

House District(s) 27

Senate District(s) 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 OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN): 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

Db/a: 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

Title President and Chief Executive Officer

Phone # (808) 531-3511

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:

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

4. FEDERAL TAX ID #: 

5. STATE TAX ID #: 

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2019: \$387,230

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 \$ 0
 FEDERAL \$ 0
 COUNTY \$ 0
 PRIVATE/OTHER \$1,450,000

TIMOTHY J. ROE, PRESIDENT AND CHIEF EXECUTIVE OFFICER
NAME & TITLE

JANUARY 16, 2018
DATE SIGNED

JAN 18 2018 *JWR* 9:20AM

Application for Grants

Please check the box when item/section has been completed. 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;

The Rehabilitation Hospital of the Pacific (REHAB Hospital) is a nonprofit 501(c)(3) hospital and **Hawaii's only** premier, acute-care rehabilitation hospital dedicated to providing high-quality, comprehensive and innovative inpatient and outpatient rehabilitation services. REHAB clinical team of comprehensive rehabilitation experts and specialized programs serve individuals with physical and cognitive disabilities resulting from injury or disease, including stroke, traumatic brain and spinal cord injury, complex orthopedics, chronic pain and more. Serving Hawaii and its visitors since 1953, REHAB Hospital is nationally recognized as a Top Performer in acute medical rehabilitation offering state-of-the-art equipment, specialized experts and powerful programs that are customized for specific needs. With 82 licensed inpatient beds, three outpatient clinics and a hospital based physicians clinic, REHAB cares for more than 10,000 patients each year.

In 2017, 1,999 inpatients received comprehensive care in Honolulu-based hospital and 9,681 patients received care at one of three outpatient clinics and the hospital based physicians clinic. Patients who suffer acute illness or injury are not able to be safely discharged home directly from an acute care hospital without additional rehabilitative support to build and recover functional skills. Last year patients ranged in age from a young adult who suffered a brain injury from a fall to a 100-year old that experienced a stroke and was able to discharge safely to home. Without REHAB Hospital, these patients would be required to seek care at mainland facilities 2,500+ miles away or forgo the care needed with connection close to home with family, caregivers and community to reach their optimal potential. For many patients, travel is not an option due to their medical or financial condition, which is why it is so important to have these services right here at home.

2. The goals and objectives related to the request;

REHAB Hospital's facility was built (and portions renovated) in stages over the past 65 years, with some areas still in the same state as the original construction of 1953. As Hawaii's only acute-care rehabilitation hospital it is vital to have state-of-the-art resources

customized for specific needs available to the entire community of Hawaii and its visitors.

In 2011, REHAB Hospital launched a desperately needed infrastructure improvement project focused on campus-wide needs. Phase I 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. Measures were made to incorporate specialized features to reduce noise and visual stimulation (critical for neurologic conditions and brain injury), negative air ionizers to reduce the spread of infection and medical gas and suction in rooms for patients with complex conditions. 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.

Phase II, launched in 2017 and continues campus-wide facility improvements to enhance patient care and safety through modernization and increased efficiencies. This request of \$387,230 will help REHAB Hospital complete Phase II with replacement and consolidation of units to reach HVAC system modernization and related costs. The scope of Phase II includes:

Heating Ventilation Air Conditioning (HVAC) System – Replace six remaining 20-year-old units* with energy-efficient, chilled air handling solution of units that will bring improved air quality, lower emissions, centralized facility controls and efficiency utilizing the facility existing chiller plant. HVAC system replacements will support additional areas throughout the facility that serve: Patient Care, Therapy, Dietary/Nutrition, Electronic Medical Records, Nuuanu Outpatient Clinic, CardioPulmonary Rehabilitation and other shared spaces.

HVAC systems use outdoor air which introduces causes for frequent compromised air quality and breakdowns from large volumes of dust and dirt that are deposited in the 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 Hospital improvements and modernization strategies will minimize or resolve many of these challenges.

Over 60% of REHAB Hospital 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 system replacements will establish proper ventilation throughout all patient areas and shared spaces to minimize complications that often arise from poor air quality, particularly for patients suffering from compromised health conditions and comorbidities such as heart and lung disease, diabetes or asthma.

With centralization and consolidation of units and their operation, REHAB Hospital will reach the important goal of high efficiency HVAC system modernization significantly reducing energy costs and lowering emissions. By improving its HVAC system efficiency, REHAB Hospital will also reduce peak demand electricity charges, wasting less energy and better conserving natural resources.

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

REHAB Hospital’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 electrical noise generation, with operation of each felt throughout the entire building, especially those located on or near patient rooms/floor. New generation drive and control systems operate more efficiently than older systems and will decrease impact to patient care areas.

Because of the many 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 inpatient programs, services and therapy treatments. Many need the assistance of a caregiver, cane, walker or wheelchair to safely navigate from place to place. Over the past several years, REHAB Hospital 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;

Individuals struggling with a debilitating injury or illness resulting in disabilities desperately need a comprehensive, multi-disciplinary approach to rehabilitation to restore function, focus on safety and optimal independence so they can return home, live productive lives and age in place.

When you or a loved one experiences an unexpected injury or illness resulting in disability, it changes your life forever. Without warning, you suddenly find yourself unable to walk, talk, stand, or even feed yourself. Your physical and cognitive limitations have left you wheelchair bound, perhaps permanently. During this transition, you must have access to a range of interventions to help you reach the highest level of functioning so you can improve your quality of life and live as independently as possible.

REHAB Hospital's comprehensive and specialized approach to rehabilitation creates a catalyst for successful community re-entry. Utilizing a range of interventions, REHAB Hospital's skilled rehabilitation team (physical therapy, occupational therapy, speech-language pathology, recreational therapy, nursing, physiatry, social services, case management and psychology) work together to create an individualized roadmap to recovery for each patient to safely transition from hospital to family, work and community.

Adapting to new found challenges is the key to living a productive life. Year after year, REHAB Hospital's ability to successfully return patients to the community to live independently exceeds national averages, with a rate FY16 of 85% compared to the nation's average at 79%.

The Hawaii Department of Business, Economic Development & Tourism (2012) estimates that 17% of the state's population is 65 or older, but will represent 23% of Hawaii's population by 2030. REHAB Hospital will continue to become a necessity for Hawaii's aging population as the Baby Boomers move into their senior years. Unlike skilled nursing facilities and outpatient clinics, REHAB Hospital's comprehensive hospital-based services and therapies enhance independence, self-sufficiency, support aging in place, leading to less reliance on caregivers, social service agencies and the government.

Eighty-five-year-old Lynn desperately needed REHAB Hospital after a missed step on Mother's Day resulted in a fall and shattered femur. In the blink of an eye, Lynn found herself confined to a wheelchair and unable to move independently-incapable of caring for her 83-year-old husband. Lynn's REHAB Hospital therapist incorporated various therapies into her treatment plan to gradually strengthen her leg muscles and range of motion. Within just a few short months, Lynn moved from her wheelchair to a walker, and today walks independently without the assistance of any assistive device. "REHAB Hospital is an essential service, I am proud to live independently and care for my husband. Without REHAB Hospital, I wouldn't be where I am today and we would not be able to live independently at our home together."

4. Describe the target population to be served; and

As the only acute-care rehabilitation hospital in Hawaii, REHAB Hospital provides comprehensive care that directly serves patients from early adolescence to kupuna who are suffering from stroke, traumatic brain injury, spinal cord injury, orthopedic and neurological disorders, amputation, and debilitating diseases. Serving the entire Pacific Region, REHAB Hospital provides care to individuals throughout the state in addition to visitors who may have injury or illness during their stay.

On average, REHAB Hospital admits over 1,900 patients into the hospital annually. Patient stays can be as short as ten days to many months based on patient need, condition, level of independence and safety. REHAB Hospital world-class-level of treatment

available right here in Hawaii allows patients to remain close to home with their families during the recovery process, rather than needing to seek care on the mainland and suffer from separation from a network of physical and social support.

Unanticipated accidents, injuries or illnesses strike people of all ages who desperately need REHAB Hospital's advanced, intensive therapy and patient education and training to adapt to a new normal. For the 70% of patients age 62 and older, REHAB Hospital enables our kupuna to be as self-sufficient as possible, limit need on social and government services, 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, REHAB Hospital and this project will benefit all Hawaii residents, residents of locations throughout the South Pacific, and any visitors to the State.

While its annual support varies, REHAB Hospital serves approximately 50 non-resident patients annually from around the world who experience a recreational accident or unexpected illness while visiting Hawaii. These individuals require acute rehabilitation before they can safely travel and return home.

Without REHAB Hospital, 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;

REHAB Hospital Phase II retrofit/modernization of its elevators is currently underway and expected for completion in late summer 2018. If awarded State Grant-in-Aid, REHAB Hospital will use funds toward completion of Phase II campus-wide HVAC system improvements and other related costs to enhance patient care and safety. REHAB Hospital plans to replace six remaining 20-year-old units with energy-efficient, chilled air handling system that will bring lower emissions, centralized facility controls and efficiency utilizing the facility existing chiller plan.

REHAB Hospital will retain the services of a licensed, experienced contractor for the HVAC system replacements, who will report progress to REHAB Hospital Director of Facilities throughout the project period.

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

Phase II Elevator retrofit/moderization is anticipated for completion by late summer 2018. 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 system replacements 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 weekly 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 Hospital 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 and Director of Contracts and Finance 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, Director of Finance and Director of Contracts and Finance work together to ensure that expenses are properly processed on a timely basis, and that the projected expenditures stay within budget. Each year REHAB Hospital 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 Hospital 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.
 - a. Budget request by source of funds ([Link](#))
 - b. Personnel salaries and wages ([Link](#))
 - c. Equipment and motor vehicles ([Link](#))
 - d. Capital project details ([Link](#))
 - e. Government contracts, grants, and grants in aid ([Link](#))

See attached documents.

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2019.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
		\$194,000	\$193,230	\$387,230

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2019.

REHAB Hospital will use existing reserves to support facility infrastructure improvements. A \$387,230 award from State Grant-in-Aid funds will be used toward Phase II facility improvement to enhance patient care and safety through modernization of its HVAC System and other related costs. No additional funding will be sought for fiscal year 2019.

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 Hospital 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, grants, and grants in aid it has been granted within the prior three years and will be receiving for fiscal year 2019 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 Phase I clinical infrastructure Improvements
10/1/2017	\$125,000, City GIA	Toward Recreational Therapy programs

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2017.

REHAB Hospital audited unrestricted currents assets as of December 31, 2017 is not yet available. As of September 30, 2017, REHAB Hospital current assets is \$13,442,749.

IV. Experience and Capability

1. **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 Hospital is committed to providing the best environment it can for patients, families and staff. We believe in continuous improvement and continually strive to offer the best quality care and to be among the best rehabilitation hospitals in the nation.

To measure overall quality of treatment, REHAB Hospital employs the Uniform Data System for Medical Rehabilitation (UDSMR) programs to document patient disability severity and results of medical rehabilitation. Patients are assessed upon admission and discharge utilizing the Functional Independence Measure (FIM®), a uniform scale for measuring disability by level of assistance required for 18 daily living functional areas (13 motor tasks and 5 cognitive tasks), including self-care, eating, grooming, toileting, mobility, transferring, social interaction, comprehension, problem-solving and memory.

REHAB Hospital was recognized as a Top Performer for four consecutive years by the Uniform Data System of Medical Rehabilitation (UDSMR). This acknowledgment recognizes REHAB on a national level for its high level of performance and outstanding rehabilitation program excellence.

REHAB Hospital was recognized again in 2017 for Hawaii Business magazine's Top 250, the premier ranking of Hawaii's largest companies and nonprofits. In addition, REHAB Hospital is a member of the Healthcare Association of Hawaii, an organization that works with committed partners and stakeholders to lead the movement toward achieving an equitable, sustainable healthcare system in Hawaii driven to improve quality, efficiency and effectiveness for patients and communities. REHAB Hospital has completed successful renovations of Phase I which includes the 82-licensed inpatient rooms, a new outdoor mobility course, cardiac rehabilitation clinic, therapy and treatment gyms, hospital-based physicians clinic, lobby and waiting area, which further enhance the quality of a comprehensive patient-centered care model.

REHAB Hospital will secure the services of a contractor that is duly licensed and experienced to successfully complete the infrastructure improvements and scope of this project.

REHAB Hospital 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*.

2. 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 Hospital's main facility is a four-story licensed 82-bed inpatient hospital in Honolulu. The three top floors house inpatient services with each floor housing private and semi-private patient rooms and rehabilitation therapy gyms for physical, speech/audiology and occupation therapy. Inpatient areas also include vision testing, life skills simulation and common patient/caregiver areas. Ground floor contains Nuuanu Outpatient Clinic, Physicians Clinic (specializing in Pain Management and NeuroTrauma Recovery), Cardiovascular and Pulmonary Rehabilitation Clinic, Women's Rehabilitation Clinic, inpatient admissions, patient/customer service lobby, outdoor mobility course and a healing garden.

REHAB Hospital also has five specialty clinics: Nuuanu Outpatient Clinic and the Physicians Clinic located on the first floor of the main facility in Nuuanu, Aiea Outpatient Clinic at Pearlridge, and a Hilo Outpatient Clinic on the Big Island. All facilities are ADA compliant.

V. Personnel: Project Organization and Staffing

1. 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 Hospital will retain the services of licensed, experienced contractors to complete the infrastructure improvements detailed in this proposal. REHAB Hospital 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, 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 Hospital financial operations including revenue cycle, cash flow, assets and liabilities and serves on the Capital Improvements Planning Committee. She has more than 20 years of experience in public accounting including internal and external audit responsibilities involving multiple major healthcare systems in Hawaii.

Taylor Ayers, Director of Facilities is responsible for management and review of all specifications for equipment and improvements made during facility improvement/renovation projects. Taylor 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 guests while meeting Hospital/project business objective and goals.

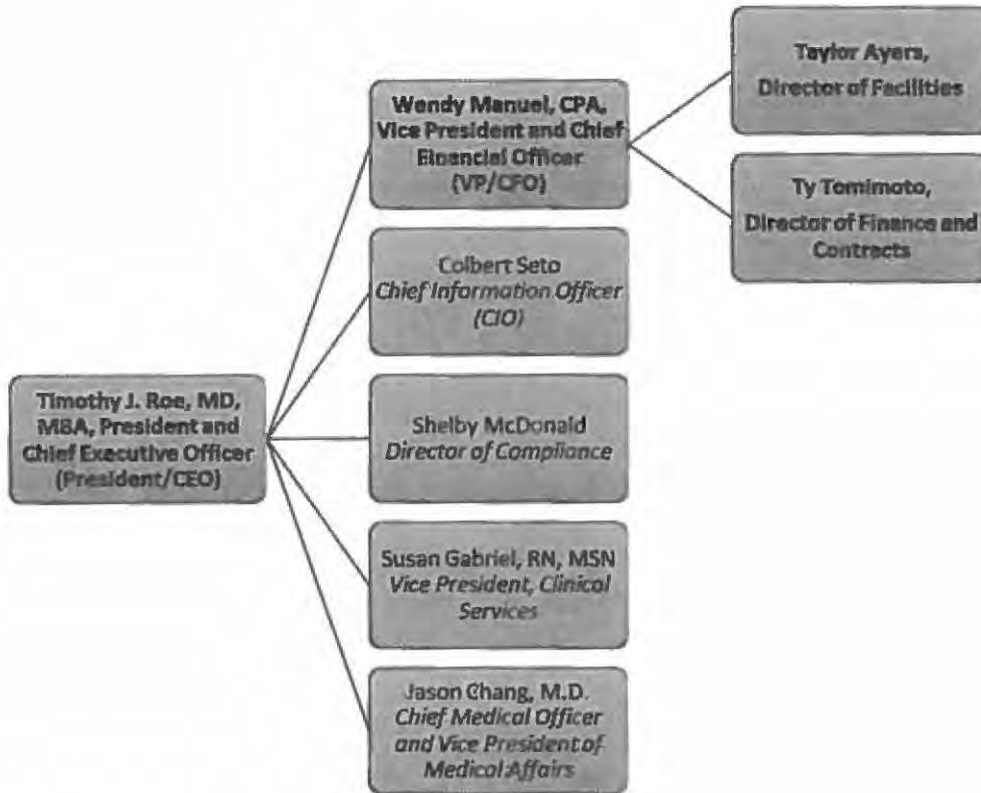
Taylor leads the Capital Improvements Planning Committee and determines priorities while monitoring status of special projects on an ongoing basis. He is an MBA from a top-ranked international business school and brings experience in operations management, facilities, and consulting.

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 Hospital. 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.

2. **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.



3. **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.

Employee	Gross Wages
Timothy J. Roe, President & CEO	\$397,055
Dr. Jason C. Chang, Chief Medical Officer & VP – Medical Affairs	\$183,717
Wendy K. Manuel, VP & Chief Financial Officer	\$179,758

Reported compensation is as per FY 2016 Form 990.

VI. Other

1. 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 Hospital is not party to any pending litigation.

2. 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 Hospital is a licensed, nonprofit organization accredited by Joint Commission. This accreditation and certification is recognized nationwide as a symbol of quality that reflects an organization's commitment to meeting certain performance standards. REHAB Hospital 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).

REHAB Hospital's Cardiac Rehabilitation and Pulmonary Rehabilitation Programs are the only programs in the state that are certified by the American Association of Cardiovascular and Pulmonary Rehabilitation (AACVPR) for demonstrating our alignment with current guidelines as approved by the American Association of Cardiovascular and Pulmonary Rehabilitation for the appropriate and effective early outpatient care of patients with cardiac or pulmonary issues.

3. Private Educational Institutions

The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of this question.

Not Applicable

4. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2018-19 the activity funded by the grant if the grant of this application is:

- (a) Received by the applicant for fiscal year 2018-19, but

(b) Not received by the applicant thereafter.

An award of \$387,230 through FY 2019 State Grant-in-Aid would be used toward Phase II facility improvements to enhance patient care and safety through modernization of its HVAC System and other related costs.

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

5. **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, 2017.

See attached Certificate of Good Standing.

6. **Declaration Statement**

The applicant shall submit a declaration statement affirming its compliance with Section 42F-103, Hawaii Revised Statutes. ([Link](#))

See attached Declaration Statement.

7. **Public Purpose**

The applicant shall specify whether the grant will be used for a public purpose pursuant to Section 42F-102, Hawaii Revised Statutes. ([Link](#))

The grant will be used for a public purpose as described in *Section I: Background and Summary, Question #3* above.

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2018 to June 30, 2019

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)
A. PERSONNEL COST				
1. Salaries	\$0	\$0	\$0	\$0
2. Payroll Taxes & Assessments	\$0	\$0	\$0	\$0
3. Fringe Benefits	\$0	\$0	\$0	\$0
TOTAL PERSONNEL COST	\$0	\$0	\$0	\$0
B. OTHER CURRENT EXPENSES				
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				
TOTAL OTHER CURRENT EXPENSES	\$0	\$0	\$0	\$0
C. EQUIPMENT PURCHASES	\$0	\$0	\$0	\$0
D. MOTOR VEHICLE PURCHASES	\$0	\$0	\$0	\$0
E. CAPITAL	\$387,230	\$0	\$0	\$1,450,000
TOTAL (A+B+C+D+E)	\$387,230	\$0	\$0	\$1,450,000
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	\$387,230			808-531-3511
(b) Total Federal Funds Requested	\$0			Phone
(c) Total County Funds Requested	\$0			January 16, 2018
(d) Total Private/Other Funds Committed	\$1,450,000			Date
TOTAL BUDGET	\$1,837,230	Timothy J. Roe, MD, President and CEO Name and Title (Please type or print)		

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2018 to June 30, 2019

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				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2018 to June 30, 2019

Applicant: Rehabilitation Hospital of the Pacific

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

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

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2018 to June 30, 2019

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: 2016-2017	FY: 2017-2018	FY:2018-2019	FY:2018-2019	FY:2019-2020	FY:2020-2021
PLANS	\$0	\$0	\$0	\$0	\$0	\$0
LAND ACQUISITION	\$0	\$0	\$0	\$0	\$0	\$0
DESIGN	\$0	\$0	\$0	\$0	\$0	\$0
CONSTRUCTION	\$0	\$1,450,000	\$387,230	\$0	\$0	\$0
EQUIPMENT	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL:	\$0	\$1,450,000	\$387,230	\$0	\$0	\$0
<p>JUSTIFICATION/COMMENTS: An award of \$387,230 through FY 2019 State Grant-in-Aid would be used toward Phase II facility improvements to enhance patient care and safety through modernization of REHAB Hospital's HVAC System and other related costs.</p>						

GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID

Applicant: Rehabilitation Hospital of the Pacific

Contracts Total: \$1,063,000

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1	CITY Grant-in-Aid	10/1/14 - 2/31/16	Dept Community Services	Honolulu County	\$500,000
2	STATE Grant-in-Aid	10/20/15-9/30/16	Department of Accounting and General Services	State	\$438,000
3	CITY Grant-in-Aid	10/1/17 - 9/30/18	Dept Community Services	Honolulu County	\$125,000
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**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS PURSUANT TO
CHAPTER 42F, HAWAII REVISIED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants pursuant to Section 42F-103, Hawaii Revised Statutes:
 - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant is awarded;
 - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
 - c) Agrees not to use state funds for entertainment or lobbying activities; and
 - d) Allows the state agency to which funds for the grant were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant.

- 2) If the applicant is an organization, the applicant meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
 - a) Is incorporated under the laws of the State; and
 - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant is awarded shall be conducted or provided.

- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
 - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
 - b) Has a governing board whose members have no material conflict of interest and serve without compensation?

Pursuant to Section 42F-103, Hawaii Revised Statutes, for grants used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant used for the acquisition of the land.

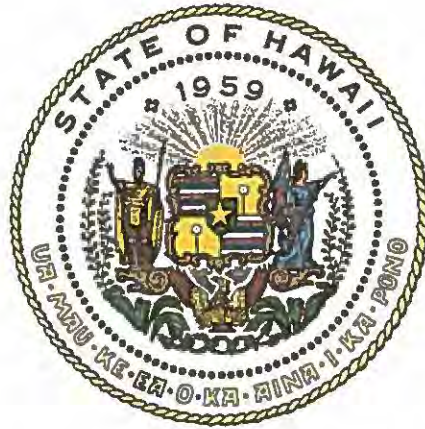
Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.



January 16, 2018
(Date)

Timothy J. Roe, MD
(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 12, 2018

Director of Commerce and Consumer Affairs