

THE THIRTIETH LEGISLATURE
APPLICATION FOR GRANTS
CHAPTER 42F, HAWAII REVISED STATUTES

Type of Grant Request:

Operating Capital

Legal Name of Requesting Organization or Individual: Db:

Hale Makua Health Services

Amount of State Funds Requested: \$ 300,000.00

Brief Description of Request (Please attach word document to back of page if extra space is needed):

Nursing home capacity building to provide a home and care for under insured and uninsured individuals in Maui County.

Amount of Other Funds Available:

State: \$ _____

Federal: \$ _____

County: \$ _____

Private/Other: \$ _____

Total amount of State Grants Received in the Past 5 Fiscal Years:

\$ 1,299,279.49

Unrestricted Assets:

\$ 8,611,173

New Service (Presently Does Not Exist): Existing Service (Presently in Operation):

Type of Business Entity:

- 501(C)(3) Non Profit Corporation
 Other Non Profit
 Other

Mailing Address:

472 Kaulana Street

City: State: Zip:

Kahului HI 96732

Contact Person for Matters Involving this Application

Name:
Denise Thayer

Title:
Director of Development & Marketing

Email:
deniset@halemakua.org

Phone:
808-871-9218

Federal Tax ID#:

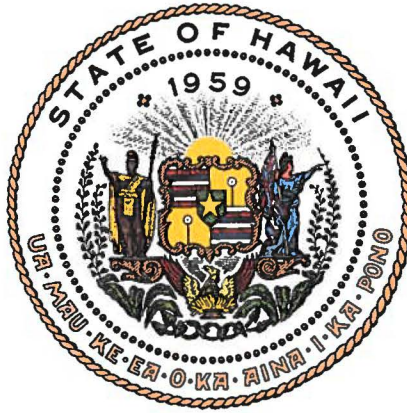
State Tax ID#


Authorized Signature

Wesley Lo, CEO
Name and Title

1/16/19
Date Signed

received
1/17/19 12:38 p
JR



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

HALE MAKUA HEALTH SERVICES

was incorporated under the laws of Hawaii on 01/15/1954 ; 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 11, 2019

Director of Commerce and Consumer Affairs

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS PURSUANT TO
CHAPTER 42F, HAWAII REVISIED STATUTES**

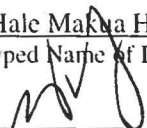
The undersigned authorized representative of the applicant certifies the following:

- 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.

Hale Makua Health Services
(Typed Name of Individual or Organization)


(Signature)

11/15/19
(Date)

Wesley Lo
(Typed Name)

CEO
(Title)

Application for Grants

If any item is not applicable to the request, the applicant should enter "not applicable".

I. Certification – Please attach immediately after cover page

1. 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, 2018.

2. Declaration Statement

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

3. 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](#))

Yes, the grant will be used for public purpose pursuant to Section 42F-102, Hawaii Revised Statutes.

II. 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;

Hale Makua Health Services (HMHS) was established by the Maui community in 1946, shortly after World War II, to care for frail, vulnerable elders who needed 24-hour care and support, and who had no family to care for them or resources to provide the care. From its humble beginning 72 years ago, HMHS has grown from a single 24-bed residential home to include two nursing homes with rehab centers, a home health care agency, an adult day health center, and an adult residential care home. Our mission, "We improve the well-being of those in our care through compassionate personalized health services, in our home and yours" reflects the commitment we have to providing quality care with competence and compassion to Maui's frail elders and disabled

- Individuals who cannot be discharged from the Hospital since insurance does not cover:
 - High cost medication(s) not covered by insurance
 - Specialized equipment and supplies
- Purchasing specialized equipment and supplies for individuals who currently cannot be safely cared for at a nursing home
- Helping to provide temporary affordable housing and resources for individuals who are transition and no longer qualify for nursing home care, but do not have a safe place to be discharged

The secondary goal of this request is that individuals would be cared for in the most appropriate, cost effective care setting. By providing assistance with the initial cost share payment, paying for high cost medications not covered by insurance, and/or purchasing specialized equipment and supplies, the organization would be able to admit individuals from the hospital that are currently on the waitlist. The average cost to care for an individual per day at the hospital is \$1,500 versus \$300 – 500 at a nursing home.

Currently, many of these costs contribute to the need for governmental subsidy to Maui Health System, at a much higher cost.

Accordingly, this Grant, not only allows for the placement of patients at the most appropriate level of care, but also will result in cost savings (through the ultimate reduction in wait list costs of the Maui Hospital System, which is currently subsidized by the State).

3. The public purpose and need to be served;

The purpose of this request is to provide support to individuals who are transitioning to or from one of Hale Makua Health Services' nursing homes and have no means to pay for care or are not able to fully cover the cost of care.

4. Describe the target population to be served; and

The program's target population is Maui County residents who cannot live safely on their own, primarily elders and disabled individuals, and are uninsured, underinsured or homeless, or have a condition that Hale Makua cannot care for due to additional specialty equipment, medications, supplies, etc. needed to care for the individual (i.e. bariatric or respiratory patients)

5. Describe the geographic coverage.

Maui County, primarily the island of Maui.

- Assess if there are individuals at the nursing homes who could safely transition into the community with the support of this funding

October - December 2019

- Begin providing nursing home care for individuals who qualify for “charity care”
- Submit report for reimbursable quarter 1 and 2 funding. Since the organization is not currently able to admit individuals who are uninsured, underinsured, homeless, or have specialized equipment /medication needs, we are unable to quantify the number of individuals that will be served during this time period.

January - June 2020

- Submit report for reimbursable quarter 3 and 4 funding. Since the organization is not currently able to admit individuals who are uninsured, underinsured, homeless, or have specialized equipment /medication needs, we are unable to quantify the number of individuals that will be served during this time period.

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

Hale Makua Health Services’ plans for evaluating this request first includes closely assessing Maui Memorial Medical Center’s waitlisted patients for those who could not previously be admitted because of lack of insurance or who need specialty equipment in order to receive care in a nursing home. The organization will also put into place policies and forms to set criteria to allow for the admission of individuals who are uninsured, underinsured or homeless, as well as discharge planning for individuals without a home. In addition, policies will be put into place to assess an individual’s finances and tracking approvals qualifying each individual for funding assistance that will enable them to transition to the nursing home, or be discharged from the nursing home.

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.

Hale Makua Health Services will submit quarterly financial and progress reports to the state department assigned to interface with the project. Variances from budget and timeframe will be communicated clearly and in timely manner. The measures of effectiveness to the state will be measured by the organizations’ ability to transition individuals who previously would not have been admitted to the nursing home due to

- Maui County CDBG for Emergency Generator in FY18: \$270,465
- Maui County CDBG for Hale Makua Kahului Fire Alarm System in FY19: \$212,000
- Maui County CDBG for Hale Makua Wailuku Fire Alarm System in FY19: \$47,000
- Maui County CDBG for Hale Makua Wailuku Facility Rehab in FY19: \$36,525
- State Capital GIA for Wander Guard System in FY19: \$175,000

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2018.

Financial Statements as of December 31, 2018 have not yet been completed. As of November 30, 2018, HMHS has unrestricted current assets of \$ 7,530,359

V. 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.

Hale Makua Health Services (HMHS) is well equipped and staffed with over 450 employees to provide healthcare services for the frail elderly and disabled. The organization has been providing care for the elderly in the Maui community since 1946. HMHS owns and operates two of the three nursing homes on Maui. The only other nursing home on Maui is at Kula Hospital, which is a critical access hospital. HMHS' nursing homes and rehab centers are both located in Central Maui. In addition, HMHS has operated a CHAP accredited home health care agency that provides home-bound individuals with skilled nursing and therapy for over 45 years, a state licensed adult day health center for over 25 years, and most recently opened a state licensed adult residential care home in 2013.

HMHS has been working for the past five years with Maui Memorial Medical Center and Kula Hospital to address the current and future needs of Maui's aging population. In collaborating with Maui's hospitals, the organizations have improved local capacity and coordination of care, allowed the organizations to work collaboratively to tackle other challenges in the current healthcare delivery system, as well as explored strategies to strengthen the continuum of care from acute to the post-acute settings on Maui, as well as actively manage the waitlist.

recently he served as the CEO of Maui Memorial Medical Center, and led the transition of the public hospital to a partnership with Kaiser Permanente.

- HMHS CFO, Kirsten Szabo, will be responsible for managing the financial aspects of the project including oversight for financial assessments, billing and fiscal reporting; and will be responsible for quarterly reports to the State. She has over 21 years of business and finance experience with 13 years in the healthcare industry.
- Hale Makua Kahului Administrator, Teana Kaho’ohanohano will provide oversight for all patients admitted to our Kahului nursing home. She has over 11 years of experience as a licensed Administrator in California and Hawaii. Most recently she worked as the Senior Executive Director / Administrator at Regency Pacific Management where she oversaw management of a skilled nursing facility and two assisted living facilities.
- Hale Makua Wailuku Acting Administrator, Janinne Grimes, RN, will provide oversight for all patients admitted to Hale Makua Wailuku. She has seven years of experience as a Director of Nursing at a nursing home.
- The Admissions team will be led by Admissions Director and Financial Counselor, Margie Albete. Margie has been with the organization since 1983. She is widely-known on Maui as the go to person for her experience and ability to navigate applying and qualifying for Medicaid.
- Once admitted to a Hale Makua Nursing home, an interdisciplinary team comprised of nursing staff (Registered Nurse, Licensed Practical Nurse, and Certified Nursing Assistants), dietary staff including a Registered Dietitian, Activities staff, and social services under the oversight of a Licensed Social Worker.

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.

Both of Hale Makua Health Services' nursing homes in Kahului and Wailuku are federally and state licensed, and surveyed for licensure and compliance with federal and state long-term care facility regulations annually.

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 2019-20 the activity funded by the grant if the grant of this application is:

- (a) Received by the applicant for fiscal year 2019-20, but
- (b) Not received by the applicant thereafter.

If funding to help provide nursing home care and services for those with no means to pay for care is received in fiscal year 2019 -20, but not in future years, Hale Makua will only be able to care for individuals during the year in which funding is received.

Without these additional funds, Hale Makua would not be able to accept and care for these individuals, which would result in an increase in on Maui Memorial Medical Center's "waitlist" and an increased cost of care. An individual receiving care at the hospital has a substantially higher cost than if they were cared for at a Hale Makua nursing home (\$1,500 per day vs. \$300-\$500 per day) and will require continual governmental subsidies to Maui Health System.

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2019 to June 30, 2020

Applicant: Hale Makua Health Services

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
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. Uncompensated Care	300,000			
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				
TOTAL OTHER CURRENT EXPENSES	300,000			
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	300,000			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	300,000	Denise Thayer (808) 871-9218		
(b) Total Federal Funds Requested		Name (Please type or print) Phone		
(c) Total County Funds Requested		Signature of Authorized Official Date		
(d) Total Private/Other Funds Requested		1/16/19		
TOTAL BUDGET	300,000	Wesley Lo, CEO Name and Title (Please type or print)		

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2019 to June 30, 2020

Applicant: Hale Makua Health Services

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, 2019 to June 30, 2020

Applicant: Hale Makua Health Services

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
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2019 to June 30, 2020

Applicant: Hale Makua Health Services

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2017-2018	FY: 2018-2019	FY:2019-2020	FY:2019-2020	FY:2020-2021	FY:2021-2022
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION						
EQUIPMENT						
TOTAL:	0	0	0	0	0	0
JUSTIFICATION/COMMENTS:						

GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID

Applicant: Hale Makua Health Services

Contracts Total: -

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1	Not applicable				
2					
3					
4					
5					
6					
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12					
13					
14					
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