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From: Speaker's Office <speaker@guamlegislature.org>
Sent: Thursday, August 27, 2020 6:18 PM
To: Clerks Office
Cc: Rennae Meno
Subject: M&C Fwd: FY 2019 Citizen Centric Report
Attachments: FY 2019 CCR 08.26.20 yuka FINAL.PDF

08-27-20	5:48 PM	08-27-20	FY 2019 Citizen Centric Report.*	Guam Memorial Hospital Authority	35GL-20-2173

Sinseru yan Minagåhet,

Office of the Speaker • Tina Rose Muña Barnes
Committee on Public Accountability, Human Resources & the Guam Buildup

35th Guam Legislature
I Mina'trentai Singko na Liheslaturan Guåhan

Guam Congress Building | 163 Chalan Santo Papa | Hagatna, GU 96910
T: (671) 477-2520/1
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Gumai pribilehu yan konfedensia este siha na mensåhi. Solo espesiåtmente para hågu ma entensioña pat ma aturisa para unrisibi. Sen prubidu kumu ti un ma aturisa para manribisa, na'setbe, pat mandespåtcha. Yanggen lachi rinisibu-mu nu este na mensåhi , put fabot ago' guatu gi I numa'huyong gi as speaker@guamlegislature.org yan despues destrosa todu siha I kopian mensåhi. Si Yu'os ma'åse'.

---------- Forwarded message ---------
From: **Theo Pangelinan** <theo.pangelinan@gmha.org>
Date: Thu, Aug 27, 2020 at 5:48 PM
Subject: FY 2019 Citizen Centric Report
To: <speaker@guamlegislature.org>

Hafa Adai, Speaker Barnes:

In compliance with Title 1 GCA Ch. 19 subsection 1922(a), the GMHA's hereby submits its annual Citizen-Centric Report for Fiscal Year 2019. Your acknowledgement of receipt is greatly appreciated.

Please do not hesitate to contact us for any questions or clarifications.

Regards,

Theo M. Pangelinan

Administrative Officer

Guam Memorial Hospital Authority

850 Gov. Carlos G. Camacho Road

Tamuning, GU 96913

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GUAM MEMORIAL HOSPITAL AUTHORITY

Aturidåt Espitåt Mimuriåt Guåhån



FY 2019
CITIZEN-CENTRIC REPORT

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BOARD OF TRUSTEES

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Compliance Officer
Dr. Dustin Prins
Medical Staff President

WHO WE ARE

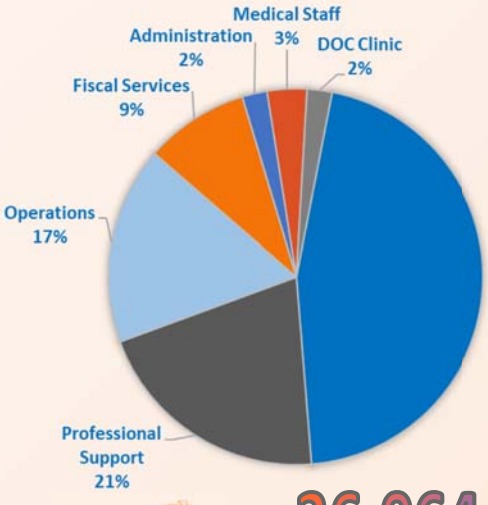
"Providing quality patient care in a safe environment."

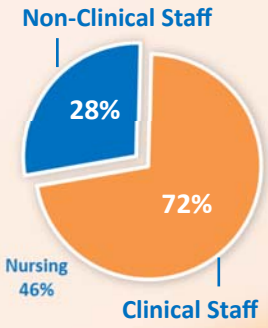
The Guam Memorial Hospital Authority (GMHA), was created by Public Law 14-29 in 1977 as a Government of Guam autonomous agency. The hospital provides acute, outpatient, long-term, urgent care, mother and child health, and emergency care treatment and serves as a "safety net" hospital for every individual, regardless of one's coverage or ability to pay. The hospital has 161 licensed acute care beds and 40 long-term care beds at its Skilled Nursing Unit. GMHA's operating revenue sources are primarily from Medicare, Medicaid, Medically Indigent Program (known as 3M's), and other commercial insurers.

OUR TEAM - Full Time Equivalents (FTE)

	FY 2017	FY 2018	FY 2019*
Total FTE Count	1,001	947	1,025
Budgeted FTE Count	1,234	1,232	1,265
Total Personnel Costs	$81 M	$69 M	$79 M

*Major efforts were exerted in FY 2019 to recruit nurses, allied health professionals, as well as non-clinical staff.







36,064
FY 2019 Patient Census
From 32,211 in FY 2018



2,440
BIRTH CERTIFICATES
From 1,693 in FY 2018



151
DEATH CERTIFICATES
From 142 in FY 2018

VISION STATEMENT

To achieve a culture and environment of safety and quality patient care meeting national standards and addressing the needs of the community in a fiscally responsible, autonomous hospital.

STRATEGIC GOALS

- Achieve Financial Stability
- Leadership Team Development
- Establish and Sustain Safety & Quality Culture
- Training and Education Assessment & Implementation
- Capital Improvement, Planning, and Implementation

CORE VALUES

(ACES+Q)

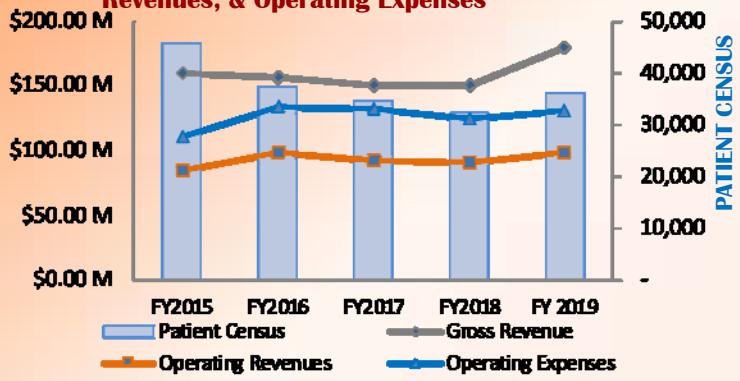
Accountability,
Cost efficiency,
Excellence in service,
Safety +
Quality



ACHIEVING FINANCIAL STABILITY

In January 2019, the Centers for Medicare and Medicaid Services (CMS) approved GMHA's request to rebase, or update its base year cost per discharge, retroactively to October 1, 2013. GMHA's base rate was over 20 years old and did not reflect current costs of delivering patient care. Medicaid and Medically Indigent Program (MIP) payments are also expected to increase because they mirror Medicare payment methodology. Despite the rebasing, GMHA is still reimbursed less than the cost of discharge. In 2019, the cost of discharge was $15,246, while the reimbursement was $11,117, which means additional rebasing is needed to close the gap.

Patient Census, Gross Revenues, Operating Revenues, & Operating Expenses





LEADERSHIP TEAM DEVELOPMENT

137 GMHA leaders (Hospital Administrator/CEO, associate administrators, division managers, department supervisors, and other staff) attended the "Leadership in Action" training sessions in July, August, and September 2019.

TRAINING & EDUCATION ASSESSMENT & IMPLEMENTATION

Educational programs provided in FY 2019 included:

- Sexual Harassment and Discrimination
- Safety Fair
- Billing and Coding
- Safety Learning System
- Quality and Performance Improvement (QAPI)
- Board of Trustees Orientation

CAPITAL IMPROVEMENT, PLANNING, & IMPLEMENTATION

COMPLETED

- Medical Transport Vehicle Procurement
- Skilled Nursing Unit Upgrade of Network Connectivity & Phone System Replacement
- Endobronchial Ultrasound Machine
- Energy Efficient Perimeter & Parking Lot Lighting
- Mammography Program Equipment, Supplies, & Certification

ONGOING

- Maternal & Child Health Unit Equipment, Fixtures, Furnishings, etc.
- Upgrade of Elevator #1 & #2
- 64-Slice CT Scanner
- IBM Power-9 Servers
- Hospital-Wide Network Infrastructure Upgrade
- Air Handling Units Replacement
- Pyxis Pharmaceutical System

NOT STARTED

- Main Electrical Distribution Panel
- Electronic Health Record
- Roof Upgrade
- Skilled Nursing Chiller System
- Communication Center Relocation
- 1.6 Megawatt Generator
- Steam Boiler System
- GMHA Parking Lot Expansion
- Family Birth Center
- Z-Wing Demolition



SUSTAINING SAFETY & QUALITY CULTURE

GMHA's responses to three on-site surveys in February, April, and August 2019 were approved by the Centers for Medicare and Medicaid Services (CMS).

16 hrs. 55 mins. Average Time of Patient Holding in Emergency Room **(Goal < 4hrs.)**

93% Radiologist Reports Turn-Around w/in 24 hrs. **(Goal 90%)**

99% Transmission Based Precaution Compliance **(Goal >95%)**

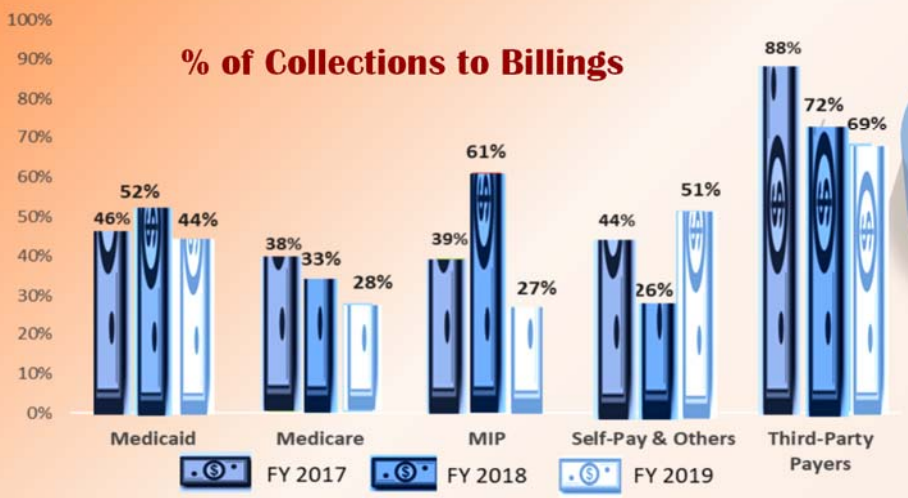
.09% Medication Errors **(Goal <1.0%)**

97% Hand Hygiene Compliance **(Goal 100%)**

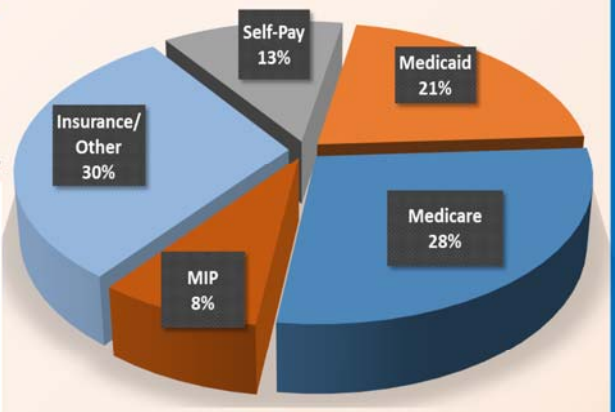
REVENUES

Operating Revenues:	FY 2019	FY 2018	FY 2017
Net patient service revenue (net)	$99.1 M	$87.1 M	$88.2 M
Other operating revenues:			
Cafeteria food sales	$0.4 M	$0.4 M	$0.4 M
Other revenues	$0.8 M	$3.0 M	$3.6 M
Total Operating Revenues	$100.3 M	$90.4 M	$92.2 M
Non-Operating Revenues	$38.8 M	$24.6 M	$25.4 M
Capital Grants and Contributions	$1.0 M	$5.8 M	$1.0 M
Total Revenues	$140.2 M	$120.7 M	$118.6 M

In FY 2019, GMHA increased its net patient revenues by $12.0M to $99.1M compared to FY 2018's $87.1M. This increase was attributable to growth in both inpatient and outpatient census, the annual 5% rate increase, new fees, and higher Medicare reimbursements due to rebasing.



FY 2019 Payer Mix



EXPENSES

FY 2019 operating expenses increased by $7.1M primarily due to increases in fringe benefits of $6.3M from changes in pension expenses, contractual services of $3.9M, and supplies and materials of $3.5M. The increases were offset by a $10.0M decrease in retiree healthcare costs from other post-employment benefits expense.

Operating Expenses:	FY 2019	FY 2018	FY 2017
Nursing	$62.1 M	$55.2 M	$54.3 M
Professional Support	$30.7 M	$26.0 M	$28.9 M
Retiree healthcare costs and other pension benefits	$6.3 M	$16.3 M	$17.4 M
Administrative Support	$14.7 M	$12.3 M	$12.9 M
Fiscal Services	$8.6 M	$6.2 M	$9.0 M
Depreciation	$3.5 M	$4.0 M	$5.4 M
Administration	$3.6 M	$2.9 M	$3.4 M
Medical Staff	$0.9 M	$0.8 M	$1.0 M
Loss on impairment of building	$0.4 M	$0.0 M	$0.0 M
Total Operating Expenses	$130.8 M	$123.7 M	$132.3 M



FY 2019 FINANCIAL AUDIT

An independent audit report of GMHA's FY 2019 financial statements prepared by Deloitte & Touche, LLP resulted in a clean audit opinion with a going concern emphasis due to recurring losses and negative cash flows from operations. The Office of Public Accountability released GMHA's financial audit on June 28, 2020. You may obtain more information and view the audit in its entirety on our website at www.gmha.org.



STRUCTURAL ASSESSMENT

To address GMHA's long-standing structural issues, Governor Lou Leon Guerrero obtained assistance from the U.S. Department of the Interior to fund an onsite facilities assessment of the hospital. The results of the assessment will be used to estimate the cost of renovating and modernizing the hospital and/or constructing a new facility in compliance with healthcare accreditation standards. In November 2019, architects and engineers from the Army Corps of Engineers (ACOE) found the hospital had major items of concern. The team concluded that the hospital was in an overall state of failure due to age, environmental exposure, lack of financial resources to support pre-planned capital infrastructure replacements, and lack of previous facilities design adherence to building codes. The ACOE recommended the replacement of the existing facility and immediately repair critical life safety items with an estimated cost of $21.0M. GMHA is beginning the work on the immediate repairs needed, including repairs to the existing roof and HVAC (heating, ventilation, and air conditioning) system and demolishing the Z-wing. Along with federal grant funding, Governor Leon Guerrero has pledged her support to explore all avenues to fund these repairs.

IMPROVING REVENUE CYCLE MANAGEMENT (RCM)

GMHA is considering an evaluation of its RCM to address perennial cash flow issues. RCM involves a comprehensive and intense financial process of managing the overall claims payment for inpatient and outpatient hospital services. RCM is an extremely critical function of a hospital for medical billing, coding, reimbursement, and revenue enhancement. GMHA is also exploring how to reduce billing errors, claim rejections, and denials with claims scrubbing software and tools.

WE WANT TO HEAR FROM YOU!

Was this report helpful? Would you like to see other information? Please let us know by contacting Yuka Hechanova @ (671) 647-2555 or by email at yukari.hechanova@gmha.org. For additional information, visit our website at **GMHA.ORG**

COMPLETING THE EHR TRANSITION

GMHA is continuing the transition from its existing electronic health record (EHR) platform to Medsphere CareVue throughout FY 2020.

CAPITAL IMRPOVEMENT PROJECTS

While many capital projects remain unfunded, several CIP projects are ongoing in FY 2020, including grant-funded projects, i.e., energy efficient parking lot lighting project, mammography program, 1.6 megawatt generator acquisition, HVAC upgrades, and communications center relocation.

PURSUING ACCREDITATION

Although GMHA lost accreditation with The Joint Commission (TJC) in 2018, GMHA management agreed and decided to explore reclaiming accreditation, including looking at other accrediting organizations that are primarily based on CMS conditions of participation, which are more aligned with GMHA's framework. The accreditation will validate GMHA's dedication and compliance with standards devoted to quality management, patient and employee safety, and continual improvement.

NEW & IMPROVED GMHA WEBSITE

GMHA will redesign its website and build a better experience for patients and staff.

RESPONDING TO COVID-19

Prior to Governor Leon Guerrero declaring a state of emergency for Guam in response to global and national health emergencies with regard to COVID-19 in March 2020, GMHA mobilized to prepare the Skilled Nursing Facility in Barrigada as the COVID-19 isolation facility. When GMHA was designated as Guam's only COVID-19 care facility, the hospital activated the GMHA incident command center. Activities were implemented to screen and test patients and employees, keep all employees safe by emphasizing infection control protocols, and procure supplies and equipment with a focus on personal protective equipment.