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## **Panel Told New Hospital Needed**

*By CLAUDINE SAN NICOLAS, Staff Writer*

WAILUKU – Ten months after his plans for a new Maui hospital were rejected, Dr. Ron Kwon appealed to a group tasked with determining the county's health care needs to reopen the idea.

"Something has to change or nothing is going to change," Kwon told members of the Maui Health Care Initiative Task Force.

The group meeting in the Maui Planning Department's conference room invited Kwon and Dr. James Jones to speak about what the county's health care needs.

Both physicians were supporters of a proposal for a second acute-care hospital for Maui.

Kwon said he was open to all options, including constructing a replacement facility for the state-owned Maui Memorial Medical Center, or taking over the site and building a 350-bed hospital.

Jones, a kidney specialist who has been on Maui for nine years, distributed a list from 2006 that showed 86, or about half of the physicians residing here, who said they supported a second hospital for Maui.

Last year, the State Health Planning and Development Agency rejected a proposal by Kwon, president and founder of Malulani Health Systems Inc., to build a \$212 million private hospital with 150 beds in Kihei.

"It was a shameful day when we were denied a certificate of need," Kwon said Tuesday.

The Maui-born physician who devoted 10 years to the Malulani proposal indicated continued interest in building a new hospital on this island. Even if his financing partner, Triad Hospitals of Planos, Texas, which was sold earlier this year, were to pull out of the project, he said he could find another investor.

Kwon said he believes other investors would be "ready, willing and able to come in, but we have to open the door for them."

He said the Malulani rejection has made potential private Mainland investors critical of Hawaii's political climate and will keep them from committing their money to a new hospital for Maui.

Kwon said investors could return, if he were given the kind of relief he and his supporters were seeking during the 2007 legislative session – an exemption from Hawaii's certificate of need requirement.

The Health Care Initiative Task Force was established to review the issues affecting medical care on Maui, in part in response to the appeals for changes to the State Health Planning and Development Agency Act.

Kwon said the task force could tell state lawmakers of Maui's need to have a hospital such as his proposed Malulani Health and Medical Center.

"Just let us have what we need, please," Kwon said.

State Health Planning and Development Agency Administrator Dr. David Sakamoto disapproved Malulani's plans in October 2006, citing certificate criteria that prohibited new medical proposals from having a detrimental effect on existing health care systems.

Maui Memorial officials had argued their facility would lose millions of dollars in federal support if it lost its sole provider status.

Sakamoto said "there's no question" that Maui needs more acute-care beds and could use a new hospital as proposed by Malulani proponents. But he said he could not approve Malulani's proposal, given the strict criteria set up by state statutes and his agency's rules.

A Reconsideration Committee for the State Health Planning and Development Agency agreed with Sakamoto's ruling and denied reconsideration after a hearing in January.

Jones said aside from the need for more hospital beds, Maui has a critical shortage of young physicians, many of whom won't work here

because of the poor conditions at Maui Memorial and the low insurance reimbursements to local doctors.

Asked for his vision for Maui, Jones said he would like to see a locally owned, community-based hospital with 300 beds. The facility would have an association with a medical school, developing a residency program for new physicians.

"We need to get young physicians here. . . . We're looking at the perfect storm coming up," Jones said.

The Maui Health Care Initiative Task Force is charged with determining the county's current and future needs; developing an integrated plan for health care, including primary, acute, long-term care and acute and emergency care, and proposing an appropriate role for facilities on Maui, Lanai and Molokai, within the statewide system of emergency and trauma care.

The task force is required to submit its final report, findings, recommendations, and necessary proposed legislation to the Legislature, the Maui mayor, and the State Health Planning and Development Agency before the start of the 2008 legislative session in January.

Individuals interested in the task force may access information at [www.shpda.org](http://www.shpda.org), which has a link to **Maui Health Care Initiative Task Force**, or at [www.maui longtermcare.org](http://www.maui longtermcare.org), click on News.

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