

House District 46  
Senate District 23

**THE TWENTY-FOURTH LEGISLATURE  
HAWAII'S STATE LEGISLATURE  
APPLICATION FOR GRANTS & SUBSIDIES  
CHAPTER 42F, HAWAII'S REVISED STATUTES**

Log No: 154-C

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST - OPERATING       GRANT REQUEST - CAPITAL       SUBSIDY REQUEST

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

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

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

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST: HAWAII STATE DEPARTMENT OF HEALTH  
STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): \_\_\_\_\_

**1. APPLICANT INFORMATION:**

Legal Name of Requesting Organization or Individual:

Db/a: Ko'olauloa Community Health and Wellness Center, Inc.

Street Address: 56-565 Kamehameha Hwy.  
Kahuku, Hawaii 96731

Mailing Address: PO Box 395  
Kahuku, Hawaii 96731

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

Name CHARLES G. (CHUCK) BRADEN, JR.

Title Executive Director

Phone # 808 792-3846

Fax # 808 293-5390

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**3. TYPE OF BUSINESS ENTITY:**

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

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

SAFE & ADEQUATE HEALTH CENTER FACILITIES FOR THE KO'OLAULOA COMMUNITIES

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

6. SSN (IF AN INDIVIDUAL): N/A

**8. FISCAL YEARS AND AMOUNT OF STATE FUNDS REQUESTED:**

FY 2008-2009 \$600,000

**9. 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 \$ \_\_\_\_\_

COUNTY \$ \_\_\_\_\_

PRIVATE/OTHER \$ \_\_\_\_\_

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

[REDACTED]

CHARLES G. BRADEN, JR., EXECUTIVE DIRECTOR  
NAME & TITLE

JANUARY 31, 2008  
DATE SIGNED

## Application for Grants and Subsidies

### I. Background and Summary

#### 1. Brief Description.

Ko'olauloa Community Health and Wellness Center, a private, non-profit, community-based, New Start Federally Qualified Health Center, incorporated as a 501(c)(3) in October 2003, serves a Medically Underserved Population (MUP) in a Health Professions Shortage Area (HPSA). Its mission is:

Responsive to community needs  
Promoting health and wellness in Ko'olauloa  
IMUA!

Ko'olauloa Community Health and Wellness Center formally organized in December 2002, although prior to that date, many community members met informally for several years discussing the community needs, especially the lack of access to primary health and social services. Starting in January 2003, the Board of Directors implemented a broad and aggressive community strategic planning process with residents as well as organizations serving the community. Positive relationships were established with many service providers and others indicating their intent to work with or be a resource to Ko'olauloa Community Health and Wellness Center.

In November 2004, Ko'olauloa Community Health and Wellness Center opened its doors in a 1,200 sq. ft. trailer. Since then, it has provided quality health and social services to the Ko'olauloa community, including acute health care (injuries, infections, etc.) and chronic care, (high blood pressure, diabetes, asthma, etc.), physical exams (school, sports, work, women's annual including pap, and well baby and child care), immunizations, family planning (information, classes, contraceptives, STD screening), minor surgery (lacerations, skin biopsies, draining boils, etc.), behavioral health counseling, podiatry (foot care), Native Hawaiian Healing, home visits, and eligibility/ outreach services. Ko'olauloa Community Health and Wellness Center's focus is on primary and preventive health care. Oral health, nutrition, substance abuse, and case management services will be offered in the very near future.

This past year (2007), Ko'olauloa Community Health and Wellness Center served almost 4,494 individuals in over 11,000 office visits. These statistics are significant, given the limited facilities (1,200 sq. ft. trailer) from which services are provided.

In addition to its mission of service, Ko'olauloa Community Health and Wellness Center intends to realize its vision, "Knowledgeable people unite to create a vibrant and proactive community to meet their social, economic, and health needs."

**2. Goals and Objectives of the Request.**

In 2006 a Grant In Aid request was approved in the amount of \$600,000. The use of the funds was to build out a specific area of Kahuku Hospital into clinical space for our center. On January 15, 2008 we were informed that the company managing Kahuku Hospital, Hawaii Health Services Corporation (HHSC) has other plans for that space at the hospital. The Department of Health notified us at the same time that the Attorney general had opined that because the money request was not going to be used in the area requested, the GIA could neither be transferred to another area of the hospital not extended.

The overall goal of this Capital Improvement Project Grants-in-Aid request is to have adequate and safe facilities to provide needed health and social services to the Ko'olauloa communities. The specific goal of this facilities capital project is: Within a year of the start of the project, Ko'olauloa Community Health and Wellness Center will have begin work on securing, or building, or renovating an appropriate, safe and adequate facility for needed health and social services in Ko'olauloa.

The main objectives of this project are:

- Coordinate the capital improvement programming so that there is no reduction in the current levels of service;
- Improve operational efficiencies in health care delivery.

**3. Public Purpose and Need To Be Served.**

The significant needs for access to health and social services for the Ko'olauloa communities are well documented as can be seen in the following chart which compares social/ public health risk factors of residents of Ko'olauloa vs. Hawaii State and/or Honolulu County vs. the U.S.A:

<u>Social/Public Health Risk Factor</u>	<u>Ko'olauloa</u> <sup>1</sup>	<u>Hawaii State / Honolulu County</u> <sup>1</sup>	<u>U.S.A.</u> <sup>1</sup>
• <200% Federal Poverty Level (FPL)	36%	26.6% / 30.6%	-
• <100% FPL	17%	7.6% / 8.1%	9.2%
• Below livable wage	38.4%	-	26.6%
<u>Social/Public Health Risk Factor</u>	<u>Ko'olauloa</u>	<u>Hawaii State /</u>	<u>U.S.A.</u>

<sup>1</sup> Statistics from U.S. Census Bureau; Kahuku Area Community Profile, Center on the Family, University of Hawaii, 2003; Hawaii State Department of Business, Economic Development and Tourism; Hawaii State Department of Health (DOH); "Toward a Health Hawaii 2010 Checking the Health of Honolulu County in 2000" on the website [www.hawaiioutcomes.org](http://www.hawaiioutcomes.org); "Oral Health Indicator Variance Among Hawaii Public School Children", Mark H.K. Greer, DMD, MPH, Dental Health Division, DOH.

		<u>Honolulu County</u>	
• Unemployment/No Earnings	<b>7.8%</b>	4.3% / 5.7%	4.0%
• Households Receiving Food Stamps	<b>20.3%</b>	12.9% / 12.2%	-
• Households Receiving Financial Aid	<b>8.2%</b>	4.9% / 4.7%	-
• TANF Recipients	<b>9.6%</b>	5.0%	-
• Uninsured	<b>10.4%</b>	10%	14.3%
• Homeless Population	<b>5%</b>	2.3%	0.1%
• Impoverished Elderly	<b>10.5%</b>	7.4%	-
• Disabled Elderly Living Alone	<b>43%</b>	40.7%	-
• Dental Disease	<b>47.8%</b>	36%	-
• Ethnic Minorities			
○ Native Hawaiian/ Other Pacific Islanders	<b>61%</b>	9.4%	0.1%
○ Asians	31%	41.6%	3.2%
○ Hispanics	8%	7.2%	12.5%
○ American Indian/Native Alaskan	<b>5%</b>	0.3%	0.9%

As can be seen above the **bolded** statistics show Ko'olauloa residents with higher social/ public health risk factors than Hawaii State/ Honolulu County and the U.S.A. More detailed information about these risk factors are given in the following section, "Target Population".

The Ko'olauloa Community Health and Wellness Center Board of Directors assessed their communities' needs in a comprehensive process. Starting in January 2003, they held 26 meetings, over 800 one-to-one discussions with community leaders, community service providers and residents, and conducted a written survey. The following is a list of concerns from the community leaders, service providers, and residents, according to priority: obesity, diabetes, poor dental health, high blood pressure, no medical or dental insurance/drug coverage, lack of inexpensive sports physical exams, no home visits (medical and nursing care), need for immunizations for the elderly, absence of hearing evaluations, no call-in services for emergency, limited programs/ activities for various age groups, and teen pregnancies.

Ko'olauloa Community Health and Wellness Center was established to address these various needs identified by the community. Moreover, Ko'olauloa Community Health and Wellness Center must expand their services and programs to meet the ever-growing communities' health needs, as well as to be the catalyst for social and economic development. The Ko'olauloa communities would have very limited access to quality health and social services if Ko'olauloa Community Health and Wellness Center with its affordable care and enabling services was not here to serve them.

#### 4. Target Population.

Since it provides health and social services to anyone who would otherwise not receive care, Ko'olauloa Community Health and Wellness Center targets people who are under-served and/or

have barriers to health care, e.g. the poor, uninsured, under-insured, low-income children, at-risk youth, elderly, ethnic minorities including Asians, Native Hawaiians, and Pacific Islanders, immigrants, homeless, agricultural workers, etc. Ko'olauloa Community Health and Wellness Center staff believes that those who are not getting the needed health care and social services will have serious consequences, including unnecessary hospitalizations, increased risk of irreversible health problems, i.e. severe complications secondary to diabetes, asthma, and cardiovascular disease, etc.

Poor, Uninsured, Under-insured. The population of Ko'olauloa is 22,468 and KCHWC targets the 36% (8,088) of residents who live at or below 200% of the federal poverty level (FPL). The per capita income in Ko'olauloa at \$16,620, is almost 25% lower than the Hawaii State average of \$21,525. More than twice the percentage of Ko'olauloa residents live at or below the 100% FPL (17.0%) compared to Hawaii State (7.6%). Unemployment in Ko'olauloa is significantly higher at 7.8% compared to 4.3% in Hawaii State. A considerably higher percent of Ko'olauloa families receive food stamps (20.3%) vs. 12.2% for Honolulu County. Persons receiving Temporary Assistance to Needy Families (TANF) is almost twice that of Honolulu County (9.6% and 5.0% respectively). As can be seen by the circumstances and statistics above, the Ko'olauloa residents are poor and their financial resources are well below the average in Hawaii. However, the data does not accurately reflect the dire poverty in the area. A small percentage of affluent residents dramatically skew the statistics. If the very wealthy residents were carved out of the statistics, there would be a much more radical difference in the socio-economic indicators.

Ko'olauloa residents who are uninsured make up 10.4% of the population versus 10% statewide. According to Kahuku Hospital, its clinic, which closed in 2004 and served the uninsured, had a patient base of approximately 1,700 between 2002 and 2004. For Ko'olauloa, the uninsured includes working people who don't qualify for health coverage from employers, mainly because they are part-time employees, sole proprietors, temporary hires, etc.

Low-Income Children. There are extensively more 5-year-old children in the Ko'olauloa area who are living in poverty (22.3%) as compared to the state-wide percentage (15.4%). In 2003, 2,178 students, or 55% of the total population of Kahuku Complex, received free or reduced-cost school meals. The percentage in individual schools can be substantially higher. For example, 76% of the student body of Hauula Elementary received free or subsidized breakfasts and/or lunches.

At-Risk Youth. The Ko'olauloa communities have much larger percent of a younger population than state-wide, i.e. 31.7% of the Ko'olauloa population is 18 years of age and below as compared to 23.8% of the Honolulu county population. The rate of asthma in the children of Ko'olauloa is 16.4% vs. 13.4% in the State and 11.8% nationally. Almost 48% of Ko'olauloa's 6-8 year olds have untreated tooth decay vs. 36% in Hawaii. Filipino children in Ko'olauloa have 4 times more dental caries than the national average. Baby bottle tooth decay is 3 times the national rate. None of the 3 Ko'olauloa's dentists accept QUEST for children under 12 years old.

Major problems affecting the youth in the Ko'olauloa area include:

- Teen birth rates in Ko'olauloa are 2<sup>nd</sup> highest in the state (31.6 per 1,000 vs. 22.7 per 1,000).
- 75% of Ko'olauloa middle school students are obese.
- 10.5% of Ko'olauloa residents 18 years and older do not have a high school diploma compared to 9.6% in Honolulu county.

According to the Hawaii State Department of Health, Alcohol and Drug Abuse Division, *The 2000 Hawaii Student Alcohol, Tobacco, and Other Drug Use Study: Adolescent Prevention and Treatment Needs Assessment, Ko'olauloa Community report*:

- Alcohol (20.5%) and marijuana (20.7%) use in Ko'olauloa 8<sup>th</sup> graders were significantly higher than state-wide (17.2% vs. 15.6% respectively).
- For 10<sup>th</sup> graders of Ko'olauloa vs. Hawaii State, use of cocaine (7.1% vs. 3.5%), inhalants (11.7% vs. 6.9%), methamphetamine (7.6% vs. 4.4%), heroin (3.0% vs. 1.2%), and hallucinogens (8.3% vs. 6.4%), was much greater than the State usage.
- Risk factors that were more elevated for these Ko'olauloa 10<sup>th</sup> graders as compared to Hawaii overall included "poor academic performance" (49.2% vs. 46.4%), "friends' ATOD (alcohol, tobacco, other drug) use" (49.7% vs. 47.3%), and "rebelliousness" (33.0% vs. 29.5%).
- For Ko'olauloa 12<sup>th</sup> graders, "depression" was considerably more than the Hawaii rate (46.9% vs. 43.2%).
- Ko'olauloa 8<sup>th</sup> graders reported higher percentages of "sold illegal drugs" (5.2%) vs. the State rate (4.0%).
- At greatest risk were Ko'olauloa 8<sup>th</sup> graders with 11 or more risk factors (49.3%) as compared to the State average (47.2%).

Elderly. As noted in the social / public health risk factors chart located on page 3, the elderly in Ko'olauloa who live in poverty (10.5%) is noteworthy compared to the State (7.4%) and those living alone with disability (43%) are also higher (40.7%).

Overall Hawaii elderly statistics indicate that:

- The older adult population in Hawaii is growing twice as fast as the older adult population nationally. While Hawaii's older adults increased 19% between the 1990 and 2000 Census, the nation as a whole saw only a 9% increase in older adults. The 85 year-old and older population grew 69% during this period, while the same population grew 38% nationally. Between 1980 and 2000, Hawaii's older adult population increased over 3 times faster than its total population.
- Hawaii has severely limited options for long-term care – beds per capita is among the lowest in the nation – making community-based and family-based care an urgent need.
- 30.3% of Hawaii adults, age 65 and older, have not been immunized in the past 12 months and 46.9% have never been immunized for pneumococcal pneumonia. Among those elderly age 65 years or older who have had a flu shot in the last 12 months, Native Hawaiian elderly ranked last of 4 ethnic groups, at 59.8%, compared to 79% for the State and 70% for Honolulu County.

Some of the elderly in Ko'olauloa have access to low-cost housing in Kahuku. Their main problem is maintaining their independence as their physical abilities diminish and they have few options for transportation and other enabling services.

Ethnic Minorities. The Ko'olauloa community is home to various ethnic groups including Native Hawaiians, Samoans, Tongans, Maori, Fijians, Filipinos, Vietnamese, Cambodians, Laotians, Japanese and Chinese. The primary ethnic groups in Ko'olauloa include: 61% Native Hawaiian or Other Pacific Islander, 40% Caucasian, 31% Asian, 8% Hispanic, 5% American Indian/Alaskan Native (percentages do not add up to 100%, since figures are for "race alone or in combination with other race(s).")

Cultural barriers among these populations include lack of familiarity and comfort with western health care, a cultural and/or religious inclination to consider acute and chronic conditions "fate" or the "will of God" (common among Samoans and Filipinos), limited understanding of the impact of Western lifestyles, and limited or no English proficiency. Indigenous peoples, in general, are more accepting of life, including diseases. Overall, the targeted groups within Ko'olauloa have less education and less knowledge of the diseases that affect them. They are often unaware, or disinclined to believe, that it is within their power to affect the outcomes of health problems. This combination of limited education, poverty, lack of insurance, cultural beliefs, and language creates a substantial barrier for many in the Ko'olauloa communities.

Native Hawaiians have some of the poorest health statistics including the highest death rates of all groups in Hawaii. Other data show that Native Hawaiians experience:

- Higher death and disability rates secondary to stroke and cerebrovascular conditions compared to other ethnic groups in Hawaii,
- Higher rates of hypertension than other non-Hawaiians in all age groups except children under 6 years old,
- Obesity rate that is twice as high compared with all the other ethnic groups combined,
- The second highest overall incidence of cancer and the highest age-adjusted cancer mortality rates in Hawaii as compared to other ethnic groups,
- Extremely high rates of diabetes – 5 times more than non-Hawaiians between 19-35 years old.

Other significant ethnic minority statistics include:

- The rate of diabetes in Ko'olauloa is 9.2% for Filipinos vs. 6.2% for the State. Thirteen (13) of every 10,000 Ko'olauloa residents, ages 18-64, are hospitalized for long term complications of diabetes, compared to the Hawaii rate at 6.5 per 10,000.
- Diabetic retinopathy occurs in 43% of Native Hawaiians and 37.5% of Filipinos, as compared to the Caucasian rate of 12.1% and the Japanese with <1%.
- End stage renal disease, as a result of diabetes, occurs in Pacific Islanders and Asians more than 4 times the rate in Caucasians.

Immigrants. There are a substantial number of recent immigrants from the Pacific Islands and Asia joining their families and relatives in the Ko'olauloa area. There are also an unknown number of illegal immigrants who try to keep a low profile. The percentage of Ko'olauloa residents that speak a language other than English is 25.2% compared to 17.9% for the nation. The percentage of individuals who speak English less than well is 9.5% vs. 8.1% nation-wide.

Immigrants have higher risks for certain health conditions. Many immigrants arrive in Hawaii with high rates of tuberculosis, hepatitis B, and Hansen's Disease which can pose a threat to themselves, their families, and the community. Many are faced with barriers to necessary health and social services such as:

- Change in lifestyle and diet may predispose them to increased dental disease, heart disease, and obesity due to an American diet that is higher in sugar and fat.
- Cultural/social stress due to the lack of support systems may lead to social problems such as domestic violence, substance abuse, or youth delinquency.
- Language and/or cultural barriers prevent them from seeking health care. Immigrants need someone to translate for them, so they may bring a friend or ask their children to act as interpreters when seeking health care services. This poses a new problem since many people do not want to share confidential information with friends and relatives. In addition, children may not understand what is being said by the health professional and they may misinterpret unintentionally.
- They lack resources to pay for health services. Immigrants do not qualify for QUEST, although some may be covered on a limited basis by the Hawaii Immigrant Health Initiative, a State-funded program administered through the Hawaii Primary Care Association. Since many of these immigrants are unaware of available resources, they seek medical care only for emergent problems. These delays in care exacerbate their problems and increase the severity of their conditions.

Homeless. As noted in the social / public health risk factors chart located on page 3, there is more than twice the percentage of homeless in Ko'olauloa (5%) versus state-wide (2.3%). Unlike the urban areas that have more services and where the homeless are more visible, rural Ko'olauloa has forested hills and coastal lands with thickets of brush where the homeless can live undetected. Some of these "hidden" homeless are mentally ill and avoid contact with people, including those who can help them, such as the health and social services agencies.

Agricultural Workers. Aquaculture and agriculture (prawn, seaweed, fruit, and vegetable farming) is a major business in Ko'olauloa. Despite many farmers owning their own businesses, they are unable to afford health insurance. In recent years, the Laotian, Vietnamese, and Cambodian farming community has grown significantly, with the majority being uninsured and unable to afford medical, mental health, and dental care.

Besides lack of health insurance and affordability, another barrier for many agricultural workers is language. Most of these farmers are unable to speak and understand English or have limited English proficiency, which was discussed in the Immigrants section above.



Other. Significant health indicators for the overall population of Ko'olauloa include:

- The rate of coronary heart disease is 135.4 per 100,000 in Ko'olauloa vs. 123.6 per 100,000 in Hawaii.
- The cardiovascular disease death rate is significantly higher than the State at 338.9 per 100,000 versus 282.9 per 100,000.
- Ko'olauloa residents have a 15.2% obesity rate, ranking 9<sup>th</sup> out of 17 areas in the State.
- The adult asthma rate in Ko'olauloa (16.4%) is higher than the State rate (13.4%) and the national proportion (11.8%).
- Inadequate prenatal care in Ko'olauloa of 20.4% vs. 14.7% state-wide and late entry to prenatal care of 19.3% vs. 16.6% in Hawaii, contributes to Ko'olauloa having the 2<sup>nd</sup> highest maternal and infant health risk score of 2.38% in Honolulu County.
  - The birthrate of Ko'olauloa women ages 18-44 is 99.4 per 1,000, which is the 4<sup>th</sup> highest in Hawaii.
  - The Ko'olauloa infant mortality rate of 6.9% is higher than the State rate of 6.4%.
  - The percentage of Ko'olauloa mothers with pre-existing medical conditions is 32.3% vs. Hawaii State percentage of 29.2%;
  - Native Hawaiian women are less likely to receive proper prenatal care.
  - Many Ko'olauloa women do not seek care until close to their delivery date. This practice is not surprising because in most native cultures, childbearing is viewed as a normal life process which does not require care until delivery.

Thus, as can be seen in the above discussion, the target populations in Ko'olauloa have a broad and deep scope of health and social service needs.

## **5. Geographic Coverage.**

Ko'olauloa Community Health and Wellness Center's service area, located on the isolated, rural, and rustic north/northeastern coast of O'ahu, which includes Waimea Bay, Pupukea, Sunset Beach, Kahuku, La'ie, Hau'ula, Punalu'u, Kahana, Ka'a'awa and Kualoa, is accessed by a 35-mile winding, two-lane road between the Ko'olau mountains and the ocean. This narrow stretch of road is closed frequently for repairs, fatal car accidents, and from "acts of God", i.e. high waves washing over the road. Ko'olauloa is delineated by census tracts 101.00, 102.01, 102.02, an area designated by the federal government as a Health Professional Shortage Area (HPSA) and a Medically Underserved Area (MUA).

Besides economic and cultural factors described above, Ko'olauloa residents face geographic barriers to care. There is very limited to no access to specialized medical or dental services in Ko'olauloa. There are also only a few options for mental health and substance abuse treatment and as mentioned previously, no dental providers for children less than 12 years old. Consequently, many Ko'olauloa residents must travel outside their community for specialized services. Thus, access to specialty care is very limited. It takes about 1-1 ½ hours by car and 2-3 hours by bus to access specialized medical and/or other needed health and social services beyond the Ko'olauloa communities.

## 6. Community Benefit.

As the only community health center in Ko'olauloa (and actually from Kalihi-Palama Health Center to Waimanalo Health Center – so all of Central Oahu, North Shore and Windward), Ko'olauloa Community Health and Wellness Center plays a vital role in the health for over 22,000 Ko'olauloa residents and others who choose Ko'olauloa Community Health and Wellness Center as their health care provider. Not only are primary health care and social services given, as indicated above, but preventative services as well with health education and advocacy as the heart of all that is done at the Center.

As stated previously, the Ko'olauloa communities have many and various health and social services needs. There is community benefit from Ko'olauloa Community Health and Wellness Center meeting these needs. Safe and adequate facilities are essential and required to: 1) increase access to health and social services; 2) expand the scope of current services (medical) to include new services (dental, mental health, substance abuse, nutrition, case management, etc.) to ensure comprehensive, integrated, culturally appropriate, quality clinical services; and 3) improve operating efficiencies in health care delivery. In order to realize the community benefit, Ko'olauloa Community Health and Wellness Center intends to secure, build, or renovate an appropriate, safe and adequate facility for needed health and social services in Ko'olauloa.

The existing clinic is cramped and crowded. Besides the definite need for more space to provide necessary health care and social services in the Ko'olauloa communities, there is an internal, business need for more space, i.e. to increase efficiency. Most medical practices operate with 2-3 exam rooms, plus an office, for each provider. Ko'olauloa Community Health and Wellness Center functions with just 1 room per provider, which also serves as an office. More exam rooms are needed for greater efficiency and effective patient flow. Also, additional space is needed for the other health and social services, not currently offered, i.e. dental, mental health, substance abuse, nutrition, case management, etc. but very much needed in Ko'olauloa's disadvantaged communities.

Intended beneficiaries include Ko'olauloa Community Health and Wellness Center's target populations, i.e. the poor, uninsured, under-insured, low-income children, at-risk youth, the elderly, ethnic minorities including Native Hawaiians, Pacific Islanders, immigrants, agricultural workers, the homeless, and others. Ko'olauloa Community Health and Wellness Center's target populations are at increased risk for inadequate health care and certain preventable conditions due to economic, social, geographic, and/or cultural/ language barriers, i.e. poverty, lack of/ inadequate health insurance, limited/no English proficiency, and/ or isolation. The major health care needs in Ko'olauloa include inadequate prenatal care, high percentage of mothers with pre-existing medical conditions, asthma, poor dental health, drug abuse, obesity, high teen birth rates, diabetes, low immunization rates and need for community based support for the elderly. Thus, with safe and adequate facilities, the Ko'olauloa communities' needs can and will be met.

## **II. Experience and Capability**

### **A. Necessary Skills and Experience**

Ko'olauloa Community Health and Wellness Center has adequate organizational capacity and the appropriate infrastructure in place to oversee this capital improvement project. Its Executive Director is Chuck Braden, who is responsible for the overall operations of Ko'olauloa Community Health and Wellness Center. He oversees the Leadership Team, made up of the Medical Director, and Chief Financial Officer (CFO). Chuck Braden has over 20 years experience in corporate business in Hawaii, 15 years of leadership and the non-profit sector, specifically the past 5 years in leadership of Federally Qualified Health Centers in Hawaii. He has the skills, enthusiasm, and systems-approach to administer this capital improvement project. As a leader, he served on the Board of many organizations, including the Hawaii Primary Care Association, AlohaCare, Hawaii Federal Health Care Partnership, Hawaii Children's Trust fund, Prevent Child Abuse America, and KCAA Preschools of Hawaii. In addition, he is active in numerous national organizations including the National Association of Community Health Centers and the Association of Asian Pacific Community Health Organizations.

Ko'olauloa Community Health and Wellness Center's Leadership Team is lead by Chuck Braden, and comprised of the Medical Director and CFO. The Leadership Team develops, implements, and evaluates the key strategic goals and objectives within the Strategic Plan which has been initiated and approved by the Board of Directors. Flexibility is needed as priorities may change depending on the health needs of the patients and community, the successes of existing services, the availability of resources (funding, staff, facilities, etc.), mandates of funding sources and regulatory agencies, and changes in the availability of other organizations' services within the community. The Leadership Team is comprised of:

- Dr. Miriam Chang, Medical Director, who supervises the providers, i.e. physicians, nurse practitioner, social worker, Native Hawaiian Healers, is a family practitioner with numerous years of experience as a physician. Besides her management functions (0.1 FTE), Dr. Chang also cares for patients (0.9 FTE) the majority of her time. Thus, she remains intimately involved with patient care as a provider of direct services. In addition, she is Native Hawaiian, represents the local ethnic mix, grew up in Pupukeya (one of the Ko'olauloa communities) and still has family there, and has practiced in Kahuku for the past 5 years.
- Deacon Hanson, CFO, a CPA who holds a Masters in Accounting, has more than 11 years experience in financial management, investments, and managerial accounting and was a Senior Business Assurance Associate with PricewaterhouseCoopers LLP.

In addition to the skills of the Leadership Team, the medical support staff has extensive health care and other business experiences, has strong ties within the Ko'olauloa communities, and is culturally diverse, yet blended. Along with the Medical Director Dr. Miriam Chang, Ko'olauloa Community Health and Wellness Center has a veteran internist, Dr. Harry Ashe, who has more than 40 years of medical practice experiences, prior familiarity working in another Federally

Qualified Health Center, and has practiced in Kahuku for more than 20 years. The 6 medical assistants represent the area's ethnic mix, grew up and live in the community, and have a total of over 35 years experience as medical assistants in Ko'olauloa. Two speak Samoan, in addition to English, and one understands some Tongan. With their extensive skills and experience, coupled with cultural sensitivity, the clinical staff is well-versed in caring for patients with a variety of medical conditions. Primary care, with a strong emphasis on wellness, prevention, and early intervention, is the focus of Ko'olauloa Community Health and Wellness Center.

In conjunction with the staff of Ko'olauloa Community Health and Wellness Center, their Board of Directors bring a wealth of expertise including business/ financial management, non-profit administration, program development and delivery, education, community development, fundraising, faith-based and other community collaborations, information technology/ systems, as well as other knowledge and skills. Thus, Ko'olauloa Community Health and Wellness Center has the capacity to implement and sustain the proposed project as evidenced by a healthy bottom-line of the current financial statements, staff qualifications, and organizational capabilities.

In addition, Ko'olauloa Community Health and Wellness Center purchased a trailer as an interim additional facility to ease the space problem of the existing clinic. In order to place the new trailer in service, the Center had to go through the onerous building permit process to obtain the required permits to place the trailer next to the existing clinic. There have been multiple obstacles in this process including resistance from the landlord, waste-water access rights, etc. With this frustrating experience, Ko'olauloa Community Health and Wellness Center is now very well versed regarding all the complexities and nuances in the building planning and permitting process.

Furthermore, Ko'olauloa Community Health and Wellness Center has engaged the services of Capital Link, which is an organization that has expertise in facilities business planning and financing for Federally Qualified Health Centers, among other things. Capital Link has worked with numerous health centers across the nation on a variety of facilities projects.

Thus, Ko'olauloa Community Health and Wellness Center has the necessary skills and experience to provide the oversight of this capital improvement project. In addition, the Center plans to hire a Facilities Project Manager who will seek expert consultants needed to implement specific components of this project, i.e. architect, engineer, general contractor, sub-contractors (electrician, plumber, etc.), interior designer, etc. (See next section III. Personnel: Project Organization and Staffing for further details.) So, as can be surmised, Ko'olauloa Community Health and Wellness Center has the desire to succeed in this capital improvement project that will be implemented in a coordinated manner so that health and social services can be provided to meet the needs of the Ko'olauloa communities.

## **B. Quality Assurance and Evaluation**

The purpose of the Ko'olauloa Community Health and Wellness Center Quality Assurance (QA) Program is to plan, implement, monitor, and evaluate patient services and its delivery, patient satisfaction, and staff clinical competency. With the analysis of the evaluation of the various programmatic components, improvements in systems and processes can be made.

This QA program approach can also be utilized for this specific capital improvement project.

As stated on pages 2-3 above in the Goals and Objectives of the Request section of the Background and Summary, the specific goal of this project is: The overall goal of this Capital Improvement Project Grants-in-Aid request is to have adequate and safe facilities to provide needed health and social services to the Ko'olauloa communities. The specific goal of this facilities capital project is: Within a year of the start of the project, Ko'olauloa Community Health and Wellness Center will have begin work on securing, or building, or renovating an appropriate, safe and adequate facility for needed health and social services in Ko'olauloa.

The main objectives of this project are:

- Coordinate the capital improvement programming so that there is no reduction in the current levels of service;
- Improve operational efficiencies in health care delivery.

## **C. Facilities**

Currently, Ko'olauloa Community Health and Wellness Center provides health and social services in an ADA-compliant, 1,200 sq. ft. trailer, which has 4 exam rooms, a waiting room, a bathroom, a physician office lab, a supply closet, a drug closet, a reception area that houses the medical records and office equipment, and a back office. This past year, 4,494 patients were seen in over 11,000 visits. The space is very limited, but the situation has been workable up to this point in time because of flexible and very tolerant staff. There are several staff who do not have a dedicated work station in the trailer clinic, so they must work from their home, car, the front and/or back porch, and/or at times have set-up a tent in the parking lot. Thus, more space is needed to carry through with Ko'olauloa Community Health and Wellness Center's mission of service.



### **III. Project Organization and Staffing**

#### **A. Proposed Staffing, Staff Qualifications, Supervision and Training**

Proposed Staffing. The facilities capital improvement project oversight will be provided by the staff and Board of Ko'olauloa Community Health and Wellness Center, specifically, Chuck Braden, its Executive Director, and the Board of Directors' Building Committee. The day-to-day management of the project will be the responsibility of the Facilities Project Manager.

The Facilities Project Manager's main responsibility will be to coordinate all the components of the capital improvement project ensuring decision are made and timelines are met. The scope of duties includes planning, selection of project consultants (architect, engineer, surveyor, contractor, etc.), consultant contract development, project design and implementation, project budget, and timeline. The bulk of the capital improvement project will be performed by the consultants who will be hired as independent contractors.

Staff Qualifications. The staff and Board qualifications for project oversight were mentioned in the previous section II, Experience and Capability. Project Manager qualifications and experiences will include having a license as a Registered Architect or Registered Professional Engineer with ideally 20 years of professional experience, 5 of which should be as a Project Manager. The Project Manager should also have at least 5 years experience in the design and construction of health care facilities.

Supervision and Training. As noted in the previous section II, Experience and Capability, Ko'olauloa Community Health and Wellness Center's Executive Director, Chuck Braden, has over 40 years of solid, progressive management experience. He took a project management course and has participated in several facilities project management sessions at the National Association of Community Health Centers conferences. He has the ability to train in topics such as leadership, management, etc. Line responsibilities for supervision of this project are noted below in the next section (B. Organization Chart).

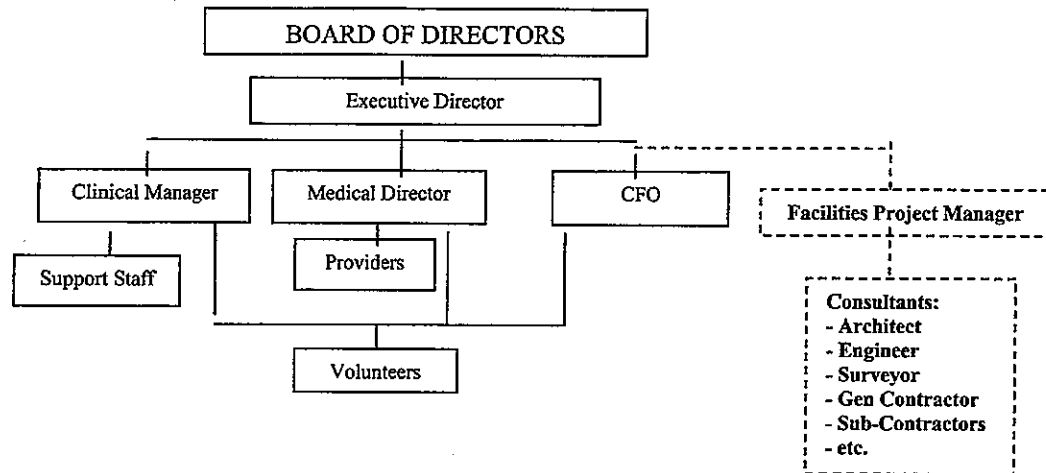
Therefore, Ko'olauloa Community Health and Wellness Center has the administrative infrastructure in place to oversee the capital improvement project. Furthermore, it will hire a Project Manager who will coordinate all aspects of this facilities project, so that the terms and financial obligations of the Grants-in-Aid request will be met.

#### **B. Organization Chart**

Ko'olauloa Community Health and Wellness Center has a traditional organizational structure with the governing Board of Directors heading the organization. They are responsible for ensuring its mission is carried forth and its vision is realized.

Ko'olauloa Community Health and Wellness Center's Executive Director, Chuck Braden, is responsible for the overall operations of the Center, along with the Leadership Team. He has

direct lines of authority with the Board above, and below, the Clinical Support Director, Medical Director and CFO. When this capital improvement project is funded and the Project Manager is hired, the Project Manager will report directly to him. The organizational structure for Ko'olauloa Community Health and Wellness Center is as follows, with new staff and consultants noted in **bold** and surrounded by dotted lines:



#### IV. Service Summary and Outcomes

##### A. Scope of Work, Tasks and Responsibilities

Ko'olauloa Community Health and Wellness Center's approach to this capital improvement project Grants-in-Aid request is that the longer range answer to the limited space problem is a bigger facility.

Capital improvement project Grants-in-Aid funds will be used for the build-out, purchase, or renovation of space in Ko'olauloa for: (Listed in **bold** are new facilities not currently available and desired.)

- Clinical Service and Administrative Areas:
  - 8 Medical Exam Rooms (current: 4)
  - 4 **Dental Operatories** (current: 0)
  - 2 **Mental Health Visit Rooms** (dedicated: 0, 1 shared with Medical)
  - 1 **Substance Abuse Visit Room** (current: 0)
  - 2 **Native Hawaiian Healing Visit Rooms** (dedicated: 0, 1 shared with Medical)
  - 1 **Nutrition Visit Room** (current: 0)
  - 3 **Case Management, Health Education, Outreach/ Eligibility Offices** (current: 0)
  - 8 Reception and Medical Assistants Workstations (current: 1)
  - 1 Medical Records/ **Computer Room** (dedicated: 0, 1 shared with Reception)
  - 4 **Providers' Offices** (dedicated: 0, 1 shared with everyone, i.e. staff room)
  - 3 **Administrative Offices** (current: 0)

Moreover, Ko'olauloa Community Health and Wellness Center as a New Start Federally Qualified Health Center has base funding for operations. In the entire history of the health center movement, there has never been a health center that has been de-funded. Thus, the Center stands on a solid foundation with many pillars of strength – financial, operational, programmatic, clinical, etc. The Federal Government, i.e. the Health Resources and Services Administration (HRSA) Bureau of Primary Health Care (BPHC), along with their private partners, e.g. the National Association of Community Health Centers (NACHC) not only provides funds, but also technical assistance and other resources. However, there are no capital resources for facilities, equipment, technology, etc.

Because of the various health and social service needs in the Ko'olauloa communities, Ko'olauloa Community Health and Wellness Center has to grow to meet these un-served needs. Growth requires more and/or larger facilities, equipment, technology, and other capital outlays. Facilities need to be maintained and upgraded for safety and efficiency. The Center is not able to save a lot of money and cannot take on too much debt to acquire or improve facilities because of the mission to serve those who cannot afford to pay for their care. In addition, costs of Hawaii's real estate and construction are very high, which may jeopardize the Center's ability to provide the services that are needed because of lack of adequate facilities.

Thus, with the financial support of the State Legislature's Capital Improvement Project Grants-in-Aid and the co-location of Ko'olauloa Community Health and Wellness Center with Kahuku Hospital, or other alternative, if needed, the Center would have adequate facilities to meet the Ko'olauloa communities' health and social services needs.

Ko'olauloa Community Health and Wellness Center's scope of work includes the project tasks to be completed and the person responsible for task completion.

Project Tasks	Responsible Person
<b><u>Project Design &amp; Development</u></b>	Executive Director (ED) with Board Building Committee (Bldg Comm)
1. Draft, review, finalize facility lease agreement and other contracts.	ED
2. Hire Project Manager (Proj Mgr).	ED
3. Hire Architect. (Proj Mgr to work with Architect and other consultants throughout the project.)	Team: Proj Mgr (leader), ED, Bldg Comm
4. Review draft, finalize Architect contract.	ED w/ Proj Mgr
5. Assist Architect to develop, review, confirm design plans (Team).	Proj Mgr; Team
6. Develop detailed project schedule with clear milestones*.	Proj Mgr
7. Plan fixtures, furniture, equipment, etc.	Proj Mgr
8. Finalize cost estimates*.	Proj Mgr w/ CFO
<b><u>Construction Bid Process</u></b>	
9. Request bids from General Contractors.	Proj Mgr
10. Analyze bids; choose Gen Contractor.	Team with Architect
11. Review draft, finalize Gen Contractor contract.	ED w/ Proj Mgr



<b>Project Construction</b>	
12. Obtain necessary permits, approvals, etc.	Proj Mgr
13. Hire and work with sub-contractors via Gen Contractor.	Gen Contractor w/ Team
14. Build-out "shell" w/ on-site improvements.	Gen & Sub-Contractors
a. Conduct weekly job meetings with Contractor.	Proj Mgr
b. Review construction (change orders, etc.) on a weekly basis*.	Proj Mgr
15. Purchase then install telecommunications.	Proj Mgr w/ CIO
16. Coordinate landscaping.	Proj Mgr
17. Place signage.	Proj Mgr
18. Review Architect's punch list for project completeness.	Proj Mgr
19. Ensure receipt of all information, warranties, manuals, etc.	Proj Mgr
20. Move into new facility! Activate new/ expanded services!	All staff

\* Review and update project schedule and budget on a bi-weekly basis. Update the Team re: project progress.

### B. Project Timeline

The anticipated timeline for the facilities project is as follows:

Task	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
1. Lease	X											
2. Hire Proj Mgr	X											
3. Hire Architect	X	→										
4. Architect contract		X	→									
5. Design plans			X									
6. Project schedule			X									
7. Fixtures, equip, etc.			X									
8. Cost estimates			X									
9. Bids from Gen Contractors			X									
10. Hire Gen Contractor			X									
11. Gen Contractor contract			X	→								
12. Permits, approvals, etc.		X	→									
13. Hire Sub-contractors					X	→						
14. Build-out "shell"					X	→						
15. Install tele-com systems								X	→			
16. Landscaping										X	→	
17. Signage												X
18. Punch list												X
19. Warranties, manuals, etc.			X	→								
20. Move!												X

The end results or outcomes of accomplishing all the tasks are:

- The successful securing, or building, or renovating facilities for Ko'olauloa Community Health and Wellness Center that will accommodate both current and projected growth in needed services;
- Coordination of the capital improvement project so that there is no reduction in the current levels of service;
- Improvement in operational efficiencies in health care delivery.

## **V. Financial**

### **Budget**

The total cost of the capital improvement project is anticipated to be more than \$2,000,000. Ko'olauloa Community Health and Wellness Center requests \$600,000 in State funds. Ko'olauloa Community Health and Wellness Center will initiate a capital campaign which will include other sources of capital funding, other foundation grant proposals, fundraising activities, such as internal Board and staff commitments, major donors, etc.

Required resources that have or will be obtained include:

- specialists in facilities business planning and financing for Federally Qualified Health Centers (FQHCs) to be a resource for the Project Manager;
- an architect to design the blueprints for construction and coordinate other services, e.g. engineer, contractor, telecommunications specialists, etc.;
- an attorney to review the consultants' contracts, property lease agreement, and other documents;
- environmental specialists to evaluate possible hazards;
- equipment planner/ interior designer to specify power, lighting, plumbing, mechanical requirements, room layout, etc.;
- sub-contractors, e.g. electrician, plumber, etc.

The following budget forms are submitted with the Grants-in-Aid Application:

- Budget Request by Source of Funds
- Budget Justification Capital Project Details

## **VI. Other**

### **A. Litigation**

No pending litigation.

### **B. Licensure or Accreditation**

No special qualifications, licensure or accreditation relevant to this request.

**BUDGET REQUEST BY SOURCE OF FUNDS**  
 (Period: July 1, 2008 to June 30, 2009)

Applicant: Ko'olauloa Community Health and Wellness Center, Inc.

<b>BUDGET CATEGORIES</b>	<b>Total State Funds Requested (a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
<b>A. PERSONNEL COST</b>				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
<b>TOTAL PERSONNEL COST</b>				
<b>B. OTHER CURRENT EXPENSES</b>				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
<b>TOTAL OTHER CURRENT EXPENSES</b>				
<b>C. EQUIPMENT PURCHASES</b>				
<b>D. MOTOR VEHICLE PURCHASES</b>				
<b>E. CAPITAL</b>	<b>600,000</b>			
<b>TOTAL (A+B+C+D+E)</b>	<b>600,000</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	600,000	Charles G. Braden, Jr. 808 792-3846		
(b)		Name (Please type or print) Phone		
(c)		[Redacted Signature] 1/31/2008		
(d)		Date		
<b>TOTAL REVENUE</b>	<b>600,000</b>	Charles G. Braden, Jr. Exec. Director		
		Name and Title (Please type or print)		

**BUDGET JUSTIFICATION  
CAPITAL PROJECT DETAILS**

Applicant: Ko'olaupua community Health and W

Period: July 1, 2008 to June 30, 2009

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ANY OTHER SOURCE OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED		FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2005-2006	FY: 2006-2007	FY:2007-2008	FY:2008-2009	FY:2009-2010	FY:2010-2011
PLANS			25000			
LAND ACQUISITION						
DESIGN			25000			
CONSTRUCTION			550000			
EQUIPMENT						
<b>TOTAL:</b>			<b>600,000</b>			
JUSTIFICATION/COMMENTS:						

**DECLARATION STATEMENT  
APPLICANTS FOR GRANTS AND SUBSIDIES  
CHAPTER 42F, HAWAII REVISIED STATUTES**

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawaii Revised Statutes:

- (1) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
- (2) Comply 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;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and assuring the proper expenditure of the grant or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:


- (1) Is incorporated under the laws of the State; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Ko'olauloa Community Health and Wellness Center, Inc.  
(Type Name of Individual or Organization)

  
(Signature)

January 31, 2008  
(Date)

Charles G. Braden, Jr.  
(Typed Name)

Executive Director  
(Title)