

House District X

Senate District _____

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

Log No: 197-0

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

AND PROGRAM I.D. NO. _____

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:

OPAT (Outpatient Parenteral Antimicrobial Therapy)
Outcomes Registry dba: Hepatitis Support Network of
Hawaii

Street Address: 5641 Kalaniana'ole Hwy,
Honolulu, HI 96821

Mailing Address: (Same)

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name KEN AKINAKA, MRA

Title Chief Operations Officer

Phone # 808-341-2020

Fax # 808-738-5797

e-mail KenAkinaka@aol.com

3. TYPE OF BUSINESS ENTITY:

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

7. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST: MEDICAL CASE MANAGEMENT, LABORATORY SCREENING AND DIAGNOSTIC TESTING, PUBLIC EDUCATION, AND, TELEMEDICINE TREATMENT SERVICES FOR UNDERSERVED POPULATIONS ON OAHU AND HAWAII NEIGHBOR ISLANDS WHO ARE INFECTED WITH HEPATITIS B AND C.

See attached description.

4. FEDERAL TAX ID # _____

5. STATE TAX ID # _____

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

8. FISCAL YEARS AND AMOUNT OF STATE FUNDS REQUESTED:

FY 2007-2008 \$ 0.00

FY 2008-2009 \$ 144,300.00

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:



KENNETH AKINAKA, MRA, CHIEF OPERATING OFFICER

1/28/2008

AUTHORIZED SIGNATURE

NAME & TITLE

DATE SIGNED

Hepatitis Prevention, Education, Treatment & Support Network of Hawai'i

Medical Case Management Services, Laboratory Screening & Diagnostic Testing, Public Education, and, Telemedicine Treatment Services for Underserved Populations on Ohau and Neighbor Hawai'i Islands Who Are Infected with Viral Hepatitis B and C

Hepatitis C is the most common chronic blood-borne viral infection in Hawai'i, with an estimated 23,000 residents currently infected. Hepatitis B infects up to 10% of our Asian and Pacific Islander immigrants in Hawai'i. Currently Hawai'i has the highest rate of liver cancer in the U.S.ⁱ and liver cancer is a leading cause of cancer death among Native Hawaiian males in Hawai'i.ⁱⁱ If left unchecked, the incidence of complications such as cirrhosis, liver failure and liver cancer are expected to increase by 60% - 200% by the end of the current decade. Most people with hepatitis B & C do not feel ill until they have irreversible disease. Most people with chronic hepatitis C don't even know they are infected.

Medical case management services, laboratory screening and diagnostic testing, public education, and, telemedicine treatment services are needed to treat the "Silent Epidemics" of hepatitis B & C in the underserved and under treated populations of Hawai'i. The medical case manager will bring urgently needed coordination, communication, public education, and intervention services to those infected with viral hepatitis, through direct patient contact, community meetings, and via telemedicine to reach those in rural and underserved areas, including the neighbor islands.

Telemedicine has steadily gained favor and success in the medical field, while implementation costs have steadily dropped, since its inception in the early 1960's and 1970's.^{iii, iv} Having telemedicine ability will bring coordinated healthcare services and treatment to those who need it, but do not have access to specialists who treat viral hepatitis because of where they live.

This project will help correct the healthcare disparity that exists for the poor, homeless, and those in remote areas and outer islands of Hawai'i by making affordable diagnosis and treatment for hepatitis B and C available to them.

ⁱ U.S. Cancer Statistics Working Group. *United States Cancer Statistics, 2002 Incidence and Mortality Web-based Report*. Atlanta: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention and National Cancer Institute; 2005. Available at: www.cdc.gov/cancer/npcr/uscs.

ⁱⁱ American Cancer Society, Cancer Research Center of Hawai'i and the Hawai'i Department of Health. *Hawai'i Cancer Facts and Figures 2003 - 2004*.

ⁱⁱⁱ Joseph C. Kvedar, Iris Kvedar. *Telemedicine Journal and e-Health*. March 1, 2003, 9(1): 1-2. doi:10.1089/153056203763317594

^{iv} Andy Marsh, Lucio Grandinetti, Tuomo Kauranne, *Advanced Infrastructures for Future Healthcare*, Medical Informatics, 2000, IOS Press, ISBN 15860309

OPAT Outcomes Registry dba Hepatitis Support Network of Hawaii

Application for Grants and Subsidies

I. Background and Summary

1. **APPLICANT'S BACKGROUND:** OPAT Outcomes Registry dba Hepatitis Support Network of Hawai'i is the oldest hepatitis prevention, education and treatment organization in Hawai'i. It currently sponsors free community talks by experts in the field of viral hepatitis and other infectious diseases, and, provides free hepatitis B and C screenings to hundreds of people each year.
2. **GOALS AND OBJECTIVES RELATED TO THE REQUEST:** The goals of Hepatitis Support Network of Hawaii is to provide medical case management, treatment and counseling for the underserved populations of Hawai'i – the poor, immigrants, homeless, substance users, medically uninsured, and, those who are employed but do not have health insurance and are infected with chronic viral hepatitis. There is no funding currently available to provide medical case management to people infected with hepatitis B and hepatitis C in Hawai'i or for treatment for those who do not have health insurance or cannot afford the co-payment cost of treatment.

People who do not have health insurance often cannot afford the cost of medical appointments and laboratory tests needed to treat this infectious disease even though many pharmaceutical manufactures will give thousands of dollars of free medication to those who cannot afford them.

3. **PUBLIC PURPOSE AND NEED TO BE SERVED:** Hawai'i has the highest rate of liver cancer in the USA. Cirrhosis, liver disease and other medical complications, including liver cancer and liver transplants, caused by hepatitis B or hepatitis C are expected to increase by 60% to 200% by 2010. Increased medical costs go hand-in-hand with the increase in disease complications. For example, the cost of treatment of hepatitis C is approximately \$50 – 60,000 per course of treatment, including lab tests, medications, and physician follow up; whereas, medical costs for liver cancer and/or liver transplants can be hundreds of thousands of dollars.

For the past five years, some members of the State Department of Health, pharmaceutical company representatives, and the Hepatitis Support Group of Hawaii members have tried to encourage Primary Care and other physicians in Hawaii to identify and start treating Hepatitis B and Hepatitis C. Most physicians are not willing to treat these often difficult and/or complex cases because they do

not get paid enough or they do not have the time to do so. At our last count, there were only between 12 to 20 physicians in Hawaii who were treating Hepatitis C. Some of those physicians have since left the state, leaving a healthcare disparity in access to healthcare and treatment for persons with these infectious and deadly diseases, especially the homeless, those without medical insurance, and those living in rural areas and remote areas of the neighbor islands. The need is greater than ever. The need is greater than ever for telemedicine so that the few specialists who do treat viral hepatitis can take care of people on the outer islands. Unless access to treatment and specialists is made possible, including through telemedicine, more people will die from these diseases.

Even today, the majority of physicians still do not routinely screen for hepatitis B or hepatitis C in those who are high risk for exposure. Physicians will usually wait to screen for these diseases until markers for liver disease, the liver enzymes (ALT and AST), become elevated and liver damage has already occurred. Physicians do not routinely screen immigrants from Asian or Pacific Island countries where 10% - 12% of the adult population is infected with chronic Hepatitis B, and, there is an extraordinarily high possibility of an immigrant from one of these countries being infected with Hepatitis B. One in ten people infected is a very high rate compared with the 1% rate of Hepatitis B infection that is currently estimated for the United States of America as a whole, but does not take into consideration the unique makeup of the Hawai'ian population.

There are also many physicians who do not routinely vaccinate for Hepatitis B because they do not get paid enough to do so. Some may actually lose money if they vaccinate, because they cannot recover the costs of vaccine.

Case management services, laboratory screening and testing, and earlier medical intervention is needed for many of the working poor who do not have medical insurance and those who are homeless. Medical case management is also needed to dispel some of the myths and fears about treatment side effects in order for more people to *want* to be treated. Most people do not feel ill until they have advanced liver disease.

Telemedicine has steadily gained favor and success in the medical field, while implementation costs have steadily dropped, since its inception in the early 1960's and 1970's.^{iii, iv} Having telemedicine ability will bring coordinated healthcare services and treatment to those who need it, but do not have access to specialists who treat viral hepatitis because of where they live.

4. **TARGET POPULATION TO BE SERVED:** Research indicates that many of the homeless are infected with hepatitis C. Hawai'i also has high rates of Asian and Pacific Islander immigrants infected with hepatitis B. This program would reach out to the homeless, uninsured and working poor who cannot afford medical care or the treatments provided. This medical case management and treatment

program would help insure that people who are infected get proper medical information and care. Telemedicine will reach populations in rural and remote areas of Hawai'i.

Most working poor can get the medication free from the manufacturers if they have a physician who will treat them. Thousands of dollars of medication will be provided free by pharmaceutical companies if the patient is uninsured or cannot afford to pay for the medication.

5. **GEOGRAPHIC COVERAGE:** The primary focus of services would be on Oahu, however, telemedicine can bring the program to the other islands through the use of video and audio communication systems and local practitioners, including advanced practice nurses and physician assistants. These services will help to correct the disparity, as it now exists in our health care system in some of our rural and outer island areas.

6. **HOW THE GRANT REQUEST WILL BENEFIT THE COMMUNITY:**

This request will provide evaluation, management and therapy for the underserved and those at high risk for spreading infection and/or developing liver disease and dying. The community will benefit by being able help save lives and money compared with the costs of expensive medical treatment for the complications of end stage liver disease, liver cancer and liver transplants. It will also help those who are infected to avoid spreading these diseases to family members and to others in our communities through curing the infection and hence avoiding spread through high-risk behaviors such as injection drug abuse and ice/amphetamine abuse.

Free treatment (or low cost treatment if they can afford it and do not have medical insurance because they are working part-time jobs) would be offered to many people who currently cannot afford to be treated for their hepatitis B or C.

II. Experience and Capability

A. Necessary Skills and Experience

Staff Background:

OPAT Outcomes Registry's Hepatitis Support Network of Hawai'i staff has a knowledgeable and experienced management team in charge of its operations.

Kenneth Akinaka, MRA, is a Hepatitis Clinical Research Coordinator and a substance abuse specialist/administrator with a Master's degree in Rehabilitation Administration and has over 30 years of experience in working with homeless and chemically dependent individuals, including 13 years as a Clinic Director. Mr. Akinaka is the founder and director of Hepatitis Support Network of Hawai'i. He is currently on the Board of Directors of the National Association of Hepatitis Task Forces (NAHTF) and the Protection & Advocacy for Individuals with Mental Illness (PAIMI) program of the Hawai'i Disability Rights Center. He is also a council member of the National Hepatitis C Advocacy Council (NHCAC) and was appointed to the Statewide Independent Living Council (SILC) Commission of Hawai'i by Governor Linda Lingle, which was ratified by the Senate and the House until the end of his term in 2006. Ken's curriculum vitae can be accessed through the following internet link:

<http://hometown.aol.com/kenakinaka/myhomepage/chatprofile.html>

Alan Tice, MD, FACP, is the Medical Director for OPAT Outcomes Registry and Hepatitis Support Network of Hawai'i. He trained in Internal Medicine and Infectious Diseases in Boston and New York. He was in the clinical practice of Infectious Diseases in Tacoma, Washington for more than 20 years before moving to Hawaii 5 years ago to join the John A. Burns School of Medicine and contribute his expertise to the community. Dr. Tice teaches medical residents at the Queen Emma Clinics. He has five hepatitis specialty clinics in Honolulu. He has had a long-term interest in viral hepatitis and HIV as well as disorders of immune deficiency. His philosophy has been to bring the infectious disease specialty treatment to the people. He founded the Hepatitis Resource Network (www.h-r-n.org), which provides educational information, symposia and conferences for physicians and medical personnel. His curriculum vitae is available through: <http://www.idlinks.com/tice.htm>.

B. Quality Assurance and Evaluation

Demographics will be maintained on each patient. Regular monitoring of therapy for response and adverse effects will be charted. Clinical and laboratory evaluations will be reviewed to determine the clearance of the hepatitis virus being treated and sustained response to treatment. A team consisting of the

Director, Medical Director and a medical practitioner will review quarterly findings to evaluate progress, and, improve outreach and clinical practices.

C. Facilities

Alan Tice, MD, is now treating people for hepatitis B & C at multiple sites in Honolulu. This project would be held at each of his five sites which includes two Community Health Care Clinics. The sites are located at: Physicians Office Building III, Waikiki Health Center, Kalihi-Palama Health Center, Drug Addiction Service of Hawai'i, and Life Foundation. All five sites are ADA accessible.

OPAT Outcomes Registry dba Hepatitis Support Network of Hawaii would also utilize telemedicine to treat patients in rural areas and on outer islands as funding permits. Advanced Practice Nurse Practitioners (APRN), Physicians Assistants (PA) and other medical staff will be used to eventually treat patients in underserved areas of Waianae, Hilo, Kona, Maui, Kauai and Molokai. We already have some qualified staff in Waianae and Hilo and plan to start telemedicine programs in those other areas by the end of 2007.

III. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

1. A nurse practitioner, physician assistant and/or other medical staff would be hired to treat patients and to allow for treatment to become available to as many sites as possible.
2. Alan Tice, MD, has agreed to be the Infectious Disease Specialist physician that would supervise the medical treatment at the various sites and with use of telemedicine techniques.
3. Ken Akinaka, MRA, would supervise the project and coordinate training, marketing and outreach efforts.

B. Organization Chart

Please see the attached Hepatitis Support Network's Organizational Chart's Access Care Today (ACT) - Medical Office Staff outline.

IV. Service Summary and Outcomes

A. Describe the scope of work, tasks and responsibilities.

- Identification of patients through screening tests (and in conjunction with the State Department of Health)
- Evaluation of referrals for co-morbidities or infections, and, appropriateness of treatment medications
- Determine status of patient's insurance and facilitate additional benefits if possible
- Provide free or low-cost treatment, lab testing and medical visits for people with viral hepatitis, and, free or low-cost vaccinations for hepatitis A and B (no vaccine exists at this time for hepatitis C)
- Help to find facilities safe and stable housing for homeless patients by referral to appropriate agencies and social programs
- Provide educational programs regarding viral hepatitis and treatment medications
- Referral to drug and alcohol treatment programs (such as Alcoholics Anonymous, the Drug Addiction Services of Hawaii, and the Salvation Army) to assist patient before, during and after treatment for viral hepatitis.
- Work toward an established program of weekly support meetings for those on therapy.
- Track outcomes of compliance, viral response, and clinical outcomes during and up to six months after therapy.

- B. The applicant shall provide a projected annual timeline for accomplishing the results or outcomes of the service.

First 3 mos. – organizational planning

9 mos. – educate payers, providers, counselors, outreach healthcare workers and distribute pamphlets. Start to test and treat patients

6 mos. – evaluate outcomes and propose changes

6 mos. – analyze progress and problems then propose programs to facilitate treatment of those infected and control the surfacing epidemic of hepatitis.

V. Financial

Budget detail for request

\$40,000 APRN/NP/PA Medical Case Mangers (0.5 FTE)
\$30,000 Program Director (0.5 FTE)
\$10,000 Infectious Disease Specialist Physician (0.1 FTE)
\$10,000 Administrative Assistant (0.25 FTE)
\$ 7,000 Payroll Taxes
\$ 7,000 Fringe Benefits
\$26,000 Laboratory Tests
\$ 1,200 Airfare, Inter-Island
\$ 500 Insurance
\$ 600 Lease/Rental of Equipment
\$ 9,000 Lease/Rental of Space
\$ 600 Staff Training
\$ 600 Supplies
\$ 1,200 Telecommunications
\$ 600 Utilities

\$144,300 Total per year

VI. Other

A. Litigation

OPAT Outcomes Registry is not a party to any pending litigation and there are no outstanding judgments against it.

B. Licensure or Accreditation

- Medical Doctor licensed to practice in Hawai'i and a specialist in Infectious Diseases
- Masters level Administrator with years of experience in the health care, substance abuse and mental health fields
- Other medically licensed staff as appropriate (for example, Nurse Practitioner, Physician Assistant, Registered Nurse and/or Certified Medical Assistant)

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

Applicant: OPAT Outcomes Registry dba Hepatitis Support Network of Hawaii

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries	90,000			
2. Payroll Taxes & Assessments	7,000			
3. Fringe Benefits	7,000			
TOTAL PERSONNEL COST	104,000			
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island	1,200			
2. Insurance	500			
3. Lease/Rental of Equipment	600			
4. Lease/Rental of Space	9,000			
5. Staff Training	600			
6. Supplies	600			
7. Telecommunication	1,200			
8. Utilities	600			
9. Laboratory testing	26,000			
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	40,300			
C. EQUIPMENT PURCHASES	None			
D. MOTOR VEHICLE PURCHASES	None			
E. CAPITAL	None			
TOTAL (A+B+C+D+E)	144,300			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	144,300	KENNETH AKINAKA	808-221-6204	
(b)		Name (Please type or print)		Phone
(c)		Signature of Authorized Official		Date
(d)		Date		
TOTAL REVENUE	144,300	KENNETH AKINAKA, Chief Operating Officer Name and Title (Please type or print)		

**BUDGET JUSTIFICATION
PERSONNEL - SALARIES AND WAGES**

Applicant: OPAT Outcomes Registry dba Hepatitis Support Netw

Period: July 1, 2008 to June 30, 2009

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME BUDGETED TO REQUEST B	TOTAL SALARY BUDGETED IN REQUEST A x B
Nurse practitioner physician assistant	0.5	\$80,000.00	50.00%	\$ 40,000.00
Program Director	0.5	\$60,000.00	50.00%	\$ 30,000.00
Medical Director	0.1	\$100,000.00	10.00%	\$ 10,000.00
Administrative Assistant	0.25	\$40,000.00	25.00%	\$ 10,000.00
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				\$ 90,000.00
JUSTIFICATION/COMMENTS:				

**BUDGET JUSTIFICATION
CAPITAL PROJECT DETAILS**

Applicant: OPAT Outcomes Registry dba
Hepatitis Support Network of

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	N/A	N/A	N/A	N/A		
LAND ACQUISITION	N/A	N/A	N/A	N/A		
DESIGN	N/A	N/A	N/A	N/A		
CONSTRUCTION	N/A	N/A	N/A	N/A		
EQUIPMENT	N/A	N/A	N/A	N/A		
TOTAL:	N/A	N/A	N/A	N/A		
JUSTIFICATION/COMMENTS:						

**DECLARATION STATEMENT
APPLICANTS FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISED 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, Hawai'i 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.

OPAT Outcomes Registry dba Hepatitis Support Network of Hawaii

_____ (Individual or Organization)	1/28/2008
_____ (Signature)	_____ (Date)
Alan D. Tice, MD	Executive Director
_____ (Typed Name)	_____ (Title)