of the Pacific

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

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

## BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2017 to June 30, 2018

Applicant: Rehabilitation Hospital of the Pacific

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	\$0	\$0	\$0	\$0	\$0	\$0
LAND ACQUISITION	\$0	\$0	\$0	\$0	\$0	\$0
DESIGN	\$0	\$0	\$0	\$0	\$0	\$0
CONSTRUCTION	\$0	\$1,281,039	\$500,000	\$0	\$0	\$0
EQUIPMENT	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL:</b>	<b>\$0</b>	<b>\$1,281,039</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
JUSTIFICATION/COMMENTS: REHAB Hospital received \$438,000 of a total \$1,750,000 request for FY 2016 State Grant-in-Aid to complete desperately needed infrastructure improvements focused on the most critical Patient Care areas to ensure the health, safety, and comfort of patients, staff, and visitors. An additional \$500,000 grant from State Grant-in-Aid funds will be used to complete funding toward this segment of REHAB's facility improvements to include its HVAC System, Elevator Retro Fit/Modernization, and all related costs.						

**GOVERNMENT CONTRACTS AND / OR GRANTS**

Applicant: Rehabilitation Hospital of the Pacific

Contracts Total: \$938,000

	<b>CONTRACT DESCRIPTION</b>	<b>EFFECTIVE DATES</b>	<b>AGENCY</b>	<b>GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)</b>	<b>CONTRACT VALUE</b>
1	CITY Grant-in-Aid	10/1/14 - 2/31/16	Dept Community Services	Honolulu County	\$500,000
2	STATE Grant-in-Aid	10/20/15-9/30/18	Department of Accounting and General Services	State	\$438,000
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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.

Rehabilitation Hospital of the Pacific

(Type

(Signature)

January 18, 2017

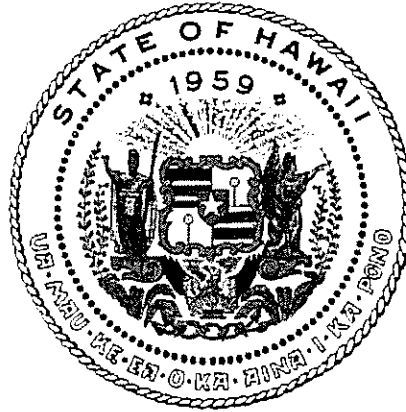
(Date)

Timothy J. Roe, MD, MBA

(Typed Name)

President & CEO

(Title)



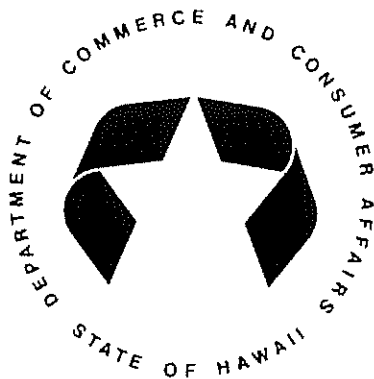
## Department of Commerce and Consumer Affairs

### CERTIFICATE OF GOOD STANDING

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

THE REHABILITATION HOSPITAL OF THE PACIFIC

was incorporated under the laws of Hawaii on 08/13/1975 ; 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 05, 2017

Director of Commerce and Consumer Affairs