EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor Of Guam

AUG 30 2018

Honorable Benjamin J.F. Cruz
Speaker
I Mina'trentai Kuåttro Na Liheslaturan Guåhan
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

GL# 34-18-2286
Speaker Benjamin J.F. Cruz

AUG 30 2018
Time: 3:16 [ ] AM [ ] PM File No. 34-3040
Received By

Dear Mr. Speaker:

Pursuant to § 102 (e) of Chapter 1, Title 1, Guam Code Annotated, transmitted herewith is a copy of Executive Order No. 2018-11.

Senseramente,

EDDIE BAZA CALVO

2018 AUG 30 PM 4:27

2286

OFFICE OF THE GOVERNOR
HAGÅTÑA, GUAM 96910
U.S.A.

EXECUTIVE ORDER NO. 2018-11

RELATIVE TO DETERMINING THAT ONE HUNDRED PERCENT (100%) OF THE FISCAL YEAR 2019 GUAM MEMORIAL HOSPITAL AUTHORITY (GMHA) PHARMACEUTICAL FUND APPROPRIATION BE EXPENDED FOR GMHA OPERATIONS AS A DIRECT SUBSIDY AS AUTHORIZED BY PUBLIC LAW 34-116.

WHEREAS, Section 2, Chapter III of Public Law 34-116 states "Notwithstanding §§26208.2 and 26208.3, Article 2, Chapter 26, Title 11 GCA, *I Maga'låhen Guåhan* is authorized to determine that one hundred percent (100%) of the appropriation in this Section can be expended for GMHA operations in FY 2019 as a direct subsidy through the issuance of an Executive Order not later than September 1, 2018 stating such determination"; and

WHEREAS, this provision would allow the full amount of the Pharmaceutical Fund appropriation be used as a direct subsidy to the GMHA instead of what would normally have been a twenty-five percent (25%) earmark for such purpose with the balance of seventy-five percent (75%) earmarked as an appropriation to the Medicaid Matching Fund toward the payment of bills for services incurred by qualified Medicaid recipients at the hospital; and

WHEREAS, the normal earmark of funds for the accounts of Medicaid beneficiaries at GMHA, prescribed under federal law, is subject to contractual adjustments, which result in a significantly low reimbursement rate;

NOW, THEREFORE, I, EDDIE BAZA CALVO, *I Maga'låhen Guåhan,* by virtue of the authority vested in me by the Organic Act of Guam, as amended, do order:

1) Pursuant to Public Law 34-116, it is hereby determined that one hundred percent (100%) of the Fiscal Year 2019 appropriation from the GMHA Pharmaceutical fund shall be expended as a direct subsidy to the Guam Memorial Hospital.

SIGNED AND PROMULGATED at Hagåtña, Guam this 30th day of August 2018.



EDDIE BAZA CALVO
I Maga'låhen Guåhan
Governor of Guam