January 7, 1994

Mr. Brian J. J. Choy, Director
OFFICE OF ENVIRONMENTAL QUALITY CONTROL
Central Pacific Plaza, 4th Floor
220 South King Street
Honolulu, Hawaii  96813

Dear Mr. Choy:

Subject: Final Environmental Assessment for Proposed Helipad at Maui Memorial Hospital, Wailuku, Maui, Hawaii (TMK: 30B-46: por.29)

In accordance with the requirements of Chapter 343, Hawaii Revised Statutes, and Chapter 200 of Title 11, Administrative Rules, a Final Environmental Assessment has been prepared for the subject project.

Notice of availability of the Draft EA for the project was published in the December 8, 1993 OEQC Bulletin. No comment letters were received.

As the approving agency, we are transmitting herewith one (1) copy of the OEQC Bulletin Publication Form and four (4) copies of the Final EA. We have determined that there will be no significant impacts as a result of the project and, therefore, are filing the Final EA as a negative declaration. We respectfully request that the notice of Final EA be published in the January 23, 1994 OEQC Bulletin.

If you have any questions or need additional information, please do not hesitate to call me at 243-7855.

Very truly yours,

Richard H. Haake
Managing Director

RHH:ecq
Attachment
cc: Mr. Tom Jones, Mercy Air Hawaii, Inc.
FINAL ENVIRONMENTAL ASSESSMENT

PROPOSED HELIPAD AT MAUI MEMORIAL HOSPITAL

Prepared for: January 1994
FINAL
ENVIRONMENTAL
ASSESSMENT

PROPOSED HELIPAD AT
MAUI MEMORIAL HOSPITAL

Prepared for:               January 1994

MERCY
Mercy Air Hawaii, Inc.

Michael T. Munekiyo Consulting, Inc.
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Preface

Mercy Air Hawaii, Inc. proposes to construct a helipad at the Maui Memorial Hospital for emergency helicopter ambulance use in Wailuku, Maui, Hawaii (TMK 3-8-46:por.29). Pursuant to Chapter 343, Hawaii Revised Statutes, and Chapter 200 of Title 11, Administrative Rules, Environmental Impact Statement Rules, this Final Environmental Assessment documents the project’s technical characteristics and environmental impacts, and advances findings and conclusions relative to the significance of the project.
Summary

Applicant and Landowner
The applicant for the proposed project is Mercy Air Hawaii, Inc. The landowner of the property is the County of Maui.

Property Location and Description
The proposed project site is located on the grassed area between the south side of the Maui Memorial Hospital and the Hospital’s employee apartments. The grassed area, measuring approximately 10,000 square feet, contains a 3-foot wide concrete walkway, as well as a sprinkler system. The remainder of the site is vacant.

A row of trees along the northern edge of the project site forms a screen from the Hospital.

Proposed Action
The proposed project will consist of constructing a 100 ft. by 100 ft. landing and take off area which will encompass a concrete helipad measuring 30 ft. by 30 ft. Additional improvements include installing an above ground 6,500 gallon fuel tank, constructing a fenceline around the perimeter of the landing area and the fuel tank, installing landing lights on each corner of the helipad, and the construction of a mini equipment and maintenance storage shed.

The helicopters that will be utilized are state-of-the art Bell 222 twin engine helicopters having the capability to transport two patients on advanced life support equipment.

Major maintenance and repair of the helicopters will be performed at Kahului Airport.

The helicopters will be piloted by Mercy Air Hawaii’s pilots and will be staffed with Mercy Air Hawaii’s flight nurses and paramedics. Mercy Air Hawaii’s pilots, flight nurses, and paramedics will be stationed adjacent to the project site at the Hospital’s employee apartments.
Findings and Conclusions

The proposed construction of the helipad at the Maui Memorial Hospital will provide residents and visitors of the County of Maui who are critically ill and injured with the quickest possible access to the services of a major medical center. The establishment of an emergency air ambulance service on the Island of Maui would greatly decrease transport times to major medical centers. The decrease in transport time can be the difference between needless suffering from prompt medical care, permanent disability from complete recovery, and life from death.

The proposed project will involve earthwork and building construction activities. In the short term, these activities may generate temporary nuisances normally associated with construction activities. However, dust control measures, such as regular watering and sprinkling will be implemented to minimize wind blown emissions. All construction activities are anticipated to be limited to normal daylight working hours. Impacts generated from construction activities are not considered adverse.

From a long term perspective, the proposed project is not anticipated to result in adverse environmental impacts. The proposed helipad for the emergency helicopter service will be located within the confines of the Maui Memorial Hospital property. The emergency helicopter service will be directly related with the operations of the Hospital. Helicopter take off and landing operations will generate airborne particulates, as well as higher than usual noise levels for brief periods. However, these operations are required for immediate responses to emergency situations. The proposed project is not anticipated to generate adverse air quality conditions or have an significant impact upon ambient noise levels.

There are no known significant habitats or rare, endangered or threatened species of flora and fauna located within or around the project site. The project site has been previously graded and developed. As such, there are no historic or archaeological features found at the site.
The proposed project is not anticipated to adversely affect the population and local economy or have a significant impact upon the housing demand of the surrounding region. The proposed project will support construction and construction-related employment in the short term. After completion of the project, the proposed emergency helicopter ambulance service will require the employment of trained and skilled pilots, flight nurses, and flight paramedics. Mercy Air Hawaii's employees will be stationed adjacent to the project site at the Hospital's employee apartments.

With three (3) employees expected to be stationed at the site per 24-hour shift, the proposed project is not anticipated to have an adverse effect upon public service needs, such as police, fire, medical facilities and schools. In addition, the impact upon roadways, water, wastewater, drainage and other infrastructure systems are not considered significant.

In light of the foregoing findings, it is concluded that the proposed action will not result in any significant impacts.
Chapter I

Project Overview
A. **PROPERTY LOCATION, EXISTING USE, AND LAND OWNERSHIP**

The applicant, Mercy Air Hawaii, Inc., proposes to construct a helipad on the grounds of the Maui Memorial Hospital in Wailuku, Maui, Hawaii (TMK 3-8-46:por.29). See Figure 1. The helipad will serve as a landing and take off area for an emergency helicopter ambulance service. The proposed project site will be located on the grassed area between the south side of the Hospital and the Hospital's employee apartments. See Figure 2.

The proposed site, measuring approximately 10,000 square feet, is covered with grass and contains no building structures. A three (3) feet wide concrete walkway, which provides access between the Hospital and the housing, is centrally located within the proposed site. A row of trees along the northern edge of the project site forms a screen from the Hospital.

The County of Maui is the landowner of the project site.

B. **PROPOSED ACTION**

1. **Project Need**

Mercy Air will provide residents and visitors of the tri-isle County of Maui who are critically ill and injured with the quickest possible access to the services of a major medical center on the Island of Maui or Oahu. Many of Hawaii’s critically ill and injured patients experience delays in the transport to medical care facilities. These delays can be attributed to the unique island geography of Hawaii. The establishment of an air ambulance service on the Island of Maui would greatly decrease transport times to major medical centers. The decrease in transport time can be the difference between needless suffering from prompt medical care, permanent disability from complete recovery, and life from death.
Figure 2  Mercy Air Hawaii Helipad
Project Site Location Map
2. **Proposed Improvements**

The applicant proposes to construct a helipad at the Maui Memorial Hospital in order to establish an air ambulance service within the County of Maui. The proposed improvements will include:

a. Clearing and minor grading of the proposed site for the construction of a 100-ft. by 100-ft. landing and take off area;

b. The construction of a concrete helipad measuring 30 ft. by 30 ft. to be centrally located within the landing and take off area;

c. Construction of a 4-ft. fence around the perimeter of the site;

d. Construction of an above-ground 6,500 gallon fuel tank, and attendant fuel line to the helipad site;

e. Construction of a 6-ft. fence around the fuel tank site;

f. Provision of underground electrical power to the site;

g. Provision of a 3/4-inch water line to the site and installation of a connection for washing equipment;

h. Painting of landing markers on the helipad;

i. Installation of landing lights on each corner of the helipad; and

j. The construction of a mini equipment storage and maintenance shed.

The applicant proposes to utilize state-of-the-art Bell 222 twin engine helicopters, with the ability to reach speeds of up to 170 miles per hour and to land and take off in various terrains and altitudes. These helicopters have the capability of transporting up to two (2) patients on advanced life support equipment.
Major maintenance and repairs of the helicopters will be performed at Kahului Airport.

The helicopters will be piloted by Mercy Air Hawaii's pilots and will be staffed with Mercy Air Hawaii's flight nurses and paramedics. Mercy Air Hawaii's pilots, flight nurses, and paramedics will be stationed adjacent to the project site at the Hospital's employee housing in order to decrease response time in emergency situations.

The total cost of all improvements for the proposed project is estimated to be $105,000.00.

C. REGULATORY CONTEXT
1. State Health Planning and Development Agency - Certificate of Need
   On March 3, 1993 the applicant filed a Certificate of Need (CON) for the proposed project with the State Health Planning and Development Agency (SHPDA) pursuant to Chapter 323-D, Hawaii Revised Statutes, Part 5. Approval for the subject CON application was granted by the SHPDA on September 24, 1993. See Appendix A.
Chapter II

Description of the Existing Environment
II. DESCRIPTION OF THE EXISTING ENVIRONMENT

A. PHYSICAL ENVIRONMENT

1. Surrounding Land Uses

The project site is located within the midst of the Wailuku-Kahului region, the Island of Maui's center of commerce. The region is home to Kahului Harbor, the Island's only deep water port, and the Kahului Airport, the second busiest airport in the State. With its proximity to the Harbor and the Airport, the Wailuku-Kahului region has emerged as the focal point for heavy industrial, light industrial and commercial activities and services such as warehousing, baseway operations, automotive sales and maintenance, and retailing for equipment and materials suppliers. The region is considered Central Maui's commercial retailing center with the Kaahumanu Center, the Maui Mall and the Kahului Shopping Center, located two miles from the project site.

The project site is bordered to the north by the Maui Memorial Hospital, to the south by the Hospital's employee housing, and to the west by an employee parking lot. Situated beyond the Hospital, to the north, are Maui County's Wailuku/Kahului Police Station and the J. Walter Cameron Center. The lands to the south and west of the project site, beyond the employee housing and parking lot, are vacant. Vegetation in this area include haole koa, kiawe, and various exotic shrubs. Mahalani Street, a two-lane roadway which provides the only vehicular access to the Hospital, borders the east side of the Hospital, while further east is the expansive residential area of Kahului.
2. **Climate**

Like most areas of Hawaii, Maui’s climate is relatively uniform year-round. Characteristic of Hawaii’s climate, the project site experiences mild and uniform temperatures year round, moderate humidity and a relatively consistent northeasterly tradewind. Variation in climate on the island is largely left to local terrain.

Average temperatures at the project site (based on temperatures recorded at Kahului Airport) range from lows in the 60°s to highs in the 80°s. August is historically the warmest month, while January and February are the coolest. Rainfall at the project site averages approximately 20 inches per year. Winds in the Wailuku-Kahului region are predominantly out of the north-northeast and northeast.

3. **Topography and Soil Characteristics**

The project site is located on Central Maui’s flat isthmus at an approximate elevation of approximately 180 feet above sea level. The site, having been previously graded, is near level with a slight slope to the north. There are no significant topographical constraints within the proposed project site.

Underlying the site and surrounding lands are soils belonging to the Pulehu-Ewa-Jaucas association. See Figure 3. This soil association is characteristically deep and well-drained and located on alluvial fans and in basins. The soil type specific to the project site is of the Puuone Series’ Puuone Sand classification (PZUE). See Figure 4. PZUE soils predominate in the Kahului region and is typified by a sandy surface layer underlain by cemented sand. Naturally occurring vegetation on this series include bermuda grass, klawe, and lantana.
Figure 3 Mercy Air Hawaii Helipad Soil Association Map

Map Source: USDA Soil Conservation Service

NOT TO SCALE

Michael T. Munekiyo Consulting, Inc.
Prepared for: Mercy Air Hawaii, Inc.
Figure 4  Mercy Air Hawaii Helipad
Soil Classifications

Michael T. Munekiyo Consulting, Inc.
Prepared for: Mercy Air Hawaii, Inc.
4. *Flood and Tsunami Hazard*

The project site, as well as the land surrounding the site, are designated Zone "C" by the Flood Insurance Rate Map. See Figure 5. Zone "C" is an area of minimal flooding.

5. *Flora and Fauna*

Surrounding the project site to the north and east is the urbanized center of Kahului. The grounds of the Maui Memorial Hospital that encompass the project site are characteristic of the urban nature of Kahului. The Hospital property is landscaped with palm trees and other shade trees, ground cover, and other exotic vegetation. Lands to the south and west, beyond the Hospital property limits, are vacant and vegetated with koa haole, kiawe, bermuda grass, fingergrass and lowland shrubs. There are no known rare, endangered or threatened species of plants within or surrounding the project site.

Fauna and avifauna found at the site are also characteristic of the surrounding urbanized region. Fauna typically found in the vicinity of the site include mongoose, rats, dogs, and cats. Avifauna typically include mynas, doves, house sparrows, and francolin. There are no rare or endangered species of fauna or avifauna found in the vicinity of the project site.

6. *Air Quality*

Air quality in the Wailuku-Kahului region is considered good as point sources (e.g., Maui Electric Power Plant, HC&S Mill) and non-point sources (e.g., automobile emissions) of emission are not significant to generate high concentration of pollutants. The relatively high quality of air can also be attributed to the region's constant exposure
Figure 5  Mercy Air Hawaii Helipad
Flood Insurance Rate Map
to winds which quickly disperse concentrations of emissions. This rapid dispersion is evident during burning of sugar cane in fields located to the southeast of the Kahului residential core.

7. **Noise Characteristics**
   Traffic noise and the activities associated with the Maui Memorial Hospital are the predominant source of background noise in the vicinity of the project site.

8. **Visual Resources**
   From the project site looking west are the residential homes of Sand Hills. Further west are the West Maui Mountains, while to the east Haleakala Mountain is visible. The project site is not part of a scenic view corridor.

9. **Archaeological Resources**
   The project site has been previously graded and developed. Improvements at the site include a 3-foot wide cement walkway and a sprinkler irrigation system. In addition, a County sewer line traverses the northwest corner of the site. There are no historic or archaeological features found at the site.

B. **Socio-Economic Environment**

1. **Population**
   The population of the County of Maui has exhibited relatively strong growth over the past decade with the 1990 population estimated to be 100,374, a 41.7% increase over the 1980 population of 70,847. Growth in the County is expected to continue, with resident population projections to the years 2000 and 2010, estimated to be 123,900 and 145,200, respectively (DBED, 1990).
The Wailuku-Kahului Community Plan region follows the Countywide pattern of population growth, with the region's 1990 population of 32,816 expected to rise to 40,119 by the year 2000 and to 47,597 by the year 2010 (Community Resources, Inc., 1992).

2. **Economy**

As noted previously, the Kahului region is the Island's center of commerce. Combined with neighboring Wailuku, the region's economic character encompasses a broad range of commercial, service, and governmental activities. In addition, the region is surrounded by significant agricultural acreages which include sugar cane fields, pineapple fields, and macadamia nut orchards. The vast expanse of agricultural land, managed by Hawaiian Commercial & Sugar (HC&S) and Wailuku Agribusiness Company, is considered a key component of the local economy.

C. **PUBLIC SERVICES**

1. **Police and Fire Protection**

Police protection for the Wailuku-Kahului region is provided by the County Police Department headquartered at the Wailuku Station, approximately 0.4 mile from the project site. The region is served by the Department's Central Maui patrol.

Fire prevention, suppression, and protection services for the Wailuku-Kahului region is provided by the County Department of Fire Control's Wailuku Station, located in Wailuku Town, approximately two (2) miles from the project site. In addition, the Department has constructed a new Kahului Station (located on Dairy Road), located approximately three (3) miles from the project site.
2. **Health Care**

Maui Memorial Hospital, the only major medical facility on the Island, services the Wailuku-Kahului region. Acute, general and emergency care services are provided by the 145-bed facility. In addition, numerous privately operated medical/dental clinics and offices are located in the area to serve the region's residents.

3. **Solid Waste**

Single-family residential solid waste collection service is provided by the County of Maui on a once-a-week basis. Residential solid waste collected by County crews are disposed at the County's 55-acre Central Maui Landfill, located four miles southeast of the Kahului Airport. In addition to County-collected refuse, the Central Maui Landfill accepts commercial waste from private collection companies. Refuse collection for Maui Memorial Hospital is provided by a private collection company.

4. **Recreational Resources**

The Wailuku-Kahului region encompasses a full range of recreational opportunities, including shoreline and boating opportunities at the Kahului Harbor and adjoining beach parks, and individual and organized athletic activities offered at numerous County parks. The project site is in close proximity to the War Memorial Complex, the Kahului Community Center, and Iao Valley State Park.

5. **Schools**

The Wailuku-Kahului region is served by the State Department of Education's public school system as well as several privately operated schools accommodating elementary, intermediate and high school students. Department of Education facilities in the Kahului
area include Lihikai and Kahului Schools (Grades K-6), Maui Waena Intermediate School (Grades 7-8), and Maui High School (Grades 9-12). Schools in the Wailuku area include Wailuku Elementary School (Grades K-5), Iao Intermediate School (Grades 6-8), and Baldwin High School (Grades 9-12). The Maui Community College, a branch of the University of Hawaii, serves as the Island's only Community College.

D. INFRASTRUCTURE

1. Roadways

The Wailuku-Kahului region is served by a roadway network which includes arterial, collector and local roads. Major roadways include Kaahumanu Avenue, the principal linkage between Wailuku and Kahului, Lower Main/Kahului Beach Road, Hana Highway, and Puunene Avenue.

Access to the project site is provided by an existing Hospital driveway intersecting with Mahalani Street. Mahalani Street, providing the primary access to the Hospital, is a two-way County roadway which connects with Kaahumanu Avenue and Kanaloa Avenue, forming a four-way signalized intersection.

2. Wastewater

Domestic wastewater generated in the Wailuku-Kahului region is conveyed to the County’s Wailuku-Kahului Wastewater Reclamation Facility located one-half mile south of Kahului Harbor. The design capacity of the facility is 7.8 million gallons per day (MGD). Average daily flow currently processed through the plant is approximately 5.3 MGD.
The Maui Memorial Hospital's employee apartments are currently serviced by a six-inch sewerline, which traverses the western perimeter of the project site.

3. **Water**
   The Wailuku-Kahului region is served by the Board of Water Supply's (BWS) domestic water system. Water drawn from the Iao Aquifer System is conveyed to this region for distribution and consumption.

   Water service to Maui Memorial Hospital's employee apartments is provided via an 8-inch water line. Water service to the project site would be off of this line.

4. **Drainage**
   On-site runoff sheet flows across the site to the Hospital's existing parking area. There are existing catch basins within the parking area which link with the storm drainage system within the Hospital grounds.
Chapter III

Potential Impacts and Mitigation Measures
III. POTENTIAL IMPACTS AND MITIGATION MEASURES

A. PHYSICAL ENVIRONMENT

1. Surrounding Land Uses
The proposed helipad for the emergency helicopter service will be located within the confines of the Maui Memorial Hospital property. The emergency helicopter service will be directly related to the operations of the Hospital. As such, the proposed project is not anticipated to have a negative effect upon the surrounding land uses.

2. Topography/Landform
The proposed project will involve minimal clearing and grading. Excavation and filling will be required for the construction of the helipad. In general, however, finished contours will follow existing grades to minimize earthwork costs. Therefore, the project is not anticipated to have any adverse effects to the topography or landform.

3. Flora and Fauna
There are no known significant habitats or rare, endangered or threatened species of flora and fauna located within the project site. The proposed project is therefore not considered an adverse impact upon these environmental features.

4. Air Quality
Air quality impacts attributed to the project will include dust generated by short-term, construction-related activities. Dust control measures such as regular watering and sprinkling will be implemented as needed to minimize wind-blown emissions.
On a long-term basis, the taking off and landing of the emergency helicopter will generate airborne particulates for brief periods. However, the taking off and landing of the helicopters are required for the immediate responses to emergency situations. The proposed project is not anticipated to generate adverse air quality conditions.

5. **Noise Characteristics**
   
   As with air quality, ambient noise conditions will be impacted by construction activities. Heavy construction equipment, such as bulldozers, front end loaders, and materials-carrying trucks and trailers, would be the dominant source of noise during the site construction period. To aid in the mitigation of construction noise impacts upon surrounding uses, construction activities will be conducted during the daylight hours only.

   On a long-term basis, the taking off and landing of the emergency helicopter will generate higher than usual noise levels for brief periods. However, helicopter operations are essential in meeting the emergency medical objectives of the project. The proposed project is not anticipated to generate adverse noise conditions for sustained periods of time.

6. **Visual Resources**

   The addition of the emergency helicopter ambulance service to the Maui Memorial Hospital will not adversely affect the visual character of the Hospital grounds. The proposed project is not part of a scenic corridor and will not encroach into view corridors of the surrounding area.
B. SOCIO-ECONOMIC ENVIRONMENT

1. Population and Local Economy
On a short-term basis, the project will support construction and construction-related employment.

On a long-term basis, the proposed emergency helicopter ambulance service will require the employment of trained and skilled pilots, flight nurses, and flight paramedics. The employees of Mercy Air Hawaii will be stationed at the Hospital’s employee apartments. As such, the proposed project is not anticipated to adversely affect the population and local economy or have an adverse impact upon the housing demand of the surrounding region.

2. Health Care
Mercy Air will provide residents and visitors of the County of Maui who are critically ill and injured with the quickest possible access to the services of a major medical center. The establishment of an emergency air ambulance service on the Island of Maui would greatly decrease transport times to major medical centers. The decrease in transport time can be the difference between needless suffering from prompt medical care, permanent disability from complete recovery, and life from death. The proposed project promotes public health, safety, and welfare for residents and visitors within the County of Maui.

3. Other Public Services
The proposed project will require the employment of three (3) full time pilots, three (3) flight nurses, and three (3) flight paramedics. At this staffing level, the employment related impacts upon public
service needs, such as police and fire protection, solid waste, and schools, are not considered significant.

C. INFRASTRUCTURE

1. Roadways
Three (3) employees are anticipated to be stationed at the project site per 24-hour shift. In this regard, the impact of the proposed project on the public roadway system is expected to be minimal.

2. Wastewater
The design capacity of the County’s Kahului Wastewater Treatment Facility is 7.9 million gallons per day (MGD). The facility serves the Kahului, Wailuku, Paia, Kuau and Spreckelsville areas. Current wastewater flows treated by the Kahului facility is approximately 5.3 MGD, excluding groundwater and stormwater infiltration.

The proposed project is estimated to generate an average daily flow of approximately 240 gallons per day of wastewater.

3. Water
Water will be supplied to the project site by the County system currently servicing the Hospital’s employee housing. The average daily demand for the project is estimated to be about 360 gallons per day.

4. Drainage and Erosion Control
Runoff generated from the site will sheet flow towards the existing Hospital parking lot where it will be directed to an existing drainage system. Since the increase in impermeable surface is relatively...
small, the proposed improvements are not anticipated to have an adverse impact upon existing drainage systems.

Appropriate erosion control measures will be incorporated during the construction phase to minimize soil loss associated with construction activities.
Chapter IV

Relationship to Government Plans, Policies and Controls
IV. RELATIONSHIP TO GOVERNMENT PLANS, POLICIES AND CONTROLS

A. STATE LAND USE DISTRICTS

Chapter 205, Hawaii Revised Statutes, relating to the Land Use Commission, establishes the four (4) major land use districts in which all lands in the State are placed. These districts are designated "Urban", "Rural", "Agriculture", and "Conservation". The subject parcel is within the "Urban" District. See Figure 6. The proposed action involves the use of the property for the development of an emergency helicopter ambulance service which is compatible with the "Urban" designation.

B. MAUI COUNTY GENERAL PLAN

The Maui County General Plan (1990 Update) sets forth broad objectives and policies to help guide the long-range development of the County. As stated in the Maui County Charter, "The purpose of the General Plan is to recognize and state the major problems and opportunities concerning the needs and the development of the County and the social, economic and environmental effects of such development and set forth the desired sequence, patterns, and characteristics of future development.

The proposed plan is in keeping with the following General Plan objective and policy:

Objective:
To meet the health needs of all our people.

Policies:
Encourage the State to provide prompt and adequate emergency services throughout the County.
C. WAILUKU-KAHULUI COMMUNITY PLAN

The subject parcel is located in the Wailuku-Kahului Community Plan region which is one (1) of nine (9) Community Plan regions established in the County of Maui. Planning for each region is guided by the respective Community Plans, which are designated to implement the Maui County General Plan. Each Community Plan contains recommendations and standards which guide the sequencing, patterns and characteristics of future development in the region.

The proposed project site is designated "Public" by the Wailuku-Kahului Community Plan land Use Map. See Figure 7. The proposed project is consistent with the land use designation of the Wailuku-Kahului Community Plan.

D. COUNTY ZONING

The underlying zoning of property is R-3. Since helicopter operations are not permitted within the R-3 zoning district, Mercy Air Hawaii will be filing an application for a Conditional Use Permit with the County of Maui, Planning Department.
Figure 7  Mercy Air Hawaii Helipad
Community Plan Land
Use Designations

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Michael T. Munekiyo Consulting, Inc.
Prepared for: Mercy Air Hawaii, Inc.
Chapter V

Findings and Conclusions
V. FINDINGS AND CONCLUSIONS

The proposed construction of the helipad at the Maui Memorial Hospital will provide residents and visitors of County of Maui who are critically ill and injured with the quickest possible access to the services of a major medical center. The establishment of an emergency air ambulance service on the Island of Maui would greatly decrease transport times to major centers. The decrease in transport time can be the difference between needless suffering from prompt medical care, permanent disability from complete recovery, and life from death.

The proposed project will involve site construction activities. In the short term, these activities may generate temporary nuisances normally associated with construction activities. However, dust control measures, such as regular watering and sprinkling, will be implemented to minimize wind blown emissions. All construction activities are anticipated to be limited to normal daylight working hours. Impacts generated from construction activities are not considered adverse.

From a long term perspective, the proposed project is not anticipated to result in adverse environmental impacts. The proposed helipad for the emergency helicopter service will be located within the confines of the Maui Memorial Hospital property. The emergency helicopter service will be directly related with the operations of the Hospital. Helicopter take-off and landing operations will generate airborne particulates, as well as higher than usual noise levels for brief periods. However, the taking off and landing of the helicopters are required for immediate responses to emergency situations. The proposed project is not anticipated to generate adverse air quality conditions or have a sustained impact upon ambient noise levels.

There are no known significant habitats or rare, endangered or threatened species of flora and fauna located within the project site. The project site has been
previously graded and developed. There are no historic or archaeological features found at the site.

The proposed project is not anticipated to adversely affect the population and local economy or have an impact upon the housing demand of the surrounding region. The proposed project will support construction and construction-related employment in the short term. After completion of the project, the proposed emergency helicopter ambulance service will require the employment of trained and skilled pilots, flight nurses, and flight paramedics. Mercy Air Hawaii's employees will be stationed adjacent to the project site at the Hospital's employee apartments.

With three (3) employees expected to be stationed at the site per 24-hour shift, the proposed project is not anticipated to have an adverse impact upon public service needs, such as police, fire, medical facilities and schools. In addition, the impact upon roadways, water, wastewater, drainage and other infrastructure systems are not considered significant.

In light of the foregoing findings, it is concluded that the proposed action will not result in any significant impacts.
Chapter VI

Agencies Contacted for the Proposed Project
VI. AGENCIES CONTACTED FOR THE PROPOSED PROJECT

Pursuant to Chapter 323-D, Hawaii Revised Statutes, Part 5, the applicant filed a Certificate of Need (CON) for the proposed project with the State Health Planning and Development Agency (SHPDA). Through the CON process, numerous governmental agencies and organizations were contacted for review and comments of the proposed project. See Appendix A for copy of the CON approval and Appendix B for response letters.
References


Appendices
Appendix A

Copy of Approval of Certificate of Need
September 24, 1993

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

IN THE MATTER OF

MERCY AIR HAWAII, INC.

Applicant.

CERTIFICATE OF NEED
APPLICATION NO. 93-10

DECISION ON THE MERITS

DEcision on the Merits

The State Health Planning and Development Agency
(hereinafter "Agency"), having taken into consideration all of
the records pertaining to Certificate of Need Application No.
93-10 on file with the Agency, including the written and oral
testimony and exhibits submitted by the applicant and other
affected persons, hereby makes its Decision on the Merits,
including findings of fact, conclusions of law, order, and
written notice on Certificate of Need Application No. 93-10.

I

BACKGROUND

1. This is an application for a Certificate of Need (CON)
to provide helicopter air ambulance service for Maui, Lanai and
Molokai at a capital cost of $4,198,978. The applicant proposes
to place two twin engine helicopters on Maui. One helicopter
will be primary; the other will be a mechanical backup.

2. The applicant is Mercy Air Hawaii, Inc. ("Mercy").

3. The Agency administers the State of Hawai'i's
Certificate of Need Program, pursuant to Chapter 323D, Hawai'i
Revised Statutes (HRS), and Title 11, Chapter 186, Hawai'i
Administrative Rules (HAR).
4. On March 12, 1993, the applicant filed with the Agency a CON application to provide helicopter air ambulance service for Maui, Lanai, and Molokai. On March 20, 1993, the Agency determined that the application was complete. For administrative purposes, the Agency designated the application as CON Application No. 93-10.

5. The period for Agency review of the application commenced on April 23, 1993, the day notice was given to the public through a legal notice published in the Honolulu Advertiser, a newspaper of general circulation in the State of Hawai‘i. The Agency established a 90 day review period for this application. By letter of July 8, 1993, the Agency extended the review period by 30 days to September 20, 1993. On September 17, 1993, the Agency and the applicant agreed to extend the review period to September 24, 1993.

6. The CON application was reviewed by the following public advisory bodies at public meetings:
   a. The Tri-Isle County Subarea Health Planning Council ("Tri-Isle SAC") met on May 12, 1993 and recommended conditional approval by a vote of 7 in favor and 3 opposed. The condition was "that the applicant more adequately address the issue of cost, and that the next level of review examine the relationship with the insurance companies and the cost issue."
   b. The Certificate of Need Review Panel of the Hawai‘i Statewide Health Coordinating Council and the Hawai‘i Statewide Health Coordinating Council ("HSWCC") met jointly ("Joint Committee") on May 27, 1993 and June 24, 1993. The committee recommended conditional approval of the application by a vote of 16 in favor and none opposed. The condition was that "the applicant design a satisfactory utilization review program to the Agency (which includes protocols for fixed wing and rotor wing aircrafts) and on the condition that the usage of the helicopter be reported to the Agency."

7. On May 25, 1993, the applicant amended the application by submitting a revised statement of revenue and expenses (Exhibit B-2).
8. On June 24, 1993, the applicant amended the Application by: (A) providing that the aircraft and pilots would be acquired through a lease agreement with Rocky Mountain Helicopters, Inc., rather than through purchase and direct hire; and, (B) submitting revised pages 4 and 5 to the CON Application to reflect amended capital costs.

9. On September 13, 1993, the applicant amended the application in response to the conditions recommended by the Joint Committee by establishing and submitting: (A) utilization guidelines for scene responses and inter-facility transports; and, (B) an amended quality improvement program to include information pertaining to patient outcome/status.

10. On September 24, 1993, the applicant amended the application as follows:

A) Mercy Air Hawaii, Inc., stipulates that during the first year of operation it will adhere to the rates which appear on page 10 of the Staff Report dated April 30, 1993, and will increase these rates no more than 5% annually in years two and three of operation. Mercy Air Hawaii, Inc., will not increase its rates beyond this level without prior approval from the Agency. If the Agency has not approved or disapproved a request for rate increase within 45 days of receiving notification from Mercy Air Hawaii, Inc., Mercy Air Hawaii will assume that the increases have been approved and may implement the requested increases.

B) Mercy Air Hawaii, Inc., will report to the Agency on the usage of the helicopter on such terms and conditions as may be established by the Agency.

11. On May 25, May 27, and June 23, 1993, the applicant submitted further information for the May 27, 1993 and June 24, 1993, Joint Committee meetings regarding insurance and cost issues. This information included letters from HNSA, Kaiser, and Aetna; portions of State Medicaid and Federal Medicare provisions; oral testimony by Mercy's consultant, Bill Bryant, concerning meetings with HNSA, Kaiser and Medicaid program officials; a letter from Mercy Air California to Bill Bryant setting forth reimbursement by California third party payors and Medicaid; paid invoices by Kaiser in California; cost comparisons; budget comparisons; oral testimony from Tom Jones, Richard Roosch, and Bill Bryant explaining the financing of the operation.
12. On May 25, and May 27, 1993, the applicant submitted additional information including a filed copy of the Articles of Incorporation was included in the materials submitted. Additional data were also submitted concerning the need for helicopter ambulance service: estimated U.S. air ambulance distribution (1988); hospital and emergency medical services currently available; inter-facility transfers; flow charts showing inter-facility transfers and scene dispatch; table of transport estimates; Department of Health data on ground ambulance patient origin in Maui county; summary tables of 49 helicopter ambulance programs nationwide; budget comparisons; and letters in support of the application.

13. On June 23, 1993, the applicant submitted additional information including: letters in support of the application; letters to and from HHS; the FAA to Pan Pacific Medical Development; Notice of Landing Proposal (FAA Form 7480-1), preliminary proposal for Maui Emergency Helipad; Maui Memorial Hospital Strategic Plan; letters to and from the Maui County Planning Director; Application for Conditional Use Permit; and a letter from Mercy's counsel to counsel for Hawaii Air Ambulance, Inc. ("HAA").

14. On September 13, 1993, the Agency received a letter dated September 10, 1993 from Dr. Gregory Gifford, the State of Hawaii EMS Medical Director. Dr. Gifford stated that the State EMS Medical Directors had reviewed Mercy's "Helicopter Scene Utilization Guides" and that "the guidelines developed for helicopter aeromedical services within Maui County are consistent with national aeromedical standards and State of Hawaii prehospital medical guidelines."

15. This CON application was reviewed in light of the criteria for certificates of need listed in Section 323D-43(c), HRS, and Section 11-186-15, HAR.

16. Section 11-186-42, HAR, provides that the applicant for a certificate of need shall have the burden of proof, including the burden of producing evidence and the burden of persuasion. These burdens are met by a preponderance of the evidence.

17. Pursuant to Section 323D-43(b), HRS, no certificate of need shall be issued unless the Agency has determined that:

"(1) There is a public need for the facility or service; and (2)
The cost of the facility or service will not be unreasonable in the light of the benefits it will provide and its impact on health care costs." Section 11-186-15, HAR, implements this statutory requirement, in accordance with Section 323D-62, HRS.

II

FINDINGS OF FACT

A. REGARDING EXISTING AEROMEDICAL SERVICES FOR THE COUNTY OF MAUI

18. The Applicant states that the helicopters will be leased from Rocky Mountain Helicopters, Inc. and the medical equipment to be used in the helicopters will be purchased and personnel hired, as soon as this CON is approved and the requisite licenses/permits are obtained.

19. The applicant states that it will place the primary helicopter on a landing pad at Maui Memorial Hospital. There will also be a mechanical back up helicopter to be used when the primary helicopter is not available (due to routine service or mechanical problems).

20. There is no helicopter ambulance service in Maui County.

21. The applicant states that helicopter transportation service has been provided erratically in the past by use of tour helicopters, which are not medically equipped. A nurse or paramedic, in the past, boarded the tour helicopter, and accompanied the patient to a hospital. The State of Hawai‘i has issued purchase orders for the purchase of such services to transport critically ill patients when the need has arisen in the past.

22. Fixed wing air ambulance service is provided to Maui County by Hawaii Air Ambulance (HAA). HAA provides service through fixed wing aircraft stationed at Kahului, Honolulu and Hilo airports. Prior to May, 1993, there was no dedicated fixed wing aircraft stationed in Maui County. Since May, 1993, HAA has stationed an aircraft at Kahului airport. HAA states that "Our response time for a flight from Kahului, upon receiving a call is
a 30 minute in response to the airport for the air crew and an additional 15 minutes to prepare for the flight putting the aircraft in the air 45 minutes after receiving the call." The fixed wing aircraft are not available to land at accident scenes, and cannot land at Maui Memorial Hospital.

23. The Agency approved CON No. 92-32, an application by the County of Hawai‘i, to establish helicopter ambulance service for the island of Hawai‘i. The Big Island helicopter is not meant to be used over water and there are no plans to use it for Maui County.

24. The MAST agreement, which provides helicopter transport for the island of Oahu, does not extend, by its terms, to any other island. (Exhibit 8 to the CON application).

B. REGARDING TESTIMONY RECEIVED IN SUPPORT OF THE APPLICATION

25. The following persons wrote letters and/or testified in support of the CON application (dates and a short summary are included where appropriate; however, not all testimony is summarized):

a. Letter dated October 5, 1992 from Howard Tagomori, Chief, Maui County Police Department, to the Agency, in support of the CON application.

b. Letter dated October 24, 1992, from Dr. Michelle J. Taube, Administrator, Hana Medical Center to the Agency, in support of the CON application.

c. Letter dated November 17, 1992 from Christopher Siedor, Chief, Plans, Training, Mobilization, and Security Division, Tripler Army Hospital, to Tom Jones, President of Mercy, granting landing rights to Mercy at Tripler.


e. Letter dated November 25, 1992, from Dr. Charles Mitchell, in support of the CON application.
f. Letter dated December 11, 1992 from Dolores M. Fabrao, R.N., Acting Administrator, Lanai Community Hospital, in support of the CON application.

g. Letter dated November 23, 1992, from W.C. "Dub" McElhannon, CEO/Administrator, Molokai General Hospital, in support of the CON application.

h. Letter dated December 23, 1992, from Ronald DeMello, Deputy Fire Chief, County of Maui, in support of the CON application.

i. Letter dated December 12, 1992 from Dr. Walter P. Laughlin, Lanai physician, in support of CON application.

j. Letter dated March 8, 1993 from Brian Miskae, County of Maui Planning Director, to Tom Jones, President of Mercy, stating that the County supports the proposal to provide helicopter ambulance service on Maui.

k. Resolution No. 93-46 from the Maui County Council adopted May 7, 1993 in support of the CON application.

l. Letter dated April 27, 1993 from Representative Bob Nakasone, House of Representatives, in support of the CON application.

m. Letter dated May 7, 1993 from Dr. Frederick Ching, in support of the CON application.

n. Testimony presented on May 12, 1993 at the Tri-Isle SAC by Timothy Maloney, Administrator, Maui Memorial Hospital, in support of the CON application.

o. Testimony presented on May 12, 1993 at the Tri-Isle SAC by John Akana, patient transported by HAA, in support of the CON application.

p. Testimony presented at the Tri-Isle SAC on May 12, 1993 by Larry Presser, a tour helicopter pilot on Maui, in favor of the CON application.
q. Testimony presented on May 12, 1993 at the Tri-Ise SAC by Cynthia Knapp, a registered nurse, in favor of the CON application.

r. Testimony presented on May 12, 1993 at the Tri-Ise SAC by Jan Buen, Friends of Maui Memorial Hospital, in support of the CON application.

s. Testimony presented on May 12, 1993 at the Tri-Ise SAC by Dr. Marion Hanlon, a Maui doctor, in support of the CON application.

t. Letter written by Eric Nakamura, private citizen, and read at the May 12 Tri-Ise SAC meeting by Jan Buen.

u. Testimony presented on May 12, 1993 at the Tri-Ise SAC by Dr. Mark Schwab, Maui cardiologist, in favor of the CON application.

v. Testimony presented on May 12, 1993 at the Tri-Ise SAC by Chris Reed, a tour helicopter pilot, in favor of the CON application.

w. Testimony presented on May 12, 1993 at the Tri-Ise SAC by Dennis Fitzpatrick, paramedic on disability leave, in favor of the CON application.

x. Letter dated May 21, 1993 from Joseph Souki, Speaker, House of Representatives, in support of the CON application.

y. Letter dated May 25, 1993 from Mark Percell, Executive Director, Maui County Taxpayers Association to the Agency in support of the CON application.

z. Testimony presented on May 27, 1993 at the Joint CON Review and HSHCC meeting, by Herbert Sakakihara, Maui Memorial Hospital Advisory Committee; Tim Maloney, Maui Memorial Hospital; Dr. Mark Schwab, Maui cardiologist; and Mr. John Akana, Maui Memorial Hospital Facilities Advisory Committee, in support of the CON application.
aa. Letter dated June 7, 1993 from Russell Blair to the Agency in support of the CON application but raising a question as to the cost.

bb. Testimony at the June 24, 1993 Joint Panel meeting was offered by Cynthia Knapp, R.N.; Judy Yamada, R.N.; Dr. Peter Haldorf, Director of Trauma Services, Queens' Hospital; Dr. Neal Katz, surgeon at Maui Memorial; and Bob Upton, Maui resident and former paramedic, in support of the CON application.


d. Letter dated August 31, 1993, from Kenneth K. Fukunaga, counsel for Mercy, rebutting statements made in letters dated July 30 and August 19, 1993 from George Apter, counsel for HAA.

C. REGARDING TESTIMONY RECEIVED IN OPPOSITION TO THE APPLICATION

26. The following persons wrote letters and/or testified in opposition to the CON application (dates and a short summary are included where appropriate; however, not all testimony is summarized):

a. Position Statement dated May 6, 1993 submitted by HAA opposing the CON application because "the initiation of such service is of limited added value to the existing services while materially undermining the statewide delivery system and increasing the cost of reimbursements requiring subsidy by private payers and other third party sources of reimbursement."

b. Letter dated May 27, 1993 from Dr. Michael Cowan, President, HAA, in opposition to the CON application because the program proposed by Mercy is "severely flawed both in presentation and purpose." However, he also states that "we do not oppose helicopter EMS service."
c. Letter dated June 1, 1993 from Sandra Apter, Vice President, HAA, opposing the CON application on the bases of cost impact to existing service, the high operating cost, and plans of HAA to base a plane on Maui.

d. Letter dated June 3, 1993 from Lisa Hartwell to the Agency, director of nursing for HAA, in opposition to the CON application. She raised pressurization issues and also questioned the frequency of flights projected in the CON application.

e. Letter dated June 22, 1993 from Sandra Apter to Mr. John Akana, questioning the delay in his treatment and stating that the total waiting time for HAA was 53 minutes, and a flight time of 58 minutes.

f. Letter dated June 21, 1993, from Mr. Bernard Ho, Senior Vice President, HMSA, to the Agency, stating that he did not feel the need and cost criteria had been met.

g. Letter dated June 24, 1993 signed by Rolly Malknecht, Thomas Sodoma, and Jerry Wright, officers of the Maui County Paramedics Association, in opposition to the CON application.

h. Letter dated June 30, 1993, from Dr. John Withers, Maui doctor, stating "I would seriously question the wisdom of the helicopter ambulance service being granted its certificate of need."

i. Letter dated July 7, 1993, from Lisa Hartwell, director of nursing for HAA to the Agency, questioning the delay in transport times testified to by Cynthia Knapp, RN.

j. Letter dated July 12, 1993 from George Apter, counsel for HAA, requested a re-hearing before all review levels because certain issues, such a conflict of interest allegation against Dr. Jonathan Weisul, were not adequately addressed.
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k. Letter dated July 30, 1993 from George Apter, counsel for HAA, submitting additional information in opposition to the CON application.

l. Letter dated August 19, 1993 from George Apter, counsel for HAA, submitting additional information in opposition to the CON application.

D. REGARDING OTHER TESTIMONY SUBMITTED

27. Charles Knobel, Director, Neighbor Islands, Kaiser Permanente, testified at the June 24, 1993, meeting at the joint Committee meeting, that Kaiser is neither for or against the application. By letter dated May 26, 1993, Mr. Knobel expressed concerns about the cost of the service.

28. Letter dated January 12, 1993 from Eleanor Nelson to Tom Jones, President of Mercy, stating that it has long been the goal of the Maui EMS Council to have a helicopter ambulance on Maui, but questioning the cost of the helicopter service.

29. Speedy Bailey, Vice President of Operations at International Life Support, testified in support of the concept of helicopter service. However, he cited numerous concerns such as costs, finances and the impact on the health care system.

E. REGARDING THE TESTIMONY AND CONFLICT OF INTEREST OF DR. JONATHAN WEISUL

30. Dr. Jonathan Weisul, an emergency room physician at Maui Memorial Hospital, testified in favor of the application at the Tri-Isle SAC meeting on May 12, 1993. Dr. Weisul also acknowledged at the SAC meeting that he was the Medical Director for Mercy. Dr. Weisul had also written a letter of support for Mercy dated September 24, 1992.

31. On May 18, 1993, HAA wrote to the Hawaii State Ethics Commission saying that Dr. Weisul had a conflict of interest. HAA noted that Dr. Weisul "serves as an emergency room physician at Maui Memorial Hospital, and also serves as the State of Hawaii Department of Health's Emergency Medical Systems District Medical Director for Maui County." HAA further wrote that "A conflict of interest arises, however, due to Dr. Weisul's recent retention as Medical Director for Mercy Air Hawaii."
32. On May 25, 1993, Dr. Weisul resigned his position as consulting medical director for Mercy. Agency staff reported to the Joint Committee on the conflict of interest situation before its meeting of May 27, 1993. Dr. Weisul submitted no testimony or information to the Joint Committee or the Agency after the Tri-Isle SAC meeting.

33. By letter of July 12, 1993, HAA requested the Agency to hold a "Re-Hearing before the Tri-Isle Subarea Health Planning Council and the Joint CON Review Panel/HSHCC, Due to Conflict of Interest" [of Dr. Weisul].

34. The Agency has reviewed the CON law and rules and notes that its decisions on CON applications are guided by the criteria established in the law and rules. Conflict of interest issues are not among the criteria. In making its decision on this application the Agency is disregarding any and all testimony or information presented by Dr. Weisul.

F. REGARDING THE NEED FOR THE PROPOSED HELICOPTER AIR AMBULANCE SERVICE

35. The applicant presented data from the State of Hawaii Data Book and using that basic data, projected that the population in the County would grow by 48% from 1990 to 2005.

36. The applicant states there is a need for a helicopter ambulance service for Maui County.

37. The applicant states that because the de facto and resident populations have increased since 1970 and are projected to increase in the future, there will be an increasing need for a helicopter ambulance in Maui County.

38. The applicant states that:

"The existing health care system in Maui County has two relevant deficiencies; first the ability to respond to medical emergencies is limited by the relatively few number of available ambulances located over three islands and complicated by long transport times and inaccessible areas, and second, by the limited resources available at the hospitals and clinics throughout the county."
"There is no emergency aeromedical service available in Maui County. Critical patients must often endure long ambulance rides to the hospital, some of whom may needlessly suffer in the process. In the isolated areas of Hana, Molokai, and Lanai where there is only one ambulance available, critical patients may have to wait for long periods of time to get help if the sole ambulance in the area is busy."

39. The applicant states that there is a need for helicopter transport in two situations: (A) to respond to the scene of an emergency such as an auto accident ("scene response"); and, (B) to transport patients from one medical facility to another ("inter-facility transport").

40. The applicant states that it estimates a monthly average of 25 scene responses and 38 inter-facility transports, for a total of 63 transports a month, or 756 transports in the first year. Although the applicant discusses projections from other methodologies, these are its best estimates of need and the basis of its financial projections.

41. The applicant states:

"The System Plan [State of Hawaii, Department of Health, Aeromedical System Plan] estimates 288 intra-county transports a year (Exhibit 17 to the CON application). Discussions with the Chief of the Emergency Medical Services Branch, Department of Health regarding the methodology used to arrive at this figure revealed the following information. The estimate was made by Ms. Donna Maiava utilizing data for the amount of patients transported by emergency ambulance in the year 1989 that were reported to be in "serious", "critical" or "extremely critical" condition (Page A-9 of the CON application), she then computed 2% of that total. The
The figure of 2% is based solely on Ms. Maiava's experience and best judgment. However, recent data gathered from field interviews and other sources indicate that 63 transports a month (Table of Transport Estimates on page A-12) may be a more accurate estimate, which includes both intra-county and inter-county transports.

42. Furthermore, the applicant states:

"One study published in the Annals of Emergency Medicine in 1987 attempted to devise a methodology for accurately predicting the utilization of helicopter emergency medical services. This study reviewed data from forty-nine established helicopter programs from across the nation, and attempted to correlate transport volume with some thirty different variables. Not surprisingly they concluded that the two best predictors for helicopter volume in rural areas were related to the square miles in the service area, and the population in that area. Applying the results of the study to the relative data in Maui County (area: 1,159 sq. miles; de facto pop.: 137,300), the average number of predicted flights per month is at 49 and 71 respectively."

43. The applicant also states:

"In our estimation, the most useful resource in attempting to estimate the volume for the proposed service, is our conversations with the medical professionals located in Maui County. After numerous discussions with Maui County physicians, paramedics, critical care nurses, and hospital administrators, it is our best estimate that in the first year of operations, the proposed service will average a total of 63 flights per month, including both scene responses and emergency inter-facility transfers."
44. The applicant also relied on a methodology used by the Hawaii County Fire Department when the latter submitted its CON application No. 92-32 to obtain approval to operate a single engine helicopter ambulance. Using this methodology, the applicant projects 30.81 scene transports per month.

45. HAA has stated that Mercy's utilization projections are "too high and unrealistic". HAA has presented data regarding its own flights originating in Maui County, although some of the data appear inconsistent:

<table>
<thead>
<tr>
<th>Month</th>
<th>Total Trauma and Neuro patients</th>
<th>Total Number of Flights</th>
</tr>
</thead>
<tbody>
<tr>
<td>January '93</td>
<td>11</td>
<td>52</td>
</tr>
<tr>
<td>February '93</td>
<td>8</td>
<td>69</td>
</tr>
<tr>
<td>March '93</td>
<td>17</td>
<td>79</td>
</tr>
</tbody>
</table>

Table. Ex. A to HAA Position Statement (May 6, 1993)

Table. Estimates from HAA Letter Dated June 3, 1993
"Statistics for the past five months" (monthly average)

<p>| | |</p>
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Trauma</td>
<td>3</td>
</tr>
<tr>
<td>Neuro</td>
<td>2</td>
</tr>
<tr>
<td>Cardiac</td>
<td>28</td>
</tr>
</tbody>
</table>

HAA also states in a July 28, 1993 submission that there were 91 flights out of Maui County during the period May 21, 1993 to July 1, 1993. Converting the 91 flights to monthly data indicates a monthly total of 73 (91/1.25). This is closer to the number presented in the Exhibit A to the HAA Position Statement.

46. The applicant states that time is of the essence in treating critically ill and injured patients, and that its helicopter system will be able to respond in less than ten minutes, whether for scene responses or inter-facility transports.
47. The applicant states that "today there exists no mechanism to safely and expeditiously transfer [critically ill and injured] patients to definitive care in Honolulu."

48. The applicant states that the most recent audited study of the fixed wing service (HAA) found that it took 2 1/2 hours for the plane to arrive on Maui. In contrast, the applicant states that the proposed helicopter will be able to respond within 10 minutes.

49. The applicant presented testimony from doctors and consumers who stated that there were long waits before the fixed wing service (HAA) responded to calls. HAA disputed some of this testimony, saying that much of the delay is incurred at the hospital, or in waiting for the patient to get from the hospital to the airport, rather than waiting for the plane to arrive or be readied. However, the applicant stated that its helicopter could respond within ten minutes at Maui Memorial Hospital for both scene and inter-facility transports, and could reach the scene of an accident which was presently inaccessible to HAA aircraft.

50. The applicant states that the proposed helicopter ambulance service will save lives:

"Dedicated helicopter ambulances save lives. Helicopter ambulances are available twenty four hours a day, can respond to the scene of an emergency in under 10 minutes, carry a minimum of two highly trained medical attendants, and can transport patients directly to the closest appropriate hospital while delivering the highest possible level of care during flight."

"Two landmark studies were published in the medical literature in the early 1980's that clearly demonstrated the lifesaving ability of helicopter ambulances. In June of 1983, the Journal of the American Medical Association published the results of a study demonstrating a 52% decrease in mortality for those patients transported by helicopter versus those transported by ground ambulance."
Two years later, in September of 1985, the Annals of Emergency Medicine published the results of a nationwide study demonstrating a 21% reduction in mortality for patients transported by helicopter.

"The results of these studies were instrumental in the rapid development of helicopter programs across the nation, to the point where they are an expected and integral part of almost every emergency medical system. The island of Oahu is served by a MAST unit which is a multi-use helicopter that provides rescue service and transportation of medical patients at a basic life support level. (See Exhibit 8: MAST Agreement limiting service to Oahu). Maui county has no such service available."

"The intrinsic value of a dedicated helicopter ambulance service lies in its speed. A helicopter can respond to the scene of an emergency or a rural hospital within minutes, and transport the patient to the closest most appropriate facility. In many cases of critically ill and injured patients, the time required to receive definitive treatment is the single most important factor in their survival."

"Since the time of the aforementioned landmark studies, much has been published in the medical literature highlighting the importance of the time factor, and the value of dedicated medical helicopters in treating trauma, cardiac, and other types of patients:

"Emergency Medical Care Digest:"

"It is now accepted that seriously injured trauma victims benefit from treatment in specialized, competent trauma centers. It is also widely accepted that minimizing the time between injury and definitive care saves lives, and that prolonging that time loses Helicopter ambulances, because of their speed and ability to overfly obstacles"
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are uniquely well suited to shortening time from injury to treatment. The benefit of using helicopter ambulances to decrease transport times in rural and wilderness areas is obvious and non-controversial. In urban areas with well-developed ground ambulance systems, however, helicopter ambulances can also be used to advantage."

"..... in many seriously injured trauma victims, even a small reduction in time to treatment may be critical. For many patients, the 'golden hour' does not exist; there may be, instead, only a "golden half hour" or a 'golden five minutes'."

"A 1989 Special Report to Congress by the Office of Technology Assessment on Rural Emergency Medical Services:

"Because time to definitive care is such a crucial factor in determining the trauma patient’s outcome, higher trauma-related mortality might be expected in rural areas due to delays in detection and response times. In some remote areas, delays are unavoidable, but response times may be improved by increasing the number of available ambulances, improving air medical services, or changing the placement of ground or air transport."

"The Committee on Trauma of the American College of Surgeons:

"It has been clearly documented that there is a brief period of time frequently defined as the "golden hour", in which a patient's resuscitation must be completed and definitive care for his or her injury begun".
"It is obvious that inappropriate delay, either in the prehospital phase, or in the emergency department is not in the best interest of the patient."

"Annals of Emergency Medicine, "Emergency Aeromedical Transport of Patients With Acute Myocardial Infarction":

"Emergency aeromedical transport expands the availability of regional resources for cardiac care and potentially allows all patients with acute ischemic heart disease to receive the same standard of care regardless of the site at which they first present with symptoms. Helicopter transport may provide an effective means of regionalizing expensive specialized medical services in the future"

"The Journal of the American College of Cardiology:

"Our study shows that myocardial salvage after intracoronary and intravenous thrombolysis is time dependent in patients with acute anterior or inferior wall myocardial infarction."

"The Journal of Catheterization and Cardiovascular Diagnosis:

"Mathey et al have recently demonstrated that time from onset of chest pain to reperfusion is a critical determinant for salvage of myocardial function. Reduction of mortality similarly appears to be inversely proportional to the time from onset of chest pain to the initiation of thrombolytic therapy."
"In conclusion, helicopter transport has tremendous potential to make the aggressive interventional therapy for myocardial infarction widely available."

"American Academy of Pediatrics:

"If a patient's medical condition is unstable, even a minimal shortening of transport time to the referring hospital by one mode of transportation rather than another may be lifesaving."

"The Association of Air Medical Services:

"The continuum of critical and high-risk patients is usually time-dependent. The more time that elapses after the event, the less the chance of recovery and survival, i.e., the "Golden Hour" of trauma.

Non-trauma patients also must be treated within their disease specific "Golden Hour". Examples include the following: cardiac patients who require thrombolysis; patients with dissecting aneurysms who require immediate surgery; neonates who require access to special care units to survive; hemorrhaging patients who require aggressive resuscitation and restoration of blood volume, and others.

Time affects survival. Inefficient transport times expose patients to an environment where the ability to respond to life-threatening complications is seriously hampered. When air medical services can significantly reduce the time to deliver critical or high-risk patients to definitive care, they should be employed. Examples may include, but are not limited to, the following:
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Mercy Air Hawaii, Inc.
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Page 21

trauma victims; high-risk mothers;
neonates; cardiovascular patients, and
hemorrhagic states."

51. The applicant states that the proposed services
will fill a gap in the existing health care system by
assuring there is helicopter ambulance service available if
the medical need exists for rapid transport to an
appropriate medical facility.

G. REGARDING THE ACCESSIBILITY OF THE PROPOSED
HELICOPTER-AIR AMBULANCE SERVICE

52. The applicant states that its helicopter ambulance
will be readily accessible to persons in need of emergency
medical services.

53. The applicant states that it will be fully
integrated into the existing Maui County emergency
notification and response system as follows:

"Maui County has a dedicated county-wide
911 system. The activation of Mercy Air
Hawaii for a scene response will require
that a recognized public safety official
directly make the request to Central
Police Dispatch in Wailuku (for
Molokai, access will be via the local
911 dispatcher). For inter-facility
transports, the medical facilities will
make the request through Central
Dispatch in Wailuku. Mercy Air Hawaii
will be accessible to all persons in
Maui County through Central Dispatch by
way of a recognized public safety
official or medical facility. Exhibit
16 shows dramatically the increased
access to remote areas of the island
that a helicopter ambulance service
could provide."

54. The applicant states that its helicopter service
will be available to anyone without regard to the patient's
ability to pay, their age, race, sex or ethnic background.
55. The applicant states that it will station the primary helicopter on a landing pad at Maui Memorial Hospital, with immediate access to the emergency room. A mechanical backup helicopter will also be acquired. The applicant will build the landing pad at its own cost and at no cost to the State or County.

56. The applicant states that it has met with representatives of hospitals on Oahu (Queens, Kuakini, Kaiser and Tripler) and has reached preliminary agreements giving its helicopters access to the landing pads at those hospitals.

57. The applicant also states that it has met with representatives of Lanai Community Hospital, Molokai General Hospital, and Hana Medical Center and reached preliminary agreement on landing close to each of those facilities.

58. The applicant states that it will access accident scenes pursuant to predefined protocols.

59. The applicant states that accessibility to quality medical care by critically ill patients and trauma victims will increase over and above the present aeromedical and ground ambulance system in Maui County.

H. REGARDING THE COST OF THE PROPOSED HELICOPTER AIR AMBULANCE SERVICE

60. The applicant submitted two statements of revenue and expenses; a revised statement was submitted for the May 27, 1993 Joint Panel meeting. The revised statement reflects a change in the operational and lease arrangement. Initially, the applicant proposed hiring its own pilots and doing its own maintenance; a single helicopter would be leased from Mercy Air California. This arrangement was amended to provide that two helicopters would be used, and that the helicopter pilots, along with the maintenance work would be provided by the lessor, Rocky Mountain Helicopters.

61. The applicant states that the total project costs will be $4,198,978.
62. The applicant states that a helipad will be constructed at Maui Memorial Hospital and submitted a construction company estimate of $63,128 for the pad and $40,850 for the fuel tank.

63. The statement of revenue and expenses showed the following the first year of operation: a deficit of $60,549 from operations; debt financing of $210,000 (principal and interest); total revenues of $4,854,276; total allowance for uncollectibles of $2,427,118.

64. The applicant states that the annual total to be expended for leasing two helicopters is $1,219,200.

65. The applicant states that its average charge per case will be $6,421, of which 50% is expected to be reimbursed, yielding a net profit (after deduction of average cost per case of $3,112) of $99 per case.

66. The applicant has submitted a rate schedule, and has stipulated that it will adhere to that rate schedule with annual increases of no more than 5 percent over the second and third year of operations.

67. The applicant anticipates that reimbursement will be available from third party insurers as well as government agencies based on the experience of HAA locally and the applicant's experience in California in providing helicopter air ambulance service:

<table>
<thead>
<tr>
<th>Source of Payment</th>
<th>Most Recent Year (indicate time period)</th>
<th>First Year of Operation 1993</th>
<th>Second Year of Operation 1994</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount of Revenue</td>
<td>Percent</td>
<td>Amount of Revenue</td>
</tr>
<tr>
<td>1. Medicare</td>
<td>$970,856</td>
<td>20</td>
<td>$1,045,010</td>
</tr>
<tr>
<td>2. Medicaid</td>
<td>$485,428</td>
<td>10</td>
<td>$522,505</td>
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<tr>
<td>3. HMSA</td>
<td>$1,456,283</td>
<td>30</td>
<td>$1,567,515</td>
</tr>
<tr>
<td>4. Other Commercial Insurance</td>
<td>$1,213,569</td>
<td>25</td>
<td>$1,306,283</td>
</tr>
<tr>
<td>5. Private Pay</td>
<td>$242,714</td>
<td>5</td>
<td>$261,252</td>
</tr>
<tr>
<td>6. Other</td>
<td>$485,428</td>
<td>10</td>
<td>$522,505</td>
</tr>
<tr>
<td>7. Total</td>
<td>$4,854,276</td>
<td>100%</td>
<td>$5,225,050</td>
</tr>
</tbody>
</table>
The applicant states that these data are also based on the payment mix at Maui Memorial Hospital. These projections are made without regard to collectibility. The applicant was unable to confirm 100% reimbursement from any health care provider for the reason that the providers indicated they would wait until after the CON was approved before making a final decision on reimbursement rates.

68. The applicant states that total new debt for this project is $600,000.

69. The applicant states that it will establish a Line of Credit with First Trust Bank of Rancho Cucamonga, California. The average variable interest rate will be 8.5% and the total line of credit will be $600,000.

70. The applicant states that it will be stationing its crew at Maui Memorial Hospital (see: letter dated March 11, 1993 from C. Timothy Maloney, Administrator, Maui Memorial Hospital, to Tom Jones, President, Mercy). The Project Costs and Sources of Funds sheet shows an estimated cost of $80,000.

71. The applicant states that although the service will cost $2,427,516 per year (total net revenue), there will actually be a net savings in health care costs due to cost avoidance for other services and the elimination or reduction of impatient hospital costs.

72. The applicant states that a 1989 study published in the Journal of Trauma found that patients transported directly to a trauma center, as compared to patients first treated at a rural hospital and then transferred, had a shorter length of stay (six days) and $8,000 less in hospital costs.

I. REGARDING THE QUALITY OF THE PROPOSED HELICOPTER AIR AMBULANCE SERVICE

73. The applicant states that it will obtain an ambulance license from the State Department of Health upon approval of the CON.
74. The applicant submitted extensive quality improvement materials which provide for an ongoing quality assurance program (Exhibit references are to the CON application):

- Medical Equipment List (Exhibit 1)
- Job descriptions (Exhibit 2)
- Employee handbook (Exhibit 3)
- Quality improvement program (Exhibit 4)
- Safety program (Exhibit 5)
- Performance guidelines (Exhibit 6)
- Association of Air Medical Services' air medical standards (Exhibit 7)
- Aircraft operations policies (Exhibits 9-13)
  -- Air carrier certificate (Exhibit 9)
  -- Pilot training (Exhibit 10)
  -- Operations Specifications / Manuals (Exhibit 11)
  -- Aircraft minimum equipment list (Exhibit 12)
  -- Pre-incident plan / emergency procedures (Exhibit 13)

75. The quality improvement program was not questioned by any person at the various review committee hearings.

76. The applicant states that its officers and board of directors of the applicant have extensive experience in the provision of helicopter air ambulance services.

77. The applicant states that it will hire only Hawai'i licensed/certified paramedics and registered nurses.
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78. The applicant states that it will train paramedics and registered nurses to care of patients transported by helicopter.

J. REGARDING THE RELATIONSHIP OF THE PROPOSED HELICOPTER AIR AMBULANCE SERVICE TO THE HEALTH SERVICES AND FACILITIES PLAN

79. The Health Services and Facilities Plan does not address helicopter air ambulance service.

80. However, the Draft Aeromedical System Plan (1990) ("System Plan") (Exhibit 17 to the CON application) for the State of Hawai’i states:

"Maui County is comprised of three inhabited islands, Maui, Molokai and Lanai. There is only one major hospital on the island of Maui and two small hospitals on Lanai and Molokai. The need for rapid transport from the remote rural areas on the island of Maui as well as Lanai and Molokai is essential in order to improve patient survival as a result of critical injury or illness."

"The tri-isle of Maui can best be served by a private helicopter aeromedical system located on the island of Maui. The rural composition and limited medical resources require the rapid transport of high risk patients to Maui Memorial Hospital or tertiary medical centers on Oahu. Aeromedical services using fixed wing aircraft can respond from Oahu."

81. The applicant also states that this application also relates to the EMS Strategic Plan. The Strategic Plan was drafted by the EMS Branch, DOH, "for the delivery of emergency medical services for the next five (5) years, beginning 1991 and ending 1996". (Introduction).
"The second basic assumption is that there will be unlimited resources available to accomplish all the goals and objectives." (page 12).

82. The applicant states that the provision of a new helicopter air ambulance service will help the State meet the underlying assumption of unlimited resources to meet the goals and objectives of the Strategic Plan.

83. The applicant also states that the Maui Memorial Hospital strategic plan (Exhibit 5 to the supplement submitted on June 24, 1993) calls for helicopter service and a helipad at Maui Memorial Hospital.

K. REGARDING THE RELATIONSHIP OF THE PROPOSED HELICOPTER AIR AMBULANCE SERVICE TO THE EXISTING HEALTH CARE SYSTEM

84. The applicant states that at the present time, the ground ambulance service in most of Maui County is provided by the State via a contract with an ambulance provider (International Life Support or ILS). The existing contract for Maui County calls for (8) staffed ground ambulance units. The island of Maui has (6) ALS units, and the islands of Molokai and Lanai each have (1) ALS unit. There is one additional BLS unit located in Hana which is operated by the local hospital.

85. The applicant states that the total number of "scene" responses by all of the existing units combined in the last reported year of 1990 totaled 5,308. According to the applicant, the proposed helicopter service anticipates responding on 300 scene calls or just over one half of one percent (cf. System Plan, which projected 288 calls two years ago).

86. HAA currently provides inter-island transfer of patients throughout Hawai'i with fixed-wing aircraft based in Honolulu, Hilo and Kahului. The proposed service anticipates completing approximately 456 emergency transfers from Maui County hospitals to Honolulu in the first year. According to data presented on May 6 by HAA, the average number of transfers from Maui County was 67; however, more
recent data from HAA indicates this average may be as high as 73. The monthly transfers projected by Mercy is 38; however, no data were presented showing how many of the 38 transfers projected by Mercy would have been transferred by HAA.

87. The applicant states that its dedicated helicopter air ambulance will complement the existing EMS system and improve patient care in three important ways:

1. Scene Responses: Staffed with two ALS providers, the helicopter can land at or near an accident and provide rapid transportation directly to Maui Memorial or to Honolulu when indicated, and in some cases, provide access to patients inaccessible by a ground ambulance. In the aftermath of a hurricane for example, road conditions may make ground transportation impossible in many areas of Maui County.

2. Inter-facility Transports: Based at Maui Memorial Hospital, and with a lift-off time of under ten minutes, a dedicated helicopter service can safely and expeditiously transport critical patients from a hospital or clinic directly to Maui Memorial Hospital, or to a tertiary care center in Honolulu in less time than currently experienced by the existing system.

In most cases, these transports will be accomplished without the need for ground ambulance transports to and from airports.

3. As an Additional Resource: A hidden benefit to an emergency helicopter service is its value as a regional resource. The applicant stated that it will have the ability to provide additional ALS manpower at the scene of an emergency and transport the patients if appropriate, thus freeing-up what may be the only ambulance in the area.

88. The applicant states that it will work closely with the existing EMS provider, the District EMS Medical Director, and the State Health Department to ensure that the helicopter will become part of the existing health care delivery system.
89. HAA has stated that allowing Mercy to do inter-facility transfers would adversely affect the existing system. "This will mean that Hawaii Air Ambulance will have to raise rates throughout the State in order to compensate for lost revenue, would likely have to close the Maui base and would have to delay projected quality improvements such as stationing personnel at the airport to improve response time."

L. REGARDING THE AVAILABILITY OF RESOURCES FOR THE PROPOSED HELICOPTER AIR AMBULANCE SERVICE

90. The applicant states that it is confident that sufficient funds will be available from the proposed lender to finance the purchase of equipment and the operations.

91. The applicant states that there are sufficient paramedics and registered nurses who have come forward in anticipation of the startup of this service and that there are sufficient community resources to staff this project.

92. The applicant states that it will have an organized, competitive wage structure; that the wage scale will be evaluated and adjusted as needed on an annual basis; that yearly wage increases will be given on the employee's anniversary of the date of employment; and that merit or promotional pay raises may be awarded at any time at the discretion of management and/or the Board of Directors.

93. The applicant states that the patient care staff will consist of 6 full time employees: 3 Flight Nurses and 3 Flight Paramedics will be recruited locally.

III

CONCLUSIONS OF THE LAW

Based on the findings of fact contained herein, the Agency makes the following conclusions of law:

1. There is a need for the proposed new helicopter air ambulance service for Maui County. Although the exact number of patients in need of the service is uncertain, the
applicant has shown by a preponderance of evidence that a significant number of patients, both scene and inter-facility, will be better served by this helicopter than the existing system.

2. The proposed services will be accessible to the people in need.

3. The cost of the proposed service will be reasonable. Although the costs are high, the preponderance of the evidence indicates that the costs are justified when measured against the improved outcomes in mortality and morbidity for a significant number of patients served.

4. The proposed service will be of good quality.

5. Helicopter air ambulance services are not specifically addressed in the Health Services and Facilities Plan. However, the proposed service does comply with other State EMS plans.

6. The proposed service will relate well to the existing health care system. The service will have a negative impact on Hawaii Air Ambulance, but the preponderance of the evidence indicates that the benefit to patients and the rest of the system will offset that negative impact.

7. The financial and staff resources to implement the project are available.

8. The applicant has met the requisite burden of proof and has shown by a preponderance of evidence that the proposal meets the criteria established in Section 323D-45(c), HRS and Section 11-186-15, HAR.

9. There is a public need for this proposal.

10. The cost of the proposal will not be unreasonable in light of the benefits it will provide and its impact on health care costs.
ORDER

Pursuant to the findings of fact contained herein, IT IS HEREBY DECIDED AND ORDERED THAT:

The State Health Planning and Development Agency hereby APPROVES and ISSUES a Certificate of Need to the Applicant, MERCY AIR HAWAII, INC., for the project described in CON Application No. 93-10, as amended. The maximum capital expenditure that may be obligated under this certificate of need decision is $4,198,978.

WRITTEN NOTICE

Please read carefully the written notice below. It contains material that may affect the Decision on the Merits. Written notice is required by Section 11-186-70 of the Agency’s Certificate of Need program rules.

The decision on the merits is not a final decision of the Agency when it is filed. Any person may request a public hearing for reconsideration of the decision pursuant to Section 11-186-82 of the Agency’s Certificate of Need Program rules. The decision shall become final if no person make a timely request for a public hearing for reconsideration of the decision. If there is a timely request for a public hearing for reconsideration of the decision and after the Agency’s final action on the reconsideration, the decision shall become final.


HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

[Signature]
KINAHU BOYD KANALI‘I, Administrator
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the attached Decision on the Merits, including findings of fact, conclusions of law, order, and written notice, was duly served upon the applicant by sending it by certified mail, return receipt requested, in the United States Postal Service addressed as follows on September 27, 1993.

Mr. Tom Jones
President
Mercy Air Hawaii, Inc.
2144 Auiki Street
Honolulu, Hawai’i 96819

HAWAI’I STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

Kina’u Boyd Kamaly’i, Administrator
Appendix B
Copy of Letters Submitted
August 25, 1993

Mayor Linda Crockett Lingle
County of Maui
200 S. High Street
Wailuku, Maui, Hawaii 96793

Dear Mayor Lingle:

We are writing to you in reference to our proposed emergency helicopter air ambulance service for Maui County.

We have met with Maui Memorial Hospital administration officials on multiple occasions to discuss the most appropriate location for a helipad to be placed. The area that has been identified as the most appropriate is the grassy area that is located between the employee housing and the hospital. This area allows for access to the emergency department as well as the hospital in general without the need for transporting a patient by vehicle.

We have been advised that the county is in the process of transferring ownership of the property to the state and that this process may be completed by the end of this month. In light of this pending transaction, we are requesting your opinion as to any potential problems that we may face in obtaining the necessary clearances for construction of the helipad on this site.

Construction for the helipad is projected to be approximately one month. The Federal Aviation Administration has completed an air space study of this site and has approved the helipad construction. This approval is for the air space above the parcel only.

Should you have any questions please do not hesitate to contact us. We appreciate you and your staff’s efforts in this matter.

Sincerely,

Tom Jones
President

cc: Pat Boland, SHPDA
Ken Fukunaga
June 22, 1993

Mr. Tom Jones, President
Mercy Air Hawaii
7 Waterfront Plaza, Suite 400
500 Ala Moana Blvd.
Honolulu, Hawaii 96813

Dear Mr. Jones:

This is in response to the FAA Form 7400-1, Notice of Landing Area Proposal received February 22, 1993, proposing the establishment of a helicopter landing facility in Wailuku, Maui, Hawaii. The facility, known as Maui Memorial Hospital Heliport, is described as a private heliport with a 100' x 100' landing area located at 20° 53' 29"N and 156° 29' 31"W.

Under Aeronautical Study No. 93-HNL-9-NRA, the Federal Aviation Administration (FAA) has conducted an airspace analysis. Our review has determined that the proposal is acceptable from an airspace utilization standpoint. Therefore, we do not object provided the following conditions are met:

1. Helicopter operations are conducted during VFR conditions only;
2. Heliport is operated for private use only;
3. If operations are to be conducted between sunset and sunrise, we recommend that heliport lighting be installed in accordance with FAA Advisory Circular 150/5390-2, Heliport Design Guide, Chapter 2 or 3.

This determination should not be construed to mean FAA approval of the physical development involved in the proposal. It is only a determination with respect to the safe and efficient use of airspace by aircraft. In making this determination, the FAA has considered matters such as the effect the proposal would have on existing or contemplated traffic patterns of neighboring airports, the effects it would have on the existing airspace structure and projected programs of the FAA, and the effects existing or proposed manmade objects (on file with the FAA) and natural objects within the affected area would have on the airport proposal. This determination in no way preempts or waives any ordinances, laws or regulations of any other government body or agency.
This determination does not indicate that the proposed airport development is environmentally acceptable in accordance with Public Laws 91-190, 91-258, and/or 98-498.

If you have any questions regarding this determination, please call us.

Sincerely,

David J. Welhouse
Airport Engineer/Planner

Henry A. Susida
Airports District Office Manager
June 7, 1993

Kina'u Boyd Kamali'i, Administrator
State Health Planning and Development Agency
P.O. Box 3378
Honolulu, Hawaii 96801

Re: CON Application #93-10
Mercy Air Hawaii Helicopter Ambulance

Dear Ms. Kamali'i:

Please consider this letter in support of granting a CON to Mercy Air Hawaii for ambulance helicopter service for Maui, Moloka'i and Lana'i. I believe the proposed service will reduce morbidity and mortality by reducing the transit time.

However, based on the testimony at the hearing on May 27, 1993 and the reports and records that I've reviewed, it seems that the assumption of a 50% collection rate is too low. The actual figure is likely to be at least 60%. Thus, Mercy's charges appear to me to be too high.

If Mercy collects 60% of its billables, the cost of flights to Honolulu should be $6,780 ($6,777 x 60% = $8,000 x 50%). The base cost intra-county should be reduced from $1,850 to $1,500.

The risk of over utilization is also a concern. In this age of "defensive medicine", vigilance in this area is essential.

The bottom line, however, is the disparity in medical facilities between Honolulu and Maui and the further disparity between Wailuku and Lana'i, Moloka'i, Hana and West Maui. Since those disparities will not disappear in the foreseeable future, having the optimal emergency response and transportation system is imperative. That system, to be optimal must include a helicopter ambulance component.
I trust your expertise in fine tuning the system and properly integrating the helicopter component. It seems clear, however, that some form of a helicopter ambulance is a necessary component.

Very truly yours,

[Signature]

Russell Blair

RB/cn

cc: Mercury Air Ambulance
Dr. Mark C. Schwab
Gary Robert, Chair
Speedy Bailey
May 21, 1993

Ms. Kina'iu Kamali'i, Administrator
State of Hawaii
State Health Planning & Development Agency
336 Merchant Street, Suite 214E
Honolulu, Hawaii 96813


Dear Ms. Kamali'i:

Please be advised that I am in full support of Mercy Air Hawaii providing helicopter service to Maui County. As you are well aware, the island of Maui has only one acute care hospital in Wailuku that services the entire island. Locations like Lahaina, Honolulu, Kahakuloa, Hana, Kaupo are without any state of the art emergency care technology or without any medical care assistance. Also the same can be said for the Islands of Lanai and Molokai.

The helicopters would put the emergency care within minutes rather than hours as now is the case.

Your favorable consideration will be very important to the residents of Maui County.

With cordial aloha,

[Signature]

Joseph M. Soud
Speaker of the House
April 27, 1993

Ms. Kina’u Boyd Kamali’i
Administrator
State Health Planning and Development Agency
P. O. Box 3378
Honolulu, Hawaii 96801

Dear Ms. Kamali’i:

Thank you for your letter of April 20, 1993, regarding the certificate of need application from Mercy Air Hawaii for the establishment of a helicopter air ambulance service to serve the islands of Maui, Molokai, and Lanai.

Although I have not had the opportunity to review the complete application, I have reviewed the summary pages from the application. I believe that such services as proposed by Mercy Air Hawaii is needed for the County of Maui. I do, however, question the cost to patients utilizing such services.

I, or my representative, will be attending the Tri-Isle Subarea Health Planning Council meeting on May 12, 1993. If possible, may I request that the complete application be sent to me prior to the meeting.

Thank you for your attention and assistance.

Sincerely,

BOB NAKASONE
State Representative
Ninth District

201:BN/g
Mr. Tom Jones, President
Mercy Air Hawaii
7 Waterfront Plaza, Suite 400
500 Ala Moana Blvd.
Honolulu, Hawaii 96813

RE: Mercy Air Hawaii — Landing Sites

Dear Mr. Jones:

This letter is to confirm the issues we discussed and agreed on in our meeting of January 6, 1993, regarding the development of helicopter landing sites at Maui Memorial Hospital and Hana Medical Center.

We have identified several locations that are controlled by the Hospital and are suitable for the development of a ground level helipad. We are in agreement that when your CON is approved, we will jointly identify the appropriate site for a helipad at Maui Memorial Hospital and Mercy Air Hawaii paying for all construction costs.

Secondly, Hana Medical Center has acquired 10 acres of land that is immediately adjacent to the Medical Center. On the basis of discussion and upon reviewing the aerial photographs of the Medical Center area, this area is large enough to function as a landing site for Mercy Air Hawaii helicopters. This area will be used as an employee parking lot normally. Hana Medical Center staff will develop an internal policy and procedure for moving employee vehicles when the helicopter is needed. We agree that Mercy Air Hawaii will work with the staff of Hana Medical Center in developing the landing site and policies and procedures for utilizing the helicopter.

It is understood that the information above constitutes a working agreement in principal but in no way should be considered to be a commitment on the part of Maui Memorial Hospital or Hana Medical Center.

Sincerely,

C. Timothy Holoney
Hospital Administrator

CTH:du
January 4, 1993

Tom Jones, President
Mercy Ambulance, Hawaii
7 Waterfront Plaza, Suite 400
500 Ala Moana Blvd.
Honolulu, HI 96813

Dear Mr. Jones,

This is a confirmation that having looked at an area in front of our Hospital (i.e., Parking lot). This is adequate for the purpose of landing the Mercy Air Helicopter Bell 412 and that we could develop a protocol for getting cars off of the parking lot.

Sincerely,

W.C. "Dub" McElhannon
President/CEO
December 30, 1992

Mr. Tom Jones  
President  
Mercy Ambulance Service Hawaii, Inc.  
7 Waterfront Plaza, Suite 400  
500 Ala Moana Boulevard  
Honolulu, Hawaii 96813

This is in response to your letter of December 18, 1992 seeking a tentative commitment for a site for use by Mercy helicopters upon the award of the Certificate of Need for emergency services for Lanai.

The site at the intersection of Fraser Avenue and Kaumalapau Highway, which is presently in agricultural cultivation, would be available for emergency helicopter use subject to agreement on the terms. Alternate available sites around the city can be provided from time to time if necessary.

Very truly yours,

George Yim  
President

cc: Kurt Schneider
December 23, 1992

Ms. Kina'u Boyd Kamali'i  
Administrator  
State Health Planning & Development Agency  
Old Federal Building, Room 215  
335 Merchant Street  
Honolulu, HI 96813

Dear Ms. Kamali'i:

On behalf of the Department of Fire Control, we encourage and support the services which would be provided by Mercy Air Hawaii. As you are well aware, Maui County is a tri-isle County and we have faced many life threatening emergencies on the Island of Lanai and Molokai, as well as areas in Hana and Kahakuloa.

Having the option to provide medic-vac services to our Community would only increase the quality of medical care on Maui.

Sincerely,

RONALD DeMELLO  
Deputy Fire Chief

CC: Mr. Tom Jones  
Mercy Ambulance Service Hawaii, Inc.
November 23, 1992

Tom Jones, President
Mercy Ambulance Hawaii
7 Waterfront Plaza, Suite 400
500 Ala Moana Blvd.
Honolulu, HI 96813

Dear Mr. Jones,

In our last Medical Staff meeting, as well as our mid-month Board of Trustees meeting, it was a unanimous conclusion that a medical helicopter service would definitely benefit the population of Molokai.

The Molokai General Hospital is supportive of any entity that could safely and efficiently provide medical helicopter service to the island of Molokai. This type of transport service would certainly decrease the long transport time to definitive care to facilities in Honolulu.

Should Mercy Air Ambulance obtain SHFDA approval to provide this service, we could meet again to clearly define how Mercy Air and Molokai General Hospital could work together to improve patient care on Molokai.

Sincerely,

W.C. "Dub" McElhannon
Chief Executive Officer/ Administrator

P.O. Box 408 • Kaunakakai, HI 96748 • Tel.: (808) 553-3331
A Queen’s Health Systems Company
DEPARTMENT OF THE ARMY
HEADQUARTERS, TRIPPER ARMY MEDICAL CENTER
TRIPPER AMC, HAWAII 96850-5000

November 17, 1992

Chief, Plans, Training,
Mobilization, and
Security Division

Tom Jones, President
Mercy Ambulance Service Hawaii, Inc.
7 Waterfront Plaza, Suite 400
500 Ala Moana Blvd.
Honolulu, Hawaii 96813

Dear Mr. Jones:

You are granted landing privileges at Tripler Army Medical Center upon receipt of this letter.

Please contact Tripler's Emergency Room (433-6619/5249/8020) no less than 30 minutes prior to landing and provide the following information if known:

- Individual's Name
- Rank
- Social Security Number
- Branch of Service
- Unit Assigned to
- All Pertinent Medical Information

Coordination with the Honolulu International Airport is required.

If training is requested to familiarize your crews with the Tripler Helipad, please contact this office (433-6956/3143) for approval for practice approaches 2 hours in advance of training.

Please contact the FLIP for information on the Tripler Helipad.

The point of contact is LTC Christopher M. Sedor, 433-3143/6956.

Sincerely,

CHRISTOPHER M. SEDOR
LTC, MS
Chief, Plans, Training,
Mobilization, and
Security Division
November 9, 1992

Tom Jones, President
Mercy Ambulance, Hawaii
7 Waterfront Plaza, Suite 400
500 Ala Moana Blvd.
Honolulu, HI 96813

Dear Mr. Jones,

In the last Hawaii Trauma Systems Study, it was found that approximately 47% of the trauma patients transported to Hawaii's emergency departments exceeded the "Golden Hour" transport time. In a large percentage of these cases, the unique geography of Hawaii played a major role. Residents and visitors who experience injury may encounter long delays in transport to definitive care. While this situation has caused major concern among a large proportion of Hawaii's health care providers, it has also proved to be a rallying point for those of us who seek to improve emergency services.

It is well recognized that a rotary wing air transport system would go far in decreasing long transport times to definitive care and therefore decrease the morbidity and mortality associated with "delays in treatment". The Queen's Medical Center is supportive of any entity that could safely and efficiently provide medical helicopter service to Hawaii. Maui County, with its growing population, could definitely benefit from this service. As a tertiary center receiving trauma, we feel an improvement such as this is long overdue.

Should Mercy Air Ambulance obtain SHPDA approval to provide this service, we could meet again to clearly define how Mercy Air and The Queen's Medical Center could work together to improve patient care.

Sincerely,

Andrew Schwartz, M.D.
Medical Director
Emergency Department

Peter Halford, M.D.
Medical Director
Trauma Services

Duane Walker
Vice President
Patient Services

CL: cgd

c:\wps\data\mercyair.ltr
November 3, 1992

Mr. Tom Jones
President
Mercy Ambulance Service Hawaii, Inc.
7 Waterfront Plaza, Suite 400
500 Ala Moana Blvd.
Honolulu, Hawaii 96813

Dear Mr. Jones:

This is to confirm our phone conversation regarding your plan to offer aero-medical services to the Island of Lanai.

As discussed, our Company does not have any real estate next to the hospital which could be used as a landing site for your helicopter air ambulance service.

We certainly support the concept of your proposed service since it appears to be beneficial to the community.

Mr. George Yim is in charge of our real estate matters and any further communication should be directed to him at the following address:

Mr. George Yim
Land Department
Castle & Cooke Properties, Inc.
650 Iwilei Road
P. O. Box 2780
Honolulu, Hawaii 96803

Telephone: 548-2905
FAX: 548-6690
Mr. Tom Jones  
November 3, 1992  
Page 2  

Thanking you for your efforts to bring a most valuable service to our Island, I remain,

Sincerely yours,  

[Signature]  

Kurt W. Schneider  
President & Chief Operating Officer  

/emtt  
11.3a  

c: George Yim  
Tom Leppert
Ms. Kina'u Boyd Kamali'i, Administrator  
STATE HEALTH PLANNING & DEVELOPMENT AGENCY  
335 Merchant Street, Room 214E  
Honolulu, Hawaii  96813  

Dear Ms. Kamali'i:

We have recently met with representatives from Mercy Air Hawaii, our heads of Fire Control and Civil Defense, and the local ambulance service. We were unanimous in our view that there is a clear need for an air ambulance service in Maui County. We firmly endorse the Mercy Air Hawaii application for a Certificate of Need.

We have many communities in this County which are isolated from major medical facilities. Though there are limited care facilities in such communities as Hana and Kaunakakai, these cannot provide the breadth of service of a Maui Memorial or Kuakini Medical Center. The ability of an air ambulance to quickly transport the critically ill will add depth to the quality of our medical care in Maui County.

Sincerely,

LINDA CROCKETT LINGLE  
Mayor, County of Maui

LCL:NGP:ecq  
cc:  Mr. Tom Jones  
Mercy Ambulance Service Hawaii, Inc.  
c:\letter\280
Ms. Kina‘u Boyd Kamali‘i Administrator
State Health Planning & Development Agency
Old Federal Building, Room #215
335 Merchant Street
Honolulu, Hawaii 96813

Dear Ms. Kamali‘i,

I am writing to you to give my support to Mercy Ambulance Hawaii for a certificate of need to establish a helicopter air ambulance service for Maui county. As the physician and administrator of Hana Medical Center I am acutely aware of the need for rapid air transport for critically ill and injured patients at my facility. Time is an extremely important factor for these patients. If they can be transported to a hospital expeditiously we can greatly reduce morbidity and mortality. This service would benefit not only the rural areas of East Maui but also the islands of Lanai and Molokai. All of these areas depend on air ambulance to transport their patients to a hospital with a full range of facilities. The current system of air ambulance in Hawaii often leads to delays of several hours which can mean a matter of life and death for these critical patients. A helicopter air ambulance service based on Maui will be a tremendous benefit to the current emergency health care system.

Sincerely,

Michelle J. Taube, M.D.
Administrator,
Hana Medical Center
October 14, 1992

Mr. Thomas Jones
7 Waterfront Plaza
Suite 400
500 Ala Moana Blvd.
Honolulu, HI 96813

Dear Mr. Jones:

Thank you for the opportunity to talk to you and to learn of Mercy Air's intent to provide helicopter medical transport service to the residents of Maui. This is to confirm that Kuakini Medical Center is willing to provide landing rights to Mercy Air in the event of a medical emergency requiring inter-island air transport to an Oahu hospital.

Kuakini Medical Center is also willing to discuss renting space to Mercy Air for its ground ambulance unit on Oahu. Please feel free to contact me at 547-9231 to discuss further details regarding space and facility requirements.

Sincerely,

[Signature]

Darryl N. Ing
Sr. Vice President and
Chief Operating Officer
Ms. Kina‘u Boyd Kamali‘i,
Administrator
State Health Planning & Development Agency
Old Federal Building, Room #215
335 Merchant Street
Honolulu, Hawaii 96813

Dear Ms. Kamali‘i:

The Maui Police Department would like to go on record as supporting Mercy Ambulance Service Hawaii, Inc. for a certificate of need to establish a helicopter air ambulance service in the County of Maui.

We have encountered numerous incidents in which a rotary air ambulance would have expedited a patient’s need for proper medical care. Given the geographical makeup of the County and the past record of gridlocks on major highways due to traffic accidents, road damage and fires, we believe it is essential to develop an alternate or backup ambulance service in the County.

Thank you for your time and consideration in this matter. If you have any questions please feel free to contact me.

Very truly yours,

Howard H. Tagomori
Chief of Police
March 25, 1991

Mr. Bruce Beard
Pan Pacific Medical Development
109 Main Street, #100
Edmonds, WA 98020

Dear Mr. Beard:

This responds to the "Notice of Landing Area Proposal", FAA Form 7480-1, dated December 10, 1990, proposing the establishment of a helicopter landing facility in Wallulu, Maui, Hawaii. The facility, known as Maui Memorial Hospital Heliport, is described as a private heliport with a 50' x 50' landing area located at 20° 53' 13" N and 156° 29' 34" W.

Under Aeronautical Study No. 91-AMP-1001-HRA, the Federal Aviation Administration (FAA) has conducted an airspace analysis. Our review has determined that the establishment of this facility is acceptable from an airspace utilization standpoint, provided the following conditions are met:

1. Helicopter operations are conducted during VFR conditions only;

2. Heliport is operated for private use only; and

3. If operations are to be conducted between sunset and sunrise, we recommend that heliport lighting be installed in accordance with Federal Aviation Administration Advisory Circular AC 150/5390-2, Heliport Design Guide, Chapter 2 or 3.

4. This proposed facility lies within the Kahului Airport traffic area. You must contact the Hanger, Kahului Air Traffic Control Tower (ATCT) at least three months prior to commencing flight operations and complete a draft Letter of Agreement (LOA). The LOA shall specify flight procedures within the airport traffic area. The ATCT Manager shall forward the draft LOA to the FAA Regional Office (AMP-53) for review.

This determination should not be construed to mean FAA approval of the physical development involved in the proposal. It is only a determination with respect to the safe and efficient use of airspace by aircraft. In making this determination, the FAA has considered matters such as the effect the proposal would have on existing or contemplated traffic patterns, the effects it would have on the existing airspace structure and projected programs of the FAA, and the effects existing or proposed man-made objects (on file with FAA) and natural objects within the affected area would have on the airport proposal. This determination in no way preempts or waives any ordinances, laws or regulations of any other government body or agency.
This determination does not indicate that the proposed airport development is environmentally acceptable in accordance with Public Law 91-190, 91-258 and/or 90-495.

This determination expires on December 31, 1992, unless it is otherwise extended, revised or terminated, or the facility is constructed before that date.

The Federal Aviation Administration cannot prevent the construction of structures near an airport. The airport environs can only be protected by such means as zoning ordinances or acquisition of property rights. Such construction, however, may require notification and review by FAA in accordance with Federal Aviation Regulations, Part 77.

Enclosed is an FAA Form 5010-5, "Airport Master Record." Within 30 days after this landing area becomes operational, we would appreciate your completing the form and mailing it to our Washington office so your facility can be included in the FAA Data System.

Sincerely,

[Signature]

David J. Welhouse
Airport Engineer/Planner

Henry A. Sumida
Airports District Office

Enclosure

bcc: AWP 220; 460; 530

OGG ATCT
NO. 36 OF LANDING AREA PROPOSAL

1. NAME OF PROPOSED LANDING AREA

2. COUNTY

3. STATE OR TOWNSHIP

4. DISTANCE AND DIRECTION TO NEAREST CITY OR TOWN

5. NAME OF LANDING AREA

6. LATITUDE

7. LONGITUDE

8. ELEVATION

Purpose

Installation of concrete slab, windsock and lighting

Construction Dates

To Begin/Begin

Upon receipt of permits

30 Miles

Other Landing Areas

1. Magnetic Bearing of Runway(s) or Sealane(s)

2. Length of Runway(s) or Sealane(s) in Feet

3. Width of Runway(s) or Sealane(s) in Feet

4. Type of Runway Surface (Concrete, Asphalt, Turf, Etc.)

5. Dimensions of Landing and Takeoff Area In Feet

6. Dimensions of Touchdown Area In Feet

7. Magnetic Direction of Ingress/Egress Runways

8. Type of Surface (Turf, rooftops, etc.)

Obstructions

1. Description of Lighting (If any)

2. Perimeter and flood

3. Direction of Prevailing Wind

Close Considerations

1. Average Number Monthly Landings

2. Identification

3. Are IFR Operations Anticipated

4. Application for Airport Licensing

Certificate

I hereby certify that all of the above statements made by me are true and complete to the best of my knowledge.

Signature (In ink)

N/A

Name of Signature

12/10/90

Telephone No. (Precede area code)

(206) 774-3344