

Annual Report

2019

LĀNA'I COMMUNITY HEALTH CENTER

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This report has been prepared as a review of our past year's overall performance, development and accomplishments.

The Community is our Patient -- men, women, children, uninsured, insured!

E Ola nō Lāna'i
LIFE, HEALTH, and WELL-BEING FOR LĀNA'Ī

Date: April 2020

Prepared By: LCHC Leadership

A Message from the President of the Board of Directors

Since our opening of our new facility in May 2016 we have grown tremendously as we continue serving the community of Lānaʻi through patient care and partnerships throughout the island. Our growth is made possible by getting our community involved, and giving great care and education on health to the community we call home.

The Lānaʻi Community Health Center is committed to advocating for our patients – insured, under-insured, and un-insured – and to continue providing the highest quality health care. Lānaʻi Community Health Center is constantly looking for new ways to innovate and stay involved in the community. We look forward to serving our communities, and improving our partnerships so we can continue to fulfill the island's needs.



Signature
Aaron Fernandez

Board of Directors

Incorporated in November 2004, governance rests entirely with its Board of Directors (BOD). LCHC's Board selects its own officers. Delineation of duties and responsibilities are detailed in our By-Laws which are periodically reviewed to ensure compliance with the law. The BOD is comprised of users of our services (at least 51% is required by our Federally Qualified Health Center, FQHC, status), and is representative of our community in regards to ethnicity, sex, and age.

Our 2019 current Board is as follows:

- Aaron Fernandez, President
- Jackie Woolsey, Vice President
- Michele Holsomback, Secretary
- Deborah dela Cruz, Treasurer
- Andrew de la Cruz
- Max Kincaid
- Ron McOmber
- Matt Mano
- Jennifer Montgomery

Vision Statement

The Lānaʻi Community Health Center's vision is to be a leader in innovative health care, with a focused culturally sensitive, holistic, patient-centered approach.

Mission Statement

The Lānaʻi Community Health Center's mission is to take care of the community of Lānaʻi. A 501c3 nonprofit organization, LCHC takes care of the community with a focus on physical, mental, emotional, intellectual and spiritual welfare and by enriching and empowering lives to help build healthy families in a supportive environment.

LCHC carries out its mission:

1. By directly providing comprehensive health and wellness services
2. By working collaboratively with partners to provide needed services for Lānaʻi

LCHC serves individuals of all ages, ethnicity, gender, and residency.

***Reviewed and Approved by the
LCHC Board of Directors on June 11, 2016***

Advisors

- Ms. Laura Anderson, Esq., Regulatory Compliance Consulting for the Health Care Industry
- Bank of Hawaii; Banker
- Lānaʻi Federal Credit Union; Banker
- First Hawaiian Bank; Banker
- Carbonaro DeMichele CPAs; Accountant and Auditor
- BKD Consultants; Cost Reports and Fee Schedule Reviews
- Integration Technology; Virtual IT Services
- Essential Learning (Relias); Employee Orientation System
- Altres; Virtual HR Services
- Wainui, Inc.; NMTC and USDA Consultant

From the Executive Director

Aloha Kakou,

This past year was a success by many measures:

- Active Patient Count represents just about 70% of the island's population (based upon the 2,159 census of 3,100 for Lāna'i)
- 24.1% growth in Encounters
- 18% growth in HRSA Grant Revenues due to expansion opportunities, quality awards, and competitive awards – all of which are now rolled into our base
- 20% growth in Patient Service Revenues due to increase in encounters
- Expansion of our School-Based education program – K thru 5th Grade Classes to include physical education, E Ola Kino Consortium project, and Pono Choices Program
- Provision of 3 scholarships for a total of \$3,000: two to high school students starting a health-related degree program and one college student.

However, for the first time in many years, we ended the year in deficit! Upon analysis, we realized that the island's payer mix has shifted: With only 1% unemployment, the vast majority of our population was now covered under private insurance; while our Medicare and Medicaid population both grew, the private insurance grew faster. For federally qualified health centers, the enhanced fee we receive from Medicare and Medicaid are the lifeblood of financial stability. With a payer mix that has less than 30% Medicare and Medicaid, it is difficult to balance the budget.

We did not recognize the payer mix shift as we were focused on patient and encounter volumes. And, while we cannot change our payer mix, we can change how we do business. We have renegotiated many of our vendor agreements, reviewed carefully our billing practices to identify items for which we were not billing, and increased our efficiency. While we have more to do, we believe we are on the right path – and we have learned lessons to ensure we are looking at all the data, and not just looking at volumes!



Signature
Executive Director

Projects, Programs & Events

LCHC's focus continues to be 'the patient' – this means that we develop and implement our programs and workflows to meet the needs of including Community Health Workers (CHWs), and, also, continued its outreach and screening programs for Medical and Dental. In addition, LCHC continues to leverage technology to increase patient access to care and reduce cost. We are using remote monitoring for blood glucose and blood pressure, fetal monitoring, and routinely using telehealth for psychiatry and ultrasound exams, as well as continuing to maintain our earlier programs in dermatology and retinal imaging. We also now have the capability to provide tele-dentistry and are researching funding for a pilot program. In national recognition of our use of technology, in 2017 LCHC was awarded the prestigious Healthcare Information and Management Systems Society (HIMSS) Nicholas E. Davies Award of Excellence – the highest level of the HIMSS Value Recognition Program – for its outstanding achievement in utilizing health information technology to significantly raise the quality of patient healthcare.

We continue to provide and utilize sophisticated reports with the use of BridgeIT, a data warehouse that generates population based reports, interfaced with eClinicalWorks, our electronic health record (EHR), and CDMP, our chronic disease management software. We have worked with our vendors and the State to computerize the Family Planning Client Visit Record (CVR), and are currently working with eCW, Curas and Estenda to develop a 'single sign on' for eCW and CDMP. Our team approach supported by information technology has provided LCHC with the ability to expand existing programs into the home and community (such as pre-diabetes, pre-hypertension, Self-Managed Blood Pressure Program, and Blue-Tooth Blood Glucose Program) and also continue to identify new opportunities with a telemedicine focus for Pediatrics, OB, and Cardiology.

Clinical Programs: Chronic Disease

In 2018 we saw growth and positive changes in our chronic care program, which remains focused primarily on hypertension, diabetes, and screenings.

Hypertension

As stated by Dr. Thomas Frieden, former Director of CDC: "Blood pressure control, which can save more lives than any other clinical intervention, is successful in only about half of Americans." And in November, 2017, the American Health Association/American College of Cardiology released new guidelines that recommended out-of-office blood pressure be used for both the diagnosis and treatment of hypertension. LCHC has been developing our home blood pressure program since 2014, which is consistent with the recently released recommendations. The new terminology for the home-based blood pressure program is self-measured blood pressure (SMBP).

Projects, Programs & Events (Continued)

The LCHC SMBP continues to mature. The transition from office BP management to self-measured blood pressure (SMBP) management has challenges. We focus on team-based care increasing the number of CHWs to 4 and have increased the role of our case management nurse (Geneva Castro) to provide clinical oversight of the CHWs. We have encouraged all patients with hypertension participate in the SMBP program and have very few patients continuing with office-based management. Our patient education has been revised and continues to be developed. We are better tracking the patients in the program. We still are challenged with the habit of patients self-reporting of the SMBP program or failing to do the SMBP and data transmission. Data collection is required for reporting and requires report the average of several days of reporting and avoiding using a single BP reading for either management or reporting.

The number of patients in the SMBP program has increased as reflected in our UDS measures show a 12% increase in our patients with HBP. (198-225) The UDS measures have not yet recognized the use of SMBP to manage hypertension even though the national guidelines were published in November 2017. Consistent with the 2019 metrics, we were allowed to use the last home BP readings and our UDS measure improved from 41% of people under control to 47% controlled. This value is low as we manage hypertension with the home readings. Based on the current documentation from HRSA, there will be no change in the hypertension measure in 2020 to align with the evidence-based medicine leading to the guidelines.

We are also in our fourth year of the CMS Million Hearts CVD Risk Reduction Model research. LCHC was again to present the 10th learning session titled ***“Integrated Care for High-Risk Patients with ASCVD Comorbidities – Addressing Social Contributors Through Holistic Patient Care”***. The CMS research program focuses on reducing cardiovascular risk through changing the health care delivery systems by sharing best practices. LCHC is recognized for our innovation delivery system by the program directors and is honored to be asked multiple times to share aspects of our care model. There are over 200 care providers in this research project with the largest organizations with more than 200 providers with many more resources than a small rural health center. In addition, LCHC participates in the CDC Million Hearts SMBP Forum. LCHC continues to be cited as a leader in developing an SMBP and specifically with our remote BP monitoring.

Diabetes

LCHC continues to develop our diabetes and prediabetes programs. The CHWs play a critical role in managing patients with difficulty to control diabetes. Most patients with diabetes also have hypertension and patients overlap with both programs. We do not actually define programs but focus our efforts at caring for patients and encourage our providers to refer complex patients to our case manager and CHWs. Diabetes management is far more complex than hypertension where there is frequent success with medication management. Diabetes adds more medication for patients who are already on multiple medication and presents the challenge of using injections of insulin that requires self-monitor

blood glucose (SMBG), frequent adjustment of medication and personal and cultural resistance to injections. Our expanded team can both invest more time in building a positive relationship and better focus on those interventions that are most effective. We continue to support the patients on SMBP with remote monitoring.

Most traditional diabetes prevention programs require structured group education. However, we have found that this approach does not work for us. We, therefore, are focused on individuals and small group follow-up by our CHWs and building programs to support lifestyle changes with our exercising programs and walking groups. A recent 15 year follow up on the original research from the Diabetes Prevention Research showed that the use of metformin, a diabetes medication, was as effective as lifestyle changes in preventing or delaying the progression of prediabetes to diabetes. Our team is now offering this treatment for patients that have prediabetes.

Screenings

We continued to better structure our screening workflow based on the current US Preventive Service Task Force (USPSTF) Guidelines. For much of 2019, we were handicapped by filling two MA positions. Much of the screening and scheduling is managed by our MA and manpower is critical in comprehensive care.

Clinical Programs: Integrated Behavioral Health

LCHC was able to hire a part-time licensed psychologist in October 2019, Dr. Jon J. Cisneros, to join our Integrated Behavioral Health (IBH) Program. Our current part-time post-doc fellow, Dr. Danny Rodriguez and a part-time pre-doc fellow, Dr. Dawn McClure, both of whom are contractors through I Ola Lahui continue to provide care for our patients. Our full-time post-doc fellow, Dr. Cori Takesue, is on a personal leave of absence and in her absence the other three previously mentioned BH providers continue to manage our current patient needs (with a wait-list for those patients wanting to see them) and grant responsibilities. Dr. Cisneros is providing onsite supervision for our pre-doc fellow.

Looking towards the future goal of employing three full-time BH providers, LCHC is hoping to establish a relationship with a university's post-doctoral program to fill the position of a third FTE BH provider on a rotating basis, annually. The recent closing of Argosy University poses a slight problem as they were the primary resource for post-doctoral fellows. Both Chaminade and Hawaii Pacific University will be developing programs to meet Hawaii's needs and shortage of providers as a result of Argosy's closing so we are hoping to reach out to these programs once they are more established. In the meantime, we are in the process of determining the required training curriculum to be a viable/accredited post-doctoral program site. In addition, the University of Hawaii (UCERA) Department of Psychiatry has continued to provide brief interventions, most often related to medication management, consultation, and curbside consultations. UCERA has added a second psychiatrist, Dr. Sara Haack, to support Dr. Anthony Guerrero with LCHC's BH program.

Projects, Programs & Events (Continued)

We continue to effectively integrate our medical providers as patient co-managers and provide our LCHC staff (i.e., medical, dental, administration, finance, facilities, and outreach staff) with education in effective brief interventions. Other areas our staffs are trained in are motivational interviewing, health coaching, trauma-informed care, and basic tobacco intervention skills. We were able to implement an improved screening tool to identify patients with behavioral health problems including depression, anxiety, trauma, substance use and an expanded role for the team in managing behavioral health issues.

Clinical Programs: OB, Women's Health and Family Planning

LCHC continues to partner with the UH Department of OB (University Health Partners, OB-GYN) to provide services for our prenatal program. Uninsured and insured pregnant women can continue to choose LCHC medical providers to provide their prenatal care, knowing they can trust our providers and can stay on island until 36 weeks gestation, before transferring care to Oahu or Maui. LCHC ultrasounds are continuing to be performed by our certified ultra-sonographer employee Thalia Salazar, RMDs. The scans are read by the certified University Health Partners Maternal and Fetal Medicine providers with whom we contract, thus continuing to allow our patients to remain on island for their ultrasounds. We have pregnant women who have become accustomed to the ability of LCHC providing ultrasounds; some of them have had multiple pregnancies cared for by LCHC since our program started 5 years ago. In 2019, LCHC saw 37 patients, which is an increase compared to 2018's 31 OB patients, 2017's 23 OB patients and 2016's 22 OB patients. In addition, LCHC has contracted with University Health Partners and a dedicated OB-GYN is available for tele-medicine visits for our pregnant women to help co-manage all pregnant patients who choose to have the OB-GYN be their provider along with LCHC medical providers.

The Women's Health Program continues to provide outreach at health fairs and at the school. With increased education and awareness, more women, including teens, are becoming proactive about seeking birth control to prevent unwanted pregnancy, including seeking LARCs (i.e., long acting reversible contraceptives, highly recommended by our State Title X grant, as well as being a best practice). We have also noted increased usage of free condoms provided in our facilities, which we feel is also due to our increased education efforts.

LCHC discontinued the monthly mammogram trips for LCHC patients. This program was funded by Susan Komen grant funds. However, the grant ended, and we were able to have our patients join Maui Health Systems monthly mammogram program where they provide transportation and ferry travel for our patients. We continue our relationship with Maui Diagnostic Imaging for interpretation of our general ultrasound imaging captured here on Lanai. The mammogram screening continues to be

Projects, Programs & Events (Continued)

supported, at least in part, by our Susan G. Komen Grant. In addition, we have continued our relationship with Queen's BCCC program. This relationship allows for provision of free mammogram screening and cervical cancer screening for our uninsured patients who meet the federal poverty guidelines.

Vision

LCHC's vision program continued to expand and provide needed services on our island. Maui Optix was able to expand their service to LCHC by coming to our island weekly. We were able to meet our goal of having the optometry services provided weekly for patients.

Clinical Programs: Dental

In 2019, operations in the Dental Department have continued to move forward, developing a high quality program: Patient and visit counts were slightly up, and outreach was expanding. We added two new Dental Assistants to the team, Ms. Micah Callilao and Ms. Liana Koanui. They are both Lāna'i born and raised, and they have been able to contribute to our efforts to reach the community to increase oral health literacy. Their training has been smooth and continues ongoing.

Dr. Sean Benson, our full-time, live-on-island dentist, is currently one of only three steersmen for the Lāna'i Canoe Club. While this role might not seem to be pertinent to LCHC, there is an intangible benefit: He is now embedded within our community and that sense of belonging cannot be understated. We are challenged to change the community perception of dental disease and treatment in order to improve health outcomes. These are behaviorally driven diseases of the oral microbiome, which means that we need to change behaviors. Trust goes a long way to get people to believe in regular flossing, brushing and dental visits. We can see positive results coming from his emersion into the community; we also hope Dr. Benson's canoe training is positive, smooth and ongoing!

The scope of dental services available in our Health Center is beyond that of comparable community FQHCs, largely due to the experience and training of our providers. And, the LCHC Dental Department is well positioned to continue to grow and address new challenges, as both of our providers have hospital training and experience where airborne pathogen measures have been in place for decades. While currently, this type of system has not been necessary in ambulatory dental care, we are looking to continually increase safety. Going forward, the Dental Department will be focused on developing improved engineering/administrative procedures and protocols to ensure the safety of both patients and staff, as well as the continued excellent quality of care and access.

Projects, Programs & Events (Continued)

Our 2019 figures show patient visits at 3,557, which is a 8.6%% increase from our 2018 total of patient visits. Oral screenings have also increased, with 793 patients receiving Oral Screenings. The lifeblood of any dental practice are new patients, and our records indicate that a healthy 287 new patient exams were performed in 2019.

Wellness Programs

This past year, 2019, has been a year of growth and learning for the staff of the Wellness Program. Unfortunately, two of our full-time wellness coaches, Monique Bolo and Kendra Medeiros, decided to move on. To meet the demands of the ever-changing Wellness Department, we have hired three new employees to assist with expanding and strengthening our Wellness Program. Two of these staff members are Wellness Coaches, Mindy Bolo is full time and Norraine Pascual is part time. The 3rd Wellness Staff member, Stephanie Badillo, is a part-time Assistant Wellness Coach who is also a full-time sophomore student at Lānaʻi High School. Together, the Wellness Team has tackled many obstacles, including expanding fitness classes for both adults and youth, maintaining Fitness Instructor's Contractor Agreement, and updating each Fitness Instructor's required documents and training. Another major task the Wellness Team took on was establishing Wellness Living, a new gym software management system tailored to LCHC's needs. Last but not least, our full time Wellness Coach, Mindy Bolo, has greatly influenced physical education at Lānaʻi High & Elementary School.

LCHC successfully provided 34 different classes to the Lānaʻi community, all free of charge. This is nine more than the number of fitness classes provided in 2018. Expanding Fitness classes were based on our community's needs and requests. The 2019 participant attendance was a total of 11,407 as compared to 2018's attendance, which totaled 9,600.

LCHC Fitness program continues to offer Zumba; six different types of Yoga classes, including Chair Yoga at the Senior Center; low impact aerobics and balance improvement classes at the Senior Center; Beginning, Advanced, and Senior Tai Chi, Lion Dance Team, Keiki Lion Dance and Keiki Tai Chi; Youth and Adult Boxing; Total Body Conditioning and Cardio Circuit; Whole Body Stretch; Pilates; Gymnastics (Beginning, Intermediate and Advanced, held at the LHES Gymnasium), and Soccer (held at Dole Park). Furthermore, our Silver Sneakers (SS) certification allows us to offer a total of 6 Silver Sneakers qualified classes to our community. Currently, three of our Fitness Instructors are certified through the Silver Sneakers Program and are able to provide fitness classes to the "golden" population. LCHC is able to provide weekly SS classes such as BOOM Move, Balance, Chair Fitness, and Chair Yoga, to our beloved Kupuna at the Lānaʻi Senior Center. The Fitness Program has gained great momentum in the last six months. In fact, since November 2019, our Silver Sneakers attendance rate has nearly doubled in size!

Our new team of Wellness Coaches has invested a great deal of energy and focus into updating the Fitness Instructor Contract Agreement. Our legal consultant, Laura Anderson, Esq., Executive Director Diana Shaw, and the Wellness Team worked tirelessly to ensure that the revised Fitness Instructor's

Contract Agreement provided clear expectations and parameters. Furthermore, the individuals involved in updating the Fitness Instructor's Contract Agreement collaborated with Jared Medeiros, Associate Medical Director, in formulating the "Management of Sports-Related Concussion" Policy and Procedure. LCHC developed this policy and protocol to educate wellness coaches, fitness instructors, LCHC staff and providers, parents, athletes, and fitness participants about appropriate concussion management. This protocol outlines procedures for staff to follow in managing concussions and outlines LCHC policy as it pertains to return to participation following a concussion. In relation to administrative duties, the Wellness Team has also worked towards ensuring that each Fitness Instructor is up to date with their required certifications and trainings, including BLS/CPR, PPD, annual flu shots, and fitness certifications specific to the fitness class they instruct.

Our Wellness Department definitely had their hands full with multiple projects. Projects, in addition to what has already been noted above, included the team's search for a new gym software management system that met the following wish list: (1) Assist with data analysis, (2) Improve participant tracking, (3) provide better communication between the Wellness Department and participants, and (4) Incorporate our new and improved Loyalty Program. After a lengthy search the Wellness Team found Wellness Living, a gym software management system that met the wish list mentioned above. The Wellness Living system is currently in its GO LIVE phase.

LCHC employees provide Health Education (HE) and Physical Education (PE) at Lāna'i High & Elementary School (LHES) on a weekly basis, alternating one week of physical activity with one week of health-related classroom activities. And, the Wellness Team has been heavily involved in the physical education curriculum of our outreach program at LHES. Mindy Bolo, full time Wellness Coach, has been instrumental in providing fun and motivating physical activities from students Pre-K through 5th grade. Health Educators collaborate with Mindy to provide high energy exercise lessons to their students. Our LCHC educators are great promoters of health and wellness for our Keiki.

This past year's outreach events included: Lunar New Year presentation for LHES, our 3rd Annual Lunar New Year performance at Dole Park, 3rd Annual Pulama Biometric Screening, Health & Wellness Demonstration at the Youth Center, Troy Barboza Law Enforcement Fun Run, Bunny Hop and Jingle Bell Dash, Food Demonstration at the Lanai Senior Center to celebrate National Senior Health Fitness Day, multiple food demonstrations at LHES, LHES Staff Wellness Event and LHES Exploration Day, Pineapple Warrior Relay Race on the last day of school. We also provided a Susan G. Komen sponsored event, Ohana Wellness Day, in which Maui Health Systems and Pulama Lāna'i partnered to host this island's first ever Color Fun Run. We also held a Tai Chi and Gymnastics presentation during the Lāna'i community Thanksgiving Turkey giveaway and a presentation Tai Chi performance during the Christmas Tree Lighting Ceremony.

Our goal for year 2020 includes strengthening of the current fitness program and adding new classes and events for all ages. We will also continue to work towards solidifying the Wellness Living Gym

Projects, Programs & Events (Continued)

Software System. The Wellness Team continues to gain momentum with advancing the Wellness Program. Every team member has contributed in the Wellness Team's success. We hope for an even bigger and better 2020!

Telemedicine

We are entering the 5th year of our integrated behavioral health program with the UH Department of Psychiatry and, routinely, use telehealth for Psychiatry consults, urology consults, endocrinology consults, dermatology consults, and post surgical follow ups. As mentioned in the development of the OB program, we are now providing video conferencing for the patient to visit with the obstetrician. We continue to attempt to get Queen's to provide echo-cardiology support, but progress has been slow. We are in the process of developing a cardiology arrangement with a Maui cardiologist, as well as expanding our tele-OB program to Maui. We have purchased equipment to provide tele-dentistry but have not yet initiated a program.

This past year, we were able to address a long-time request from many of our patients: the request to have a pediatrician involved with our team of medical providers. We established a relationship with pediatrician Dr. Jeusun Nam to provide pediatric tele-medicine services for our pediatric population.

Our tele-medicine programs continue to connect patients to willing specialists in an effort to having our patients avoid off island travel. We are expanding the scope of specialists who provide support to LCHC patients, modeled after our behavioral health integration.

Outreach, Community Health Worker, and Educational Programs

LCHC's mission and vision is continuously supported by ensuring that patients are provided comprehensive health care (medical, dental, and behavioral) services as well as outreach services and educational programs. Our first and longest serving employee, Wilma Koep, continues to assist our patients with eligibility, translation, and transportation services. Her ability to provide culturally sensitive translation services during appointments provides great comfort and security to our patients whose primary language is Ilocano or Tagalog. Wilma's guidance and support to patients and families allows for better communication from provider to patient and/or caregiver and vice versa. There are two CHWs who assist Wilma with insurance eligibility. Specifically, Mairine George, CHW, provides eligibility assistance and translation to the Kosraean population. There has been an increase in providing services to the Kosraean population now that Mairine is able to provide translation. Mairine has been very

Projects, Programs & Events (Continued)

influential in getting Kosraean patients to receive medical, dental, and behavioral health care services at LCHC. Very frequently, Mairine and Wilma work together to assist patients with insurance eligibility. Their strong working relationship allows for many members of our community to receive eligibility, translation, and transportation services they need.

Community Health Workers (CHWs) are another group of hard working staff members who assist with patient care. CHWs are key players in assisting with the Self-Monitoring Blood Pressure (SMBP) and Self-Monitoring Blood Glucose (SMBG) Program. It is a collaborative effort between all of the medical team, including CHWs, to ensure quality care is provided to each patient. In particular, CHWs focus their patient care on those diagnosed with chronic disease management, such as hypertension, pre-hypertension, diabetes, and pre-diabetes. CHWs even promote physical activity by providing walking and swimming groups to their patients. Not only does this activity promote movement, but also promotes companionship—something that the senior group always appreciate. There is definitely a great bond between a patient and their assigned CHW that exemplifies care with ALOHA.

CHWs are a major component of health and physical education at Lānaʻi High & Elementary School. They also provide bi-monthly health education to the preschool. Students and teachers look forward to the weekly lessons provided by CHWs and other staff members. Health education and physical education is another way LCHC is promoting health and wellness to the youth. Our goal is that by promoting and educating these messages of health and wellness, we influence the youth and their families to embrace a healthier lifestyle. One of CHWs biggest outreach projects is the Tobacco Cessation Program. Through this program, CHWs are able to educate on the dangers of tobacco and tobacco related products. CHWs are also certified instructors for the Stanford Tobacco Toolkit, which is a standardized school curriculum to educate on tobacco and tobacco related products. Last but not least, three of four CHWs are certified Pono Choices Instructors, which allows these instructors to provide the Hawaii Department of Education approved reproductive health curriculum to middle school students (grades 6th through 8th). Providing outreach services is definitely a strong component of LCHC's mission to promote and educate on health and wellness.

Quality Initiatives

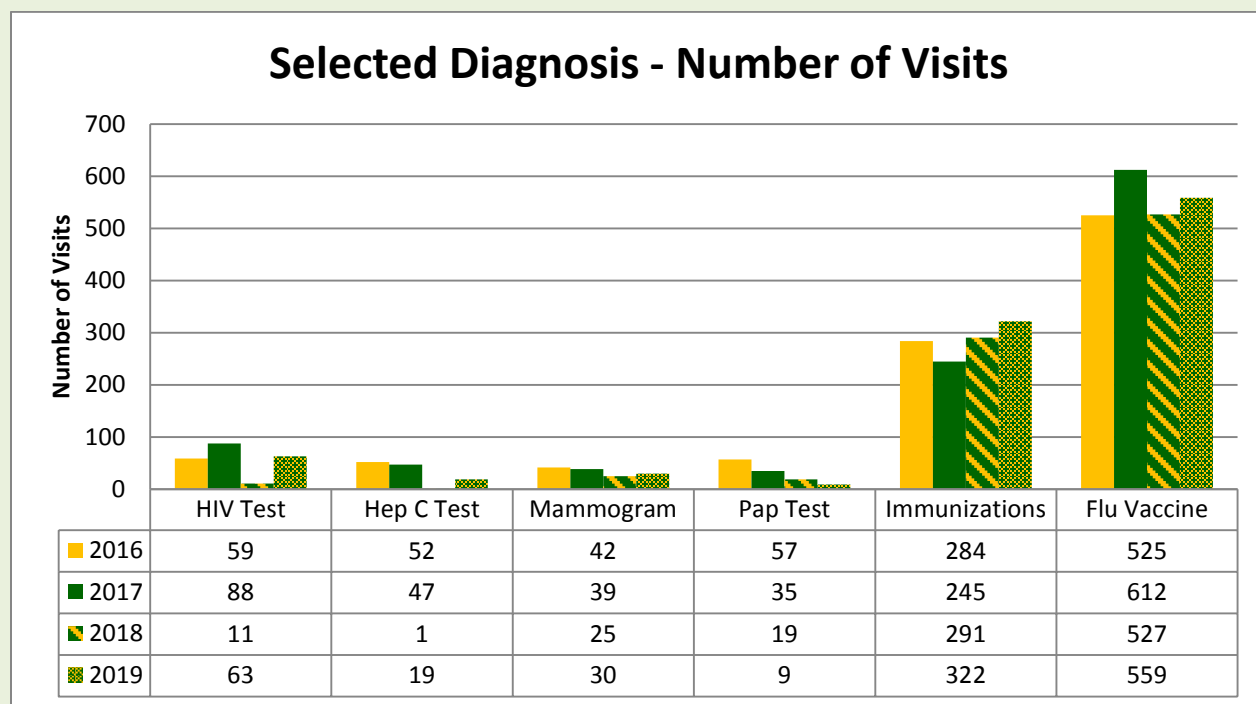
LCHC leadership annually identifies quality initiatives (based upon LCHC performance on UDS metrics) and meets monthly to review performance on selected Plan-Do-Study-Act (PDSA) projects. In addition, a review of ongoing performance of Uniform Data System (UDS) metrics is conducted quarterly. Lastly,

Projects, Programs & Events (Continued)

monthly reports are made to the Board of Directors at routine monthly Board meetings, and two Board members are members of the Quality Improvement (QI) committee, and meet quarterly with the QI committee.

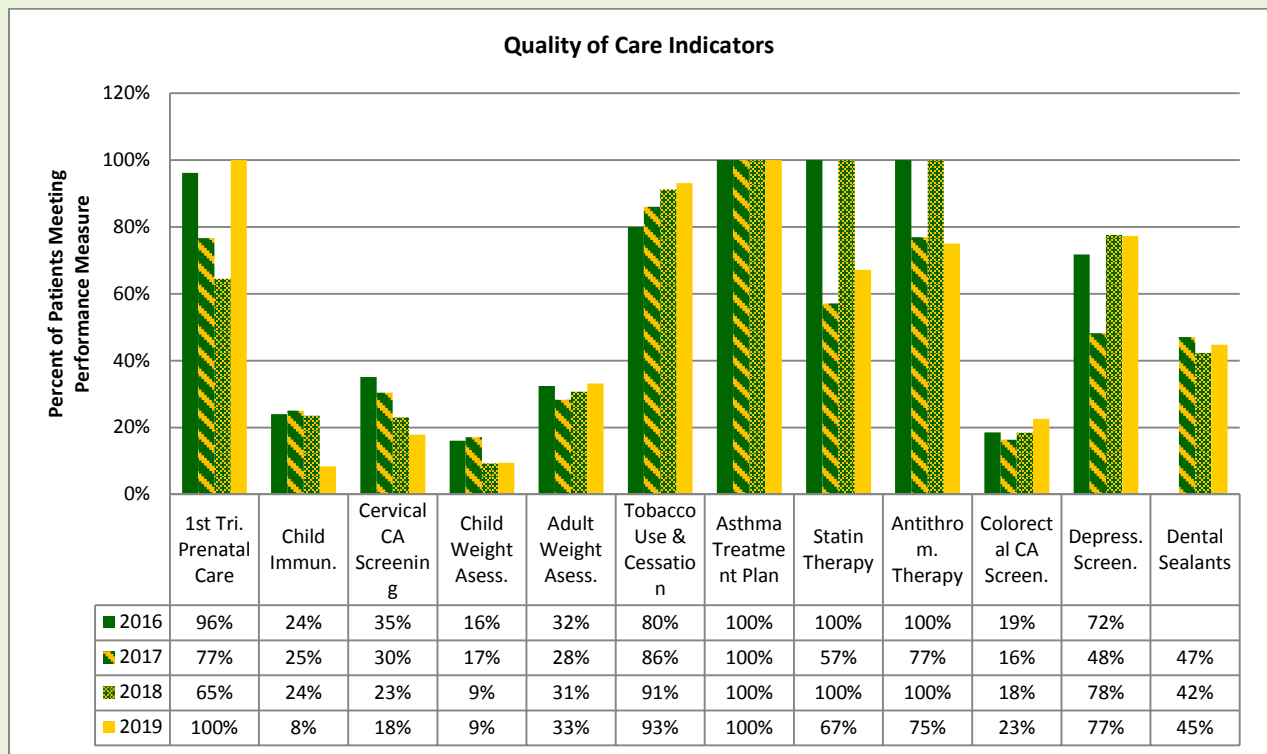
We have improved or remained consistent with many of our performance measures. However, we have a number of measures that we continue to work on, using various quality improvement tools to change workflows. See chart on page 14.

In our effort for continuous improvement, and to address issues we have identified from this past year, we continue to improve our workflow (medical, dental and front desk reps) through additional trainings, meetings/huddles, and proper communication among our staff. We have made concerted effort to increase our performance measures and these areas are being documented with PDSA's. Our chronic disease programs (Hypertension and Diabetes) participants continue to increase in number as the community continues to become aware of our programs.



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Projects, Programs & Events (Continued)



Compliance and Risk Management

LCHC continuously strives for quality improvement and minimizing risks for our patients as well as our staff members. Through Leadership's monthly Quality Improvement (QI) meetings and monthly QI BOD reports, incidents and "near miss" events are documented and discussed with the goal of preventing future similar occurrences from happening. In addition, we have placed a large degree of focus on education. With the assistance of Ms. Laura Anderson, Esq., Regulatory Compliance Consultant, LCHC staff receives quarterly HIPAA trainings focusing on the content of protecting patient privacy via question and answer format as well as providing case scenarios. This approach has proven to be quite effective and in fact, when on island, Laura receives many HIPAA related questions that allows for learning opportunities amongst staff. To assist our Board in understanding Risk Management, HIPAA and their role with HIPAA, the Board receives annual HIPAA and Risk Management trainings from Laura.

In our efforts to minimize unfortunate events from reoccurring, LCHC leadership ensures that staff members receive continuous training on protection of patient information and maintaining patient safety. LCHC continues to seek learning opportunities and discuss innovative ways to deliver quality care to our beloved community, with the intention of always obtaining optimal patient outcomes. Furthermore, our HIPAA/Safety Officer, Olivia Pascual, is required to complete a more intense HIPAA training to ensure that LCHC is up to date with current HIPAA laws.

Projects, Programs & Events (Continued)

Community Development

LCHC continues to invest in the Community in a number of ways.

- **Scholarship Program**
 - LCHC awarded three \$1,000 scholarships for the 2018-2019 school year. Two were awarded to Lānaʻi High and Elementary School graduating seniors pursuing a college degree in a health-related field and one was provided to a university student – this was her second year receiving a scholarship from LCHC as she received one as a graduating senior last year. Please see Workforce Development and Internships for full list of scholarship recipients.
 - Our scholarship application for 2019-2020 school year is attached; applications will be accepted between March 1, 2020 and April 24, 2020. We anticipate awarding four \$1,000 scholarships.
- **Internship Program**
 - Millena Calilao returned for another summer as our student intern in the Dental Department. This summer she learned how to chairside for the Dental Providers and worked closely with the dental assistants, learning more of our workflows and processes. She is a quick learner and, as she continues her education to become a Dentist, she definitely applies what she is learning at school when she interns at LCHC and vice versa.
 - We also brought back Abigail Sandi as summer intern contracting with LHES Foundation. She once again provided support to our admin and finance departments with scanning and shredding documents, checked mail, and helped with other clerical assignments. Another main component to her summer internship this year was maintaining the gardens at the school (planted with help and donations from LCHC). This work was also used for her upcoming Senior Project as she is part of the Future Farmers of America Club at her school on Maui, Lahainaluna.
 - For the fourth year, we participated in the STEMworks Internship Program, a six-week statewide high school internship program held in June through July. See attached flier. We had two student interns this year, Stephanie Badillo (entering her sophomore year) and Allyna Teppang (entering her junior year). Stephanie and Allyna's major STEMworks project was to showcase their learning experiences at Lānaʻi Community Health Center. Stephanie, working closely with LCHC providers and staff, focused her project on developing a survey created for students of Lānaʻi High & Elementary (LHES) School called E Ola Kino Survey. E Ola Kino means, "To Live Life." This survey is a component of an LCHC research program on obesity prevention. This tool will be used to assess LHES students' biometrics; it also

Projects, Programs & Events (Continued)

focuses on family, culture, food intake, and physical activity with a goal to promote a healthy lifestyle and increased active living with students and their families.

- Allyn's STEM project was focused on the Rhino Fit software, software that provides easy fitness class check-in for our free wellness class participants. This software uses a scanning system instead of the old fashioned method of signing in on a piece of paper. It has been a pleasure to work with both students as they have provided great insight into the world of technology. Not only did they learn from us, we also learned from them.
- Stephanie Badillo impressed us so much during her STEM summer internship that we hired her as a Wellness Coach Assistant (a year around part-time student intern LCHC position) immediately following the end of the STEM program. Stephanie has been a great asset to the Wellness Department. Her main role is to assist with the Wellness Department's daily workflow, including set up and clean up of the various youth wellness classes. In addition to her daily routine, she assists w/ creating many of our eye catching flyers for our outreach events. Stephanie provides great input to our leadership team and is definitely an advocate for the students of Lāna'i High & Elementary School.
- We have increased our program for preceptor program with a few APRN trainees rotating through our facility, in addition to our ongoing Pediatric Dental Residency program. Towards the end of 2019, we added another contracted Behavioral Health Post-Doc fellow with I Ola Lahui, Daniel Rodriguez. Dr. Rodriguez started in 2018; Dr. Jon Cisneros, passed his licensing exam and we have hired him as a part-time Licensed Psychologist with LCHC. We are also in the process of recruiting our next post-doc fellow for 2020.
- **Health Education in the School**
 - We are proud to announce that we have once again extended our health education activities at the Lāna'i High and Elementary School (LHES). Last year we added physical activity into our curriculum and this school year, 2019-2020, we have integrated our health and wellness programs into the curriculum. LCHC Wellness Coaches and our Registered Dietician provide Yoga, Zumba, Soccer, and nutritional classes.
 - LCHC has joined forces with LHES and created a Wellness Committee. It consists of a teacher to represent elementary, middle school, and high school, the school principal and a teacher who is focused on faculty and staff wellness, the LCHC student intern, a representative from this island's large employers and parents, and the ED of the LHES Foundation. This group will meet on a quarterly basis to discuss the health and wellness of the students and identify programs that will promote healthy eating and living an active lifestyle for the entire family. The programs that have come out of this committee, so far, are our Walk and Roll Wednesdays which

Projects, Programs & Events (Continued)

started in September 2019 (a weekly bike/walk to school program for students, faculty and staff with prizes) and the E Ola Kino Program (a student lead program to track the students' BMI, eating habits, and movement and exercise). In January 2020, LCHC launched its monthly Family Fitness Nights held in the LHES cafeteria. It's a fitness class geared for the entire family with prizes and light refreshments.

- We have provided oral health education and screenings and flu shot clinics at LHES and the E Malama I Na Keiki O Lāna'i Preschool.
- This year, instead of doing a Pineapple Warrior challenge like we did last year, we participated in the LHES end of school year carnival on the last day of school. The dental and clinical team provided two carnival games which incorporated health education and our community health workers and wellness coaches held a relay race for Pre-K to 12.
- We held our first Teen Health Expo at the LHES gymnasium for students ages 10-19. The event focused on providing a fun, educational event for teens and pre-teens with a focus on various topics facing our youth today. Such topics included girls' and boys' health, sexually transmitted infections (STIs), education on birth control methods, mental health, dental health, drugs, alcohol, vaping, and financial planning. We provided prizes, provided live entertainment from two outer island bands, free food, and games to encourage our students to come and join us for the big day.
- LCHC partnered with John A. Burns School of Medicine (JABSOM) to provide free CPR Training and Youth Mental Health First Aid Training (YMHFA) to our high school students. 100% of the students passed both trainings. Twelve students successfully completed CPR Training and 17 students successfully completed YMHFA training.
- LCHC is also a host site for LHES students for speed and mock interviews. Students are able to practice their communication skills and learn about the profession in which they are interested. It is also a way of connecting students and professionals for potential job opportunities in the future.
- We participated in the Exploration/Career Day for the LHES middle school students. We conducted four workshops focusing on questions and answers regarding careers available at LCHC.
- LCHC provided support at LHES's Wellness Event for faculty and staff in November. We provided healthy snacks and education on the benefits of exercise. Mindy Bolo also provided education on massage roller sticks to help staff relieve tight, sore muscles and improve blood flow before and after physical activity.

Projects, Programs & Events (Continued)

- **Health Education in the Community**

- We have participated in a number of community events providing health education and free screenings. The sampling of community events is presented later in this report.

- **LHES Foundation**

LCHC created a Consortium including LHES Foundation as a partner. Their role in this consortium is to partner with LCHC and Hawaii Public Health Institute to provide health education programs in the school, community and homes of the students. The ultimate aim, though, is to reduce and, hopefully, prevent childhood obesity and increase health and wellness. We have identified a number of unique methods to reach all age groups in our community; however, we plan to focus first on school-age kids. Natalie Ropa the Executive Director is also a member of the LCHC/LHES Wellness Committee. We work closely with the LHES Foundation with our programs such as Walk and Roll Wednesdays, Lānaʻi Run Club, Soccer, and our Family Fitness Nights.

- **Health and Wellness – Free Fitness Program (adult and child)**

- Our free fitness program continues to grow each year. In 2019, we our participant growth has grown to 11,407 encounters and unduplicated participant count of 352. Our class participation increased from 19 in 2018 to 31 in 2019, which primarily due to growth of our youth programs. We have attached our December Fitness schedule as a sample for our offerings.
- The new fitness classes are: Youth Fusion Class (Combining Gymnastics with Tai Chi and Lion Dance), Gymnastic (recently divided into Intermediate and Advanced), ZUMBA Strong, Youth Volleyball, Youth Wrestling, and Lānaʻi Run Club.
- We continue to provide Low Impact Aerobics, Chair Yoga and Falls Prevention/Balance Improvement to our seniors at the Lānaʻi Senior Center.
- On October 19, 2019, LCHC partnered with Maui Health Systems to celebrate LCHC's 6th Annual Ohana Wellness Day in which we completed our first ever Color Fun Run. This is our biggest outreach event so far with a total of 336 participants. We provided healthy snacks and acknowledged Breast Cancer Awareness at this event.
- Community Health Workers continue to make strides in our community by providing walking and swimming groups. They encourage the patient participants to also attend the weekly Silver Sneakers Classes at the Senior Center.
- All LCHC CHWs are health educators at LHES. Therefore, their time is divided between health education, outreach projects, and their growing number of patients in the Self Monitoring Blood Pressure (SMBP) and Self-Monitoring Blood Glucose Program.

Projects, Programs & Events (Continued)

- CHWs will begin the 3rd cohort Matter of Balance Class, which is a program designed to manage falls and increase activity levels in the senior population.
- **Awards and Recognitions Received**
 - Clinical Operations Officer, Olivia Pascual was awarded Pacific Business News 2019 40 Under 40 Award
 - Dr. Joseph Humphry's interview was aired on Hawaii News Now: Bridging the gap of Hawaii's mental health physician shortage. <https://www.hinowdaily.com/bridging-the-gap-of-hawaiis-mental-health-physician-shortage/>
 - Medical Director, Dr. Joseph W Humphry, Internal Medicine recognized as one of Hawaii's 2019 Best Doctors, Pacific Business News, August 2019
 - Cades Foundation Non-Profit Leadership Award Finalist

Workforce Development & Internships

In one of our Strategic Planning meetings a few years back, one of the board's goals was to become the employer of choice, next to the larger employers such as Four Seasons and Pulama Lanai. As of 2019, our LCHC employee count is up to 46 employees: 38 full-time and 8 part-time, and only four of them are traveling employees, and two are our student interns. There are a total of 18 employees that are LHES alumni which represent 39% of our employee population. In addition, our LIP (Low Income Persons) ratio for 2019 is 63.04%. This doesn't include the dozen plus contractors that we work with for clinical services and our wellness program. Based on our growth within the past five years, we believe that we have achieved that goal of becoming the employer of choice for the residents of Lanai.

We believe in the importance of workforce development and training; therefore, our goal is to have a student rotation program in place for all services: Medical, Dental, and Behavioral Health. This includes student interns that are in high school, rotating student providers, as well as development for those working adults who are looking to find a career rather than just a job.

The list below is our workforce development efforts and the list of students who have interned and rotated at LCHC in 2019 so far.

- Student Providers:
 - January 6 – March 2 Kris Aceret, FNP (hired to be 3rd APRN)
 - July 21 – August 31 Maj Theodore Szerszenski from USU
- NYY Langone Pediatric Dental Residents:
 - January 14 – February 8 Dr. Rylan Bennett
 - February 11 – March 8 Dr. Rizza Bejasa

Projects, Programs & Events (Continued)

| | |
|-----------------------------|---------------------|
| ○ March 11 – April 5 | Dr. Michelle Yang |
| ○ April 8 – May 3 | Dr. Demi Pham |
| ○ May 6 – May 31 | Dr. Armin Afshar |
| ○ June 3 – June 28 | Dr. Rizza Bejasa |
| ○ July 01 – July 26 | Dr. Christopher Yim |
| ○ July 29 – August 23 | Dr. Spencer Kim |
| ○ August 26 – September 20 | Dr. Tuan Pham |
| ○ September 23 – October 18 | Dr. Rizza Bejasa |
| ○ October 21 – November 15 | Dr. Joseph Cuculo |
| ○ November 18 – December 13 | Dr. Nicole Endo |
| ○ December 16 – January 10 | Dr. Regina Nguyen |

- Student Interns:
 - May 28 – Aug. 9 Millena Calilao – employee focused on Dental
 - July 5 – July 30 Abigail Sandi – contracted through LHES Foundation for Admin and Finance
 - June 10 – July 19 Stephanie Badillo – STEM Internship focused on Health & Wellness (hired to be our Wellness Coach Assistant)
 - June 10 – July 19 Allyna Teppang – STEM Internship focused on Health & Wellness
- Scholarships provided to:
 - Millena Calilao, \$1000
 - Micah Manuel, \$1000
 - Aileen Pascua, \$1000

Employees furthering their education:

- Denise Ropa, Social Work degree, UH Maui
 - Thessalonica Sandi, Community Health Worker Certification, UH Maui
 - Mairine George, Community Health Worker Certification, UH Maui
 - Tanisha Magaoay, Community Health Worker Certification, UH Maui
- Community Partnerships for Student Programs:
 - Lānaʻi High and Elementary School
 - LHES Foundation

Projects, Programs & Events (Continued)

- UH Maui College – Lānaʻi Campus
- AHEC
- HOSA
- John A. Burns School of Medicine
- Maui County Healthcare Partnership
- Maui Economic Development Board

Community Events and Awards:

The list below is a sampling of the various community events/awards that we sponsored, participated in held, or received:

- January 23, 2019: Youth Center Health Ed - Behavioral Health Team discussing marijuana
- February 5: Tai Chi and Gymnastics Exhibition at LHES and Advertise Chinese New Year Event
- February 9: Chinese New Year Celebration w/ Tai Chi Wellness Group
- February 27: Dental Team teaching Oral Health @ Youth Center
- February 28: LCHC funded 1st Grade field trip to Maui Ocean Center
- March 6: Nutrition Workshop at Lanai Senior Center (Kelly McDaniel)
- March 7: Pulama Biometric Screening
 - Focused on Hypertension, Diabetes, BMI, Tobacco Cessation Program, Behavioral Health Team, Oral Hygiene, Nutrition Workshop (Kelly McDaniel)
 - Dental:
 - 20 participated in oral screenings
 - Recruited 6 new patients, recalled 2 patients for cleaning
 - Tobacco Cessation: 5 signed up to learn more about the Tobacco Cessation Program
 - 100 Pulama Staff completed Biometric Staff (in 2018, there were 99 staff members).
- March 13: LCHI Tour & Skills Learning w/ LCHC Providers and clinical staff
 - 12 LCHI Students Participated
- March 20: Kick Butts Day @ Dole Park
 - Students from Grades K through 12 helped pick up 3, 089 cigarette butts from Dole Park!
- March 21: Lanai Youth Center Health Ed.

Projects, Programs & Events (Continued)

- Nutrition Workshop w/ Kelly McDaniel, RDN
 - 5 students total
- March 28 and April 18: LHES Junior Class Career “Speed Interview” at LCHC (similar to LHES Mock Interview)
- March 30: LCHC staff participated in the 1st Annual Troy Barboza Law Enforcement Torch Run
- March 30: JABSOM Teen Health Camp @ LHES Campus
 - Nutrition Workshop/Career Talk by Kelly McDaniel, RDN
- April 13: Donated to King’s Chapel Easter Egg Hunt
- April 20: 1st Annual Bunny Hop – 5k run/walk/
- April 24: Family Planning (pregnancy, sex, chlamydia, to name a few).
 - Jennifer Hashimoto, APRN, and Chelsea Tadena, MA spoke to 4 Youth Center Participants.
- April 24: CHWs educated on hygiene at Youth Center
- April 25: LCHC Donated additional school supplies to LHES grades K-5
- May 8: Donated \$500 to Hala Kahiki Club Basketball
- May 10: LHES Teacher Appreciation Day, LCHC donated gift bags to the teachers
- May 24: Kindergarten Mini Carnival at LCHC
- May 29: National Senior Health Fitness Day
 - Food Demo by Kelly McDaniel with the Kupuna at the Senior Center
 - Wellness Coaches and CHWs helping to build a garden box for the Seniors at the Senior Center
 - Celebrating the seniors in the Matter of Balance Classes by showcasing their swimming and walking group on social media.
- May 30: Food demo by Kelly McDaniel w/ 3rd Grade Class (Health Ed.)
- May 31: World NO TOBACCO DAY – Informational booths at Blue Ginger Café and Richard’s Market
 - 13 Pledges
- May 31: LHES End of the School Year Carnival
 - Dental Team and Clinical Team to work on 2 carnival games
 - CHWs and Wellness Coaches to work on relay race for Pre-K through HS.
 - 34 students participated in Relay Race
- June 7: Olivia Pascual Awarded PBN’s 40 under 40
- July 1: Partnered w/ JABSOM to host CPR Certification and STEM Workshop for 12 students.

Projects, Programs & Events (Continued)

- July 2: Partnered w/ JABSOM to host Youth Mental Health First Aid for 17 students.
- July 22 and 23: 3 CHWs and Clinical Operations Officer successfully completed Pono Choices Facilitator Training. They are ready to provide reproductive health to middle school students. Pono Choices is a DOE approved curriculum.
- August 3: Teen Health Expo—87 students completed the surveys, but more were in attendance
- August 30: LCHC hosted a training for the Stanford Tobacco Prevention Toolkit (TPT) which was presented by HiPHI staff members. 2 community members plus 2 LCHC Staff members attended.
- September 4: E Ola Kino – Walk and Roll Initiative at LHES started
- September 18: Human Subjects training for IRB to certify 17 students and 1 teacher
- September 20: LHES Flu Clinic (131 Flu Shots Administered)
- September 28 thru November 1: LHES Oral Screening – 160 students were screened
- September 28: Advance Care Training w/ Hope Young from Kokua Mau (Community and LCHC)
 - 12 individuals participated (8 staff members and 4 community members).
- October 8: E Malama I Na Keiki O Lanai Preschool Oral Screening
 - 9 students completed oral screening
- October 9 and October 16: Flu Shot Clinic @ Lanai Senior Center
 - 10 Flu Shots administered
- October 19: 6th Annual Ohana Wellness Day – Lana'i's first ever Color Fun Run
 - 336 people participated in the event
- October 29: Pulama Flu Shot Clinic→ 70 Flu shots administered
- October 29: Exploration Day (Career Day) at LHES (target audience→ Middle School Students)
 - Conducted 4 workshops. Created trivia game focusing on questions r/t to professions at LCHC.
- November 7: LCHC nominated for the Cades Foundation Nonprofit Leadership Award
- November 13: LHES Wellness Event—provided brochures about LCHC Services, food donations, and lip balm to staff. Mindy to represent LCHC during this 1 hour event.
- LHES Mock Interviews: November 13, 14, 18, and 21. (work on Senior students this semester).
- November 21: Great American Smokeout (Booth at Richards and Blue Ginger)
 - Offered lozenges and educational information on smoking & vaping

Projects, Programs & Events (Continued)

- Received 17 pledges to refrain from smoking for 24 hours.
- November 23: LCS Turkey Day

Scenes from our various events during 2019...

November 21: Great American Smokeout



Projects, Programs & Events (Continued)

October 19: Ohana Wellness Day Color Fun Run



Projects, Programs & Events (Continued)

August 3: Teen Health Expo



May 31: Pineapple Relay Race



May 31: End of school year carnival

Projects, Programs & Events (Continued)



#LanaiHealth

#HealthyLanai

**Fun, Education,
Screening...**

Projects, Programs & Events (Continued)

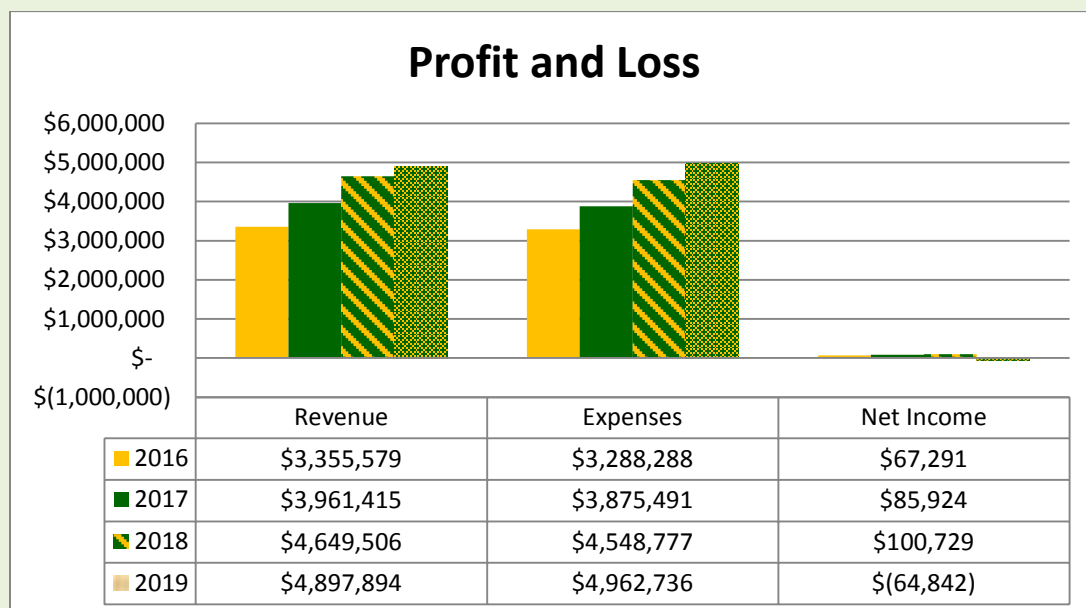
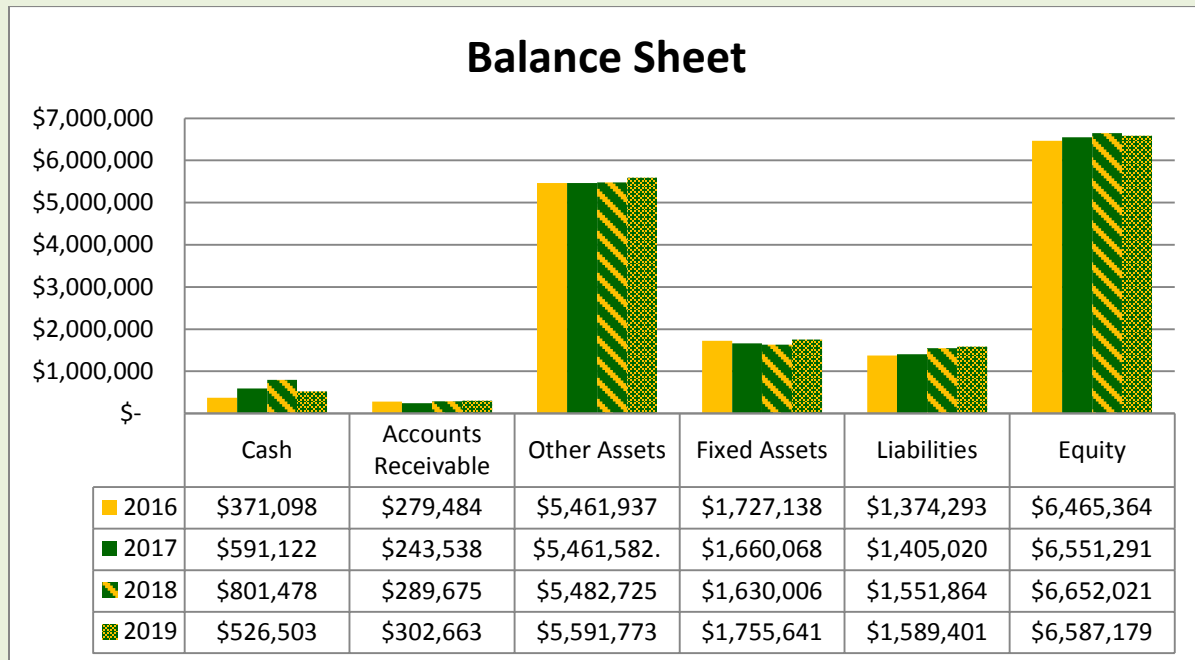
Press Releases

The list below is a sampling of the press releases and reports (with LCHC program Citations) in 2019:

- Olivia Pascual, Pacific Business News - 40 under 40, April 2019
- Dr. Joseph Humphry's interview on HI Now: Bridging the gap of Hawaii's mental health physician shortage. <https://www.hinowdaily.com/bridging-the-gap-of-hawaiis-mental-health-physician-shortage/>
- Dr. Joseph W Humphry, Internal Medicine recognized as one of Hawaii's 2019 Best Doctors, Pacific Business News, August 2019
- Breastfeeding Community Resources in Hawai'i: Gaps and Needs, A report for the Hawai'i State Department of Health's Chronic Disease Prevention and Health Promotion Division, July 2019
- Dr Joseph Humphry Guest Speaker at the Hawaii Maternal Telehealth Summit on October 9, 2019 at JABSOM
- LCHC nominated for the Cades Foundation Nonprofit Leadership Award

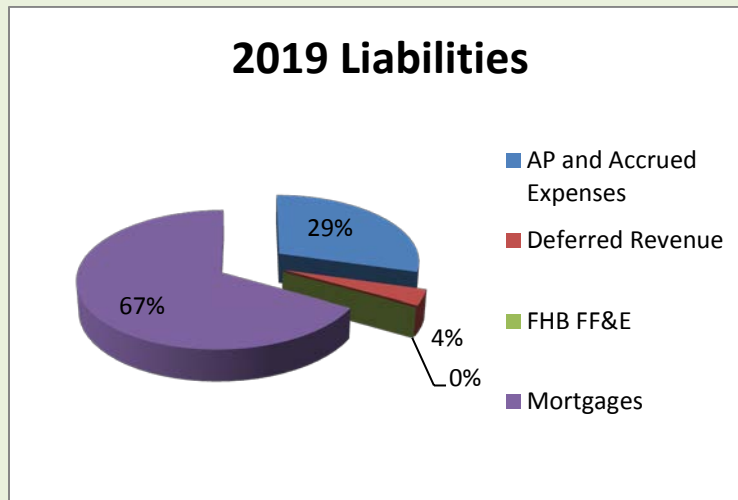
Financial Analysis & Reporting

Assets were \$8,176,580 in 2019 versus \$8,203,885 in 2018; liabilities slightly increased to \$1,589,401 in 2019 versus \$1,551,864 in 2018; equity was \$6,587,179 in 2019 versus \$6,652,021 in 2018. In 2019 we purchased a condo across the street for lodging. Patient Services Revenue increased by 20% and Grant and Other Revenue increased by 5%.

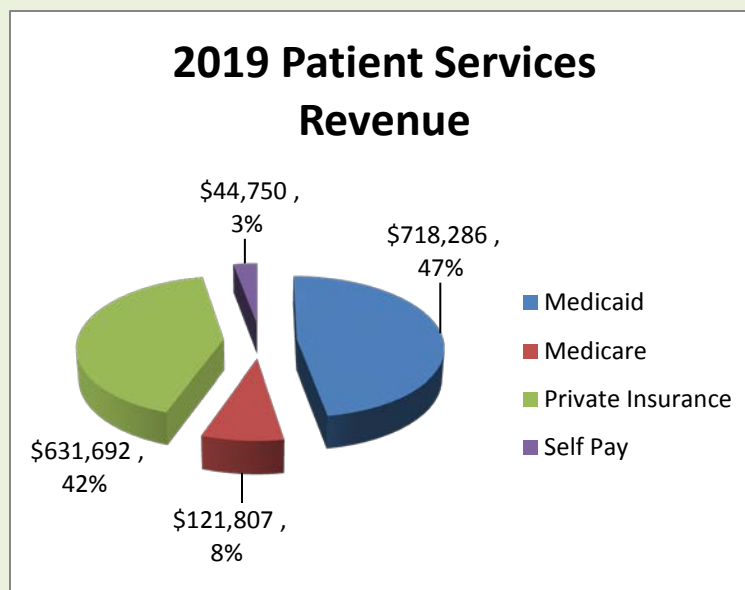


Financial Analysis & Reporting (Continued)

In 2019, our liabilities increased by 2%. While our long term debt still remains, we will save a significant amount of money on interest with the USDA's low interest rate and have added another mortgage to our books for the condo.



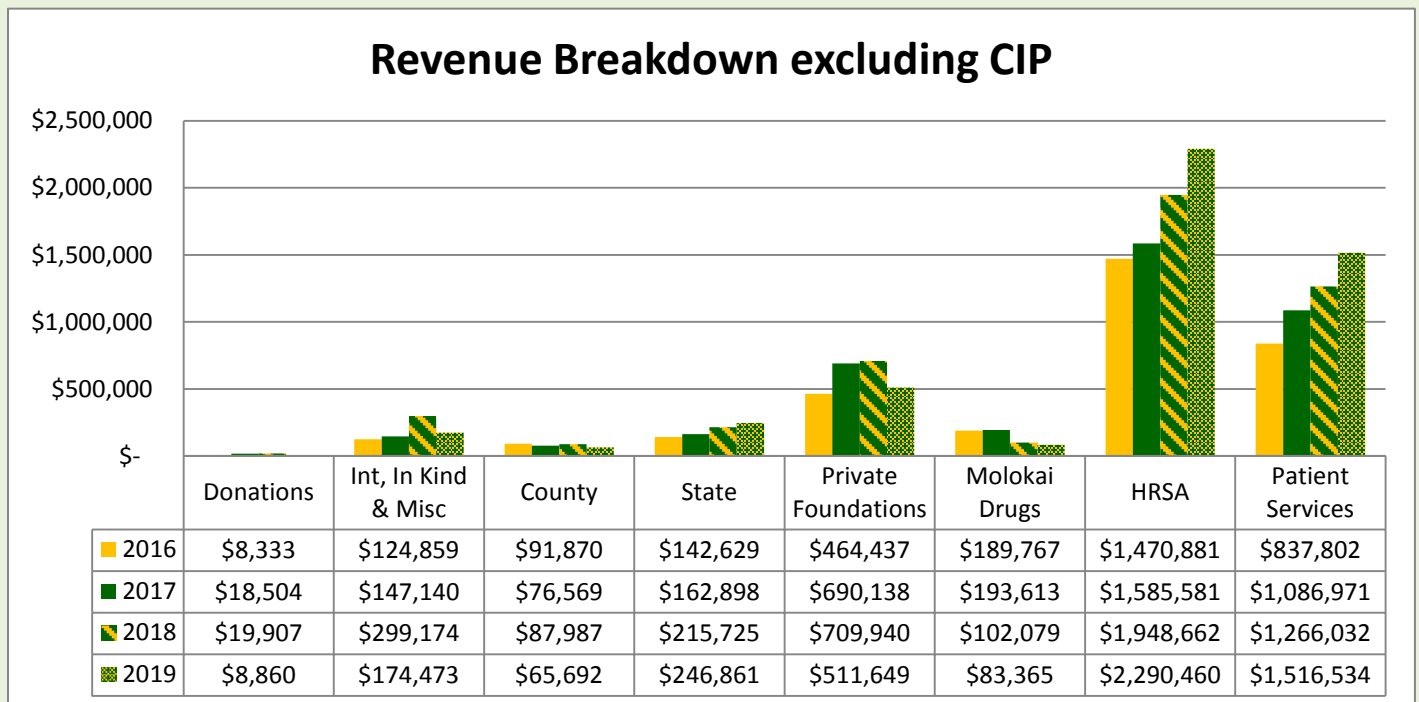
The graphs below represent insurance and patient collections, which have increased from average gross billings of \$173k in 2019. Although we have seen an increase in our patient service revenue, it didn't meet our goal due to large write-offs due to dental sliding fee scale discounts and change in our patient insurance coverage. We are working closely with RCM360 to increase our billings and collections. We look forward to an increase in our patient revenue in the upcoming year.



Financial Analysis & Reporting (Continued)

The chart below provides a glimpse of our revenues excluding CIP. The data shows that our largest increase came from our Patient Services Revenue, which increased by 20% and the next largest increase was seen in our Federal grants increased by 18% and State grants increased by 14%.

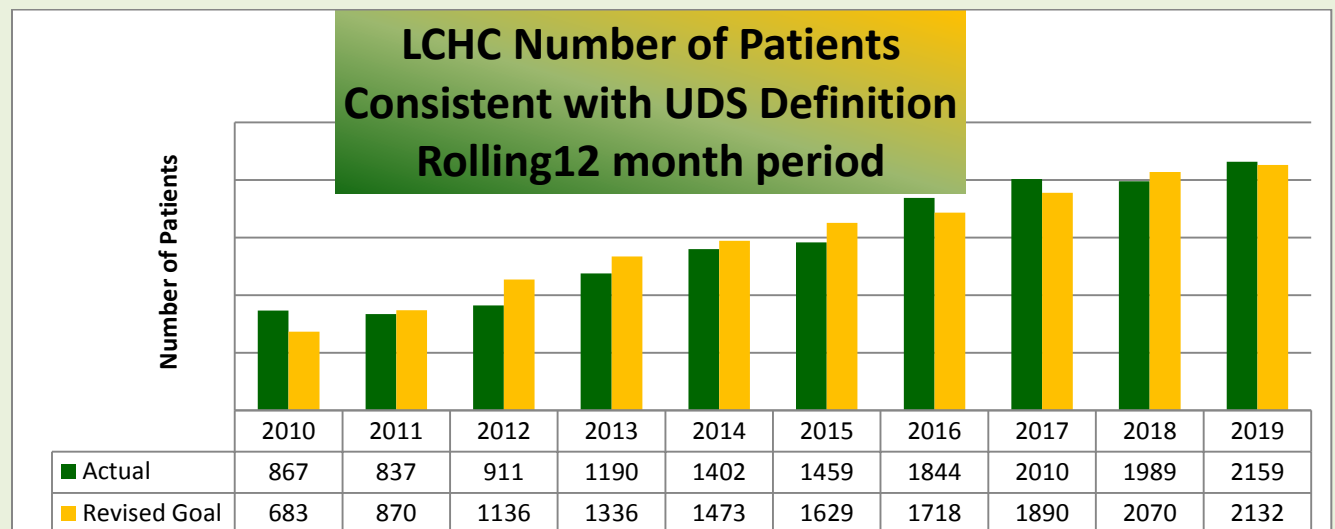
We didn't have any CIP revenue in 2019. But we are gearing up and saving up on our reserves as we have a need for additional expansion. We have purchased another property for provider lodging and working with USDA to secure a construction loan to renovate it.



Statistics

Active Patients

In 2019, there was an 8.7% increase of patients, 2,159 compared to 2018's 1,986 patients. We have exceeded our patient goal of 2,070 patients. We continue to monitor our patient and encounter trends closely and we anticipate an increase in the upcoming year as we continue to expand our programs and continue to provide health education in the school and community.



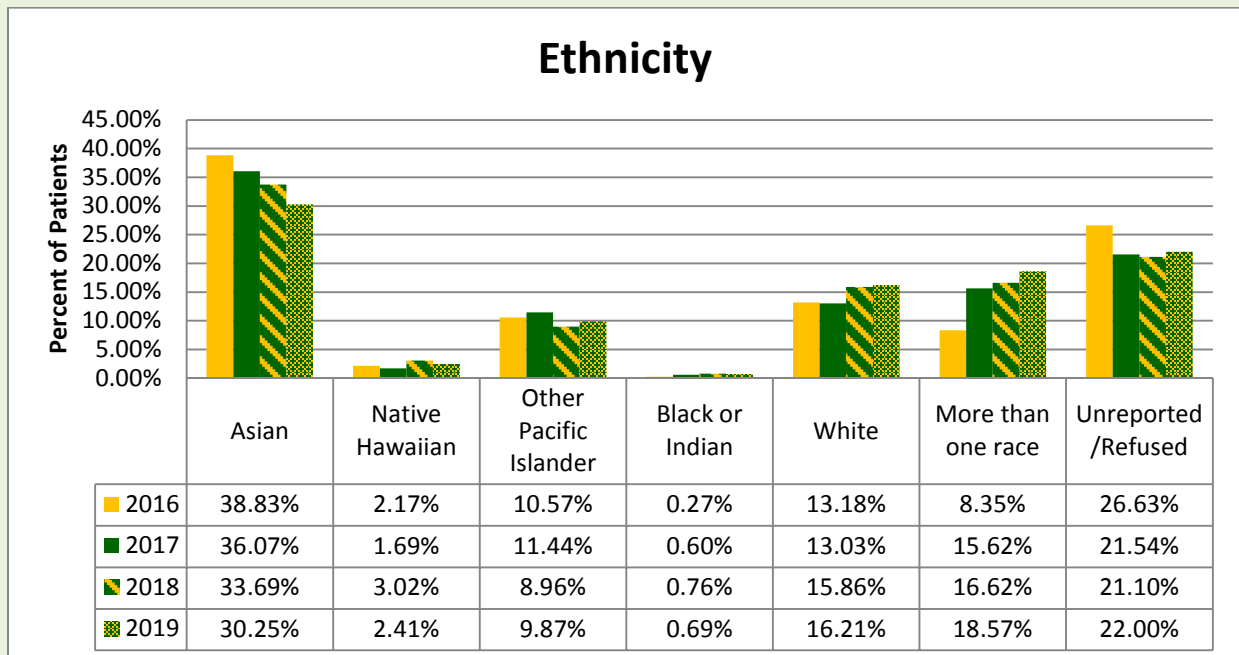
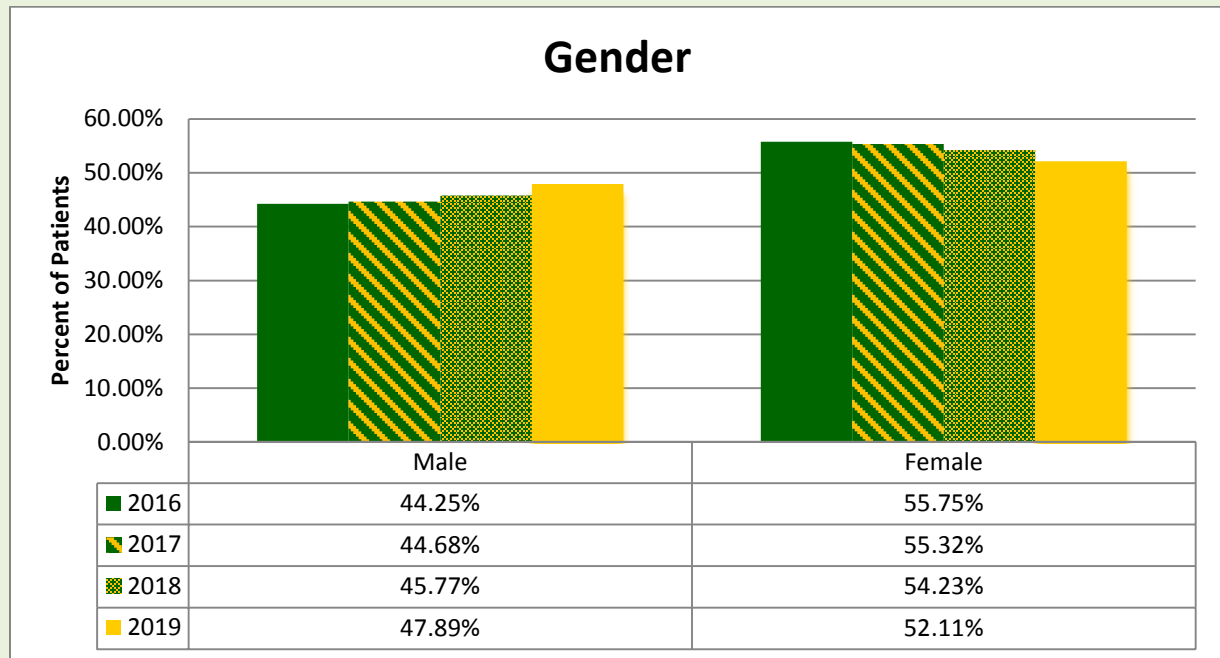
Who Are Our Patients?

Who do we serve? What do we know about these individuals? (See graphs on following page.) We continue to serve more women than men – this is common in health care as women are more likely than men to seek preventive and routine care. However, we again saw an increase in men – an addition 2%! Our chronic disease programs are also attracting men. We plan to increase both our female and male focused activities in 2020, through outreach, education, and targeted screenings.

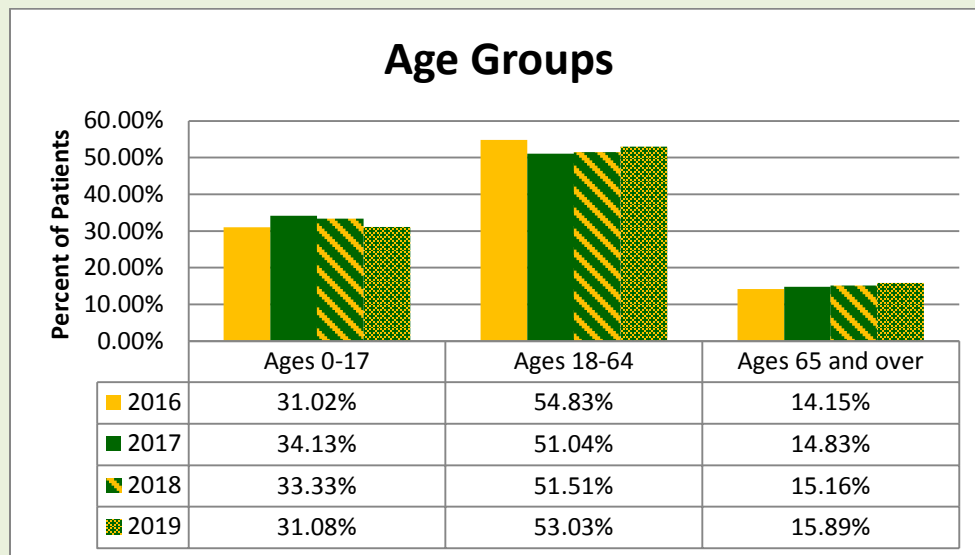
We also know that the majority of our patients are Asian, Native Hawaiian and Other Pacific Islander. We want to recognize the hard work of our staff in obtaining ethnicity data as our patients are often reluctant to share this information. Their efforts can be seen by the percent of 'unreported/refused' continuing to decrease each year. The staff received education on the need for this information which produced results, and gave them the tools to be more effective in informing our patients of the data's importance. Our education efforts will continue.

There was 1.52% increase in the aged 18-64 and less than 1% increase 65 and older patients. Our efforts to outreach to the elderly continue with our increased Community Health Workers services and elderly programs. We also have a significant presence at the school with our health and physical education program, which we hope will continue our growth as we reach out to students and families.

Statistics (Continued)

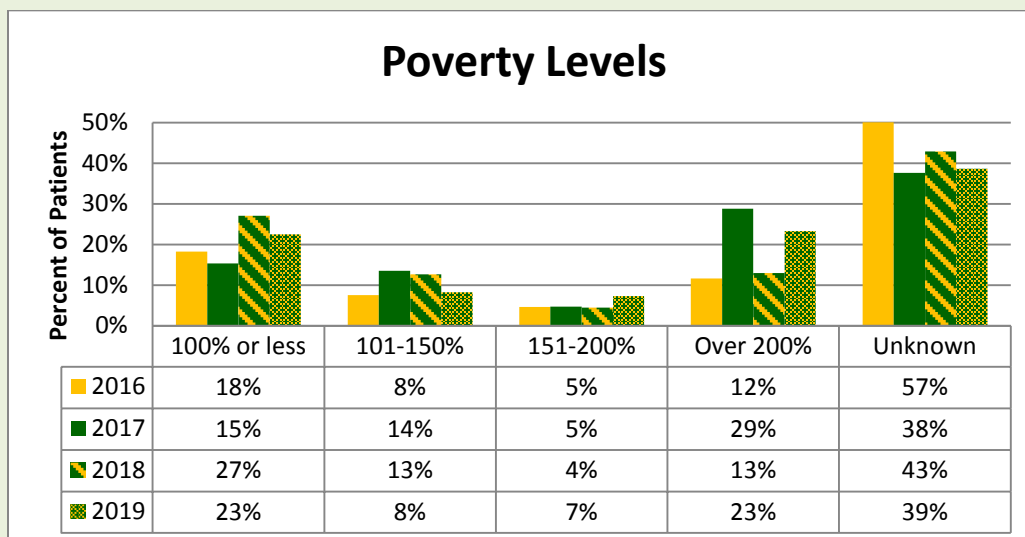


Statistics (Continued)



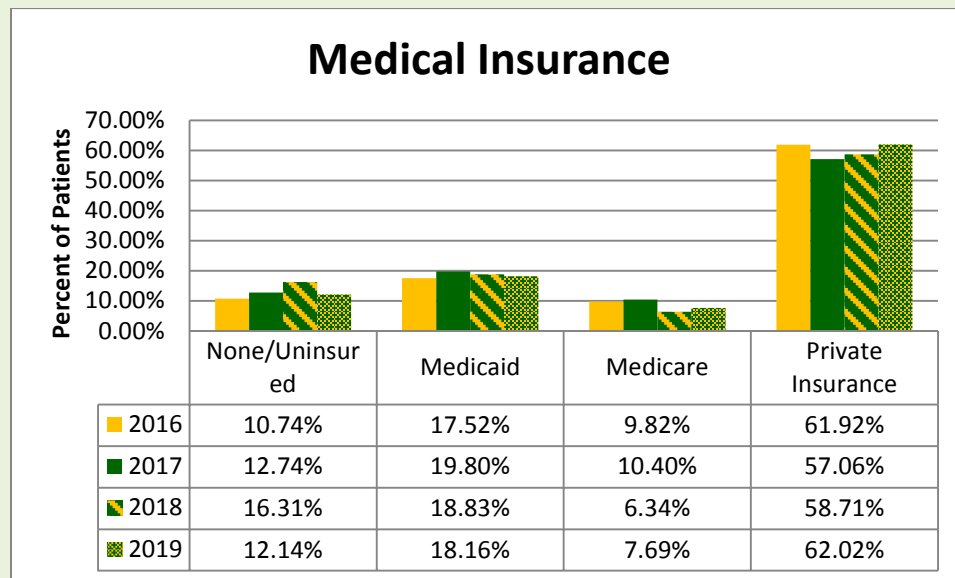
Federal Poverty Levels (FPL) are a measure of income issued every year by the Department of Health and Human Services (HHS). FPL is used to determine individual eligibility for certain programs and benefits, for example savings on Marketplace health insurance, and Medicaid. The FPL of our patients is also data that LCHC must report annually to the federal government.

We see a shift from the 100% or less to the 151-200% and over 200% categories as we have seen that more patients in the more patients make, they are more inclined to report their household incomes. The unknown income category has decreased.



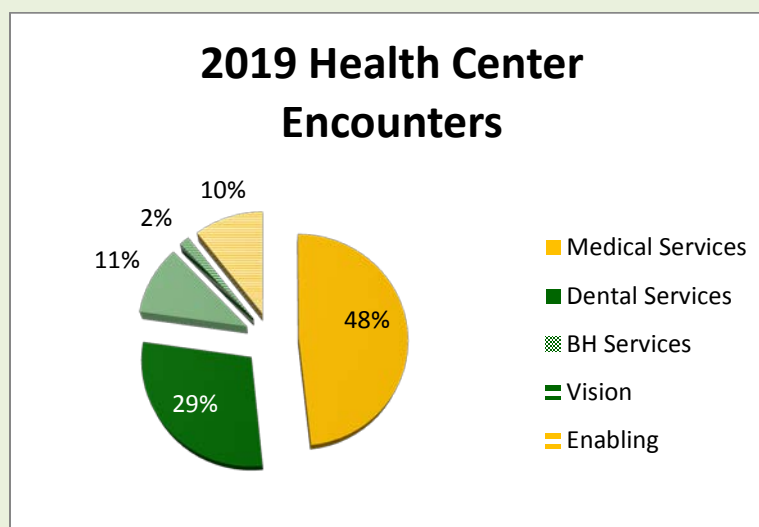
Statistics (Continued)

We have seen a reduction in uninsured patients in 2019 as our unemployment rates continue to drop. Hence, there was a slight decrease in Medicaid, and increase in Medicare. There was an increase in private insurance which is related to the increase in employer sponsored insurance. This makes sense as we have a very low unemployment rate at 1%.



Encounters

Our encounters have increased significantly by 24.1% in 2019. Behavioral Health had the largest increase of encounters at 34.9%. This is due to additional providers.



Statistics (Continued)

Reserve

Our reserve balance at the end of 2019 was \$500,578 which was higher than the required New Market Tax Credit (NMTC) reserve of \$90,000. According to HRSA, an FQHC should have a reserve sufficient to cover 6 months of expenses; however, LCHC would prefer to have a reserve equal to one year's worth of expenses – knowing that it would be difficult to recover quickly from a significant loss of funds due to the remote nature of our island and number of low-to-middle income patients. To have \$3M as a reserve is a long shot but it is possible, it will just take time. We have set a SMART goal in 2017 Strategic Plan: By December 31, 2020, LCHC will have a reserve equal to or greater than 2 months of expense, or approximately \$600,000. In 2020, we plan to use \$141k of this reserve to purchase another property to be used for provider housing and storage.

Ratios

Each of our financial measures tells a story of our financial status. The Days Cash in Hand shows how many days we can continue business with the cash we have on hand. Our financial health remains in good condition based on our ratios when compared to industry standards and goals. We continue to strive to bring our Days Net Patient A/R down to our goal of less than 45 days. We have been working with RCM360 for over a year now and we have seen an increase in our charges as well as in our collections. We hope to see a great improvement in our aging and payment collections in 2020.

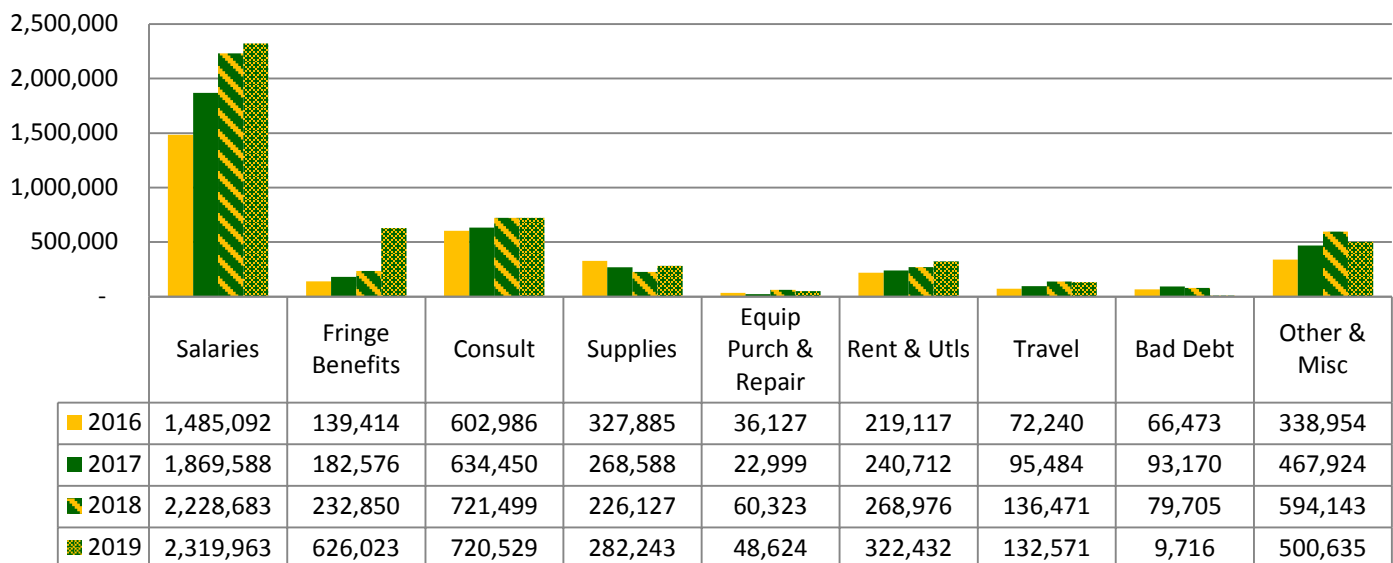
Operating and Capital Expenditures

The following two charts provide detail regarding operating and capital expenditures for the past four years. As true for most health centers, our primary operating expenditure is salary and benefits, with consultants (most of whom are providing direct services to our patients) the next largest single expenditure category. Consultants include contractors such as Maui Optix, contracted dentists, UCERA (contracted psychiatrists and OB ultrasound), Integration Technology, as well as Legal, Audit, and Revenue Cycle consultants. We continue to review our expenses, always looking for ways to increase cost effectiveness.

Statistics (Continued)

| Financial Measures | Target | Dec-19 | Dec-18 | Dec-17 |
|-------------------------------|-------------|-------------|-------------|-------------|
| Financial Health | | | | |
| 1 Days Cash in Hand | >30-45 Days | 39.94 | 67.02 | 59.67 |
| 2 Days in All Receivables | <60 Days | 22.55 | 22.74 | 25.71 |
| 3 Days Net Patient A/R | <60 Days | 72.84 | 106.77 | 103.22 |
| 4 Current Ratio | >1.25 | 1.81 | 2.07 | 1.51 |
| Financial Operations | | | | |
| 5 Net Patient Rev per Patient | \$500 | \$ 702.42 | \$ 637.48 | \$ 504.33 |
| 6 Operating Rev per Patient | \$1,800 | \$ 2,268.59 | \$ 2,341.14 | \$ 1,911.65 |
| 7 Operating Exp per Patient | \$1,750 | \$ 2,298.63 | \$ 2,290.42 | \$ 1,870.35 |
| 8 Net Patient Rev per Visit | \$120 | \$ 123.39 | \$ 127.82 | \$ 108.59 |
| 9 Operating Rev per Visit | \$400 | \$ 398.49 | \$ 469.41 | \$ 411.61 |
| 10 Operating Exp per Visit | \$400 | \$ 403.77 | \$ 459.24 | \$ 402.72 |
| Cost Per Visit per Department | | | | |
| 11 Medical Cost per Visit | \$350 | \$ 346.03 | \$ 398.92 | \$ 350.11 |
| 12 Dental Cost per Visit | \$400 | \$ 374.94 | \$ 404.53 | \$ 424.72 |
| 13 BH Cost per Visit | \$400 | \$ 418.01 | \$ 527.41 | \$ 603.41 |
| 14 Vision Cost per Visit | \$150 | \$ 219.54 | \$ 194.30 | \$ 193.33 |
| Patient & Encounters | | | | |
| Number of Patients | 1,890 | 2,159 | 1,986 | 2,010 |
| Number of Visits | 6,230 | 12,291 | 9,905 | 9,335 |

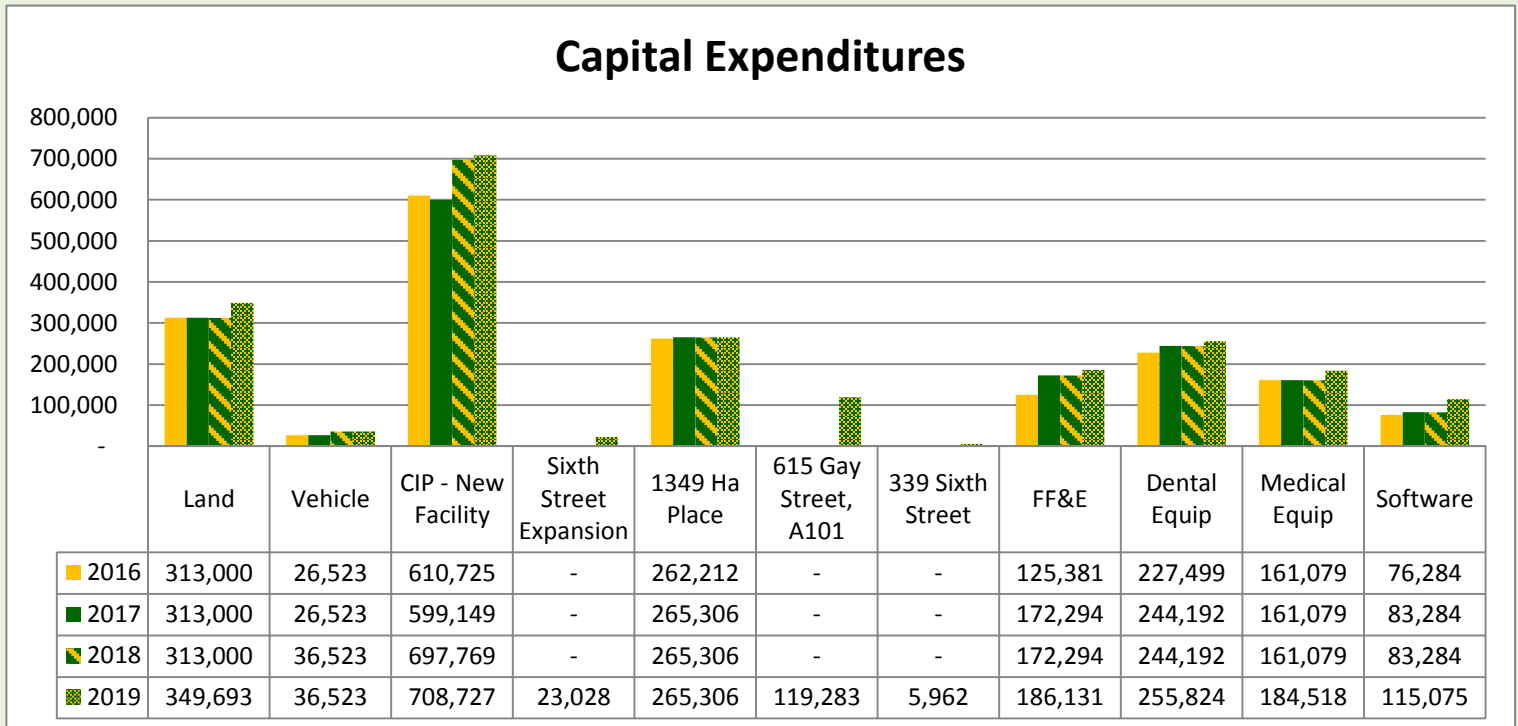
Operating Expenses



Statistics (Continued)

Value and Impact

Lastly, following is a graphic depiction of the value and impact LCHC has upon our community.



The Value and Impact of Lana'I Community Health Center

Health centers provide tremendous value and impact to the communities they serve, including **JOBS** and **ECONOMIC STIMULUS**, **SAVINGS** to Medicaid, and **ACCESS** to care for vulnerable populations.

This report highlights the Lana'I Community Health Center 2019 contributions and savings.

SAVINGS TO THE SYSTEM

22%
LOWER COSTS
FOR HEALTH CENTER
MEDICAID PATIENTS

\$ 1 Million
SAVINGS TO
MEDICAID

\$ 3 Million
SAVINGS TO THE
OVERALL HEALTH
SYSTEM

ECONOMIC STIMULUS



117
TOTAL JOBS

91
HEALTH CENTER JOBS

26
OTHER JOBS in the
community



\$ 9.2 Million
TOTAL ECONOMIC
IMPACT of current
operations

\$ 5.0 Million
DIRECT HEALTH
CENTER SPENDING

\$ 4.2 Million
COMMUNITY
SPENDING



**\$ 1.2
Million**
ANNUAL TAX
REVENUES

\$ 0.4 Million
STATE & LOCAL TAX
REVENUES

\$ 0.8 Million
FEDERAL TAX
REVENUES

CARE FOR VULNERABLE POPULATIONS



2,159
PATIENTS
SERVED

12,291
PATIENT
VISITS

48.0%
4-YEAR PATIENT
GROWTH

62.0% of patients
are **LOW INCOME**

671 of patients are
**CHILDREN &
ADOLESCENTS**

80.6% of patients
identify as an **ETHNIC OR
RACIAL MINORITY**

4.5% of patients
are **VETERANS**

0.0% of patients
are **AGRICULTURAL
WORKERS**

0.8% of patients
are **HOMELESS**

Capital Link prepared this Value & Impact report using 2019 health center audited financial statements and Uniform Data System information. Economic impact was measured using 2018 IMPLAN Online.

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CAPITAL LINK

www.caplink.org

The Value and Impact of Lana'I Community Health Center

REFERENCES AND DATA SOURCES

- Savings to the System: Nocon et al. *Health Care Use and Spending for Medicaid Enrollees in Federally Qualified Health Centers Versus Other Primary Care Settings*. American Journal of Public Health: November 2016, Vol. 106, No. 11, pp. 1981-1989.
- Economic Stimulus: Economic impact was measured using 2018 IMPLAN Online from IMPLAN Group LLC, IMPLAN System (data and software), 16905 Northcross Dr., Suite 120, Huntersville, NC 28078, www.Implan.com. Learn more at www.caplink.org/how-economic-impact-is-measured.
- "Low Income" refers to those who earn below 200% of federal poverty guidelines.
- Care for Vulnerable Populations: Bureau of Primary Health Care, HRSA, DHHS, 2019 Uniform Data System.
- Full-Time Equivalent (FTE) of 1.0 is equivalent to one full-time employee. In an organization that has a 40-hour work week, an employee who works 20 hours per week (i.e., 50 percent of full time) is reported as "0.5 FTE." FTE is also based on the number of months the employee works. An employee who works full time for four months out of the year would be reported as "0.33 FTE" (4 months/12 months).

SUMMARY OF 2019 ECONOMIC STIMULUS

| | | Economic Impact | Employment (# of FTEs*) |
|------------------|--------------|--------------------|-------------------------|
| Community Impact | Direct | \$4,962,735 | 91 |
| | Indirect | \$1,395,167 | 9 |
| | Induced | \$2,793,701 | 17 |
| | Total | \$9,151,603 | 117 |

SUMMARY OF 2019 TAX REVENUE

| | | Federal | State |
|-------------------------|--------------|--------------------|------------------|
| Community Impact | Direct | \$541,120 | \$168,175 |
| | Indirect | \$95,534 | \$64,143 |
| | Induced | \$177,120 | \$214,501 |
| | Total | \$813,774 | \$446,819 |
| Total Tax Impact | | \$1,260,593 | |

About Capital Link

Capital Link is a non-profit organization that has worked with hundreds of health centers and primary care associations for 25 years to plan for sustainability and growth, access capital, improve and optimize operations and financial management, and articulate value. We provide an extensive range of services, customized according to need, with the goal of strengthening health centers—financially and operationally—in a rapidly changing marketplace. Capital Link maintains a database of over 13,000 health center audited financial statements from 2005 to 2018, incorporating approximately 80% of all health centers nationally in any given year. This proprietary database is the only one of its kind as it exclusively contains health center information and enables us to provide information and insights tailored to the industry. For more information, visit us at www.caplink.org.

Conclusion

This past year was filled with many great accomplishments, and 2020 promises to be another eventful year, including expansion of our physical footprint along with new and expanded programs. We continue to face uncertainties, of course – in Washington and locally. However, we have a strong staff, volunteers, and leadership who will continue to remain focused on patient needs, as well as keeping an eye on external factors.

As in the past, we will continue to forge forward, being a voice for our patients and the community, and continuing to increase the skills of our workforce, the education and wellness of our patients, and awareness of policymakers. We continue to fulfill our vision and mission, set forth so eloquently by Phyllis McOmber and Jackie Woolsey, and continuously reinforced by our Board and Staff. We will not fail them, our patients, or the community.

What will the next year bring? We can't foretell the future; however, we can indeed determine how we will greet the future...





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