



Board of Trustees
Commonwealth Healthcare Corporation
Commonwealth of the Northern Mariana Islands
1 Lower Navy Hill Road Navy Hill, Saipan, MP 96950



CHCC Board of Trustee Regular Meeting
Thursday, April 26, 2018 at 5:30 pm in Conference Room #3

Present:

Lauri Ogumoro, Chair /David Rosario, Vice-Chair/Leticia Reyes, Trustee/William Cing, Trustee – via phone/Nancy Gottfried, Legal Counsel/Esther Muna, CEO/Derek Sasamoto, CFO/Chavel Green/Krishna Senbangiol/Warren Villagomez/John Tagabuel/Trinidad Diaz, Recorder/Media: Brian Manabat

- I. Called to Order at 5:33 pm.
- II. Quorum was determined
- III. Motion to approve Agenda was made. Was seconded. Agenda approved without amendment.
- IV. Approval of Minutes:
 - March 1, 2018 Minutes – Motion to adopt Minutes of March 1, 2018 was made. Was seconded. Adopted without amendment.
 - March 7, 2018 Minutes – Motion to adopt Minutes of March 7, 2018 was made. Was seconded. Adopted without amendment.
 - March 27, 2018 Minutes – Motion to adopt Minutes of March 27, 2018 was made. Was seconded. Adopted without amendment.
- V. Motion was made to move to Executive Session. Motion was seconded. Meeting moved to Executive Session. Executive Session started at 5:40 pm; adjourned at 6:20 pm.
- VI. Public Comments: None at this time
- VII. Reports: A. Management & Operations: Health Advisory Committee Report (HAC) – The Health Advisory Committee held a meeting on April 17, pursuant to PL 19-78. Members of the HAC consist of the Medical Director, Nursing Director, CEO, CFO, and Resident Directors of Tinian and Rota. Key area of discussions: Nursing-Hospital side: Foreign workers/non-immigrant classification – Two EB2 – clinical scientist/clinical lab supervisor; 28 EB3 - from ancillary services, based on qualifications. The processing will be funded from the funding received from SNILD. There are Licensed Practical Nurses who do not qualify for EB2, but will be processed as EB3, as well as the Hospital Quality Risk Coordinator and Utilization Review Case Manager. EB2 – Nurse Manager, Nurse Supervisor – Staff Nurse is presently being processed as EB3 but will try to apply for EB2. Trustee Cing asked the CEO if we are hiring the NCLEX passers, and she replied yes. The graduate nurses who pass the exam have been converted to RN. All those who qualify are encouraged to take the exam with support from the staff.

Medical Staff Report: Continue to make progress in recruitment and retention of the following positions to attract candidates. For FY18, 50 FTE positions have been filled, 19 remains vacant for physicians and mid-level providers. Vacant positions are being filled by hiring temporary physicians (Locums) that stay three to six months. There is currently one psychiatrist that helps the IMs remotely and charges a reasonable fee, who will eventually be used as a tele-psychiatry. The manpower we currently have is as follows: Intern Medicine (Hospitalists) - six (6) with two (2) vacant; Internal Medicine (Outpatient) - three (3) with two (2) vacant; Emergency Medicine - four (4) with two (2) vacant; General Surgery – two (2) with one (1) vacant, and one (1) Locum

providing services at present time; OB/GYN – four (4) with one (1) vacant; Pediatrics – six (6), fully staffed; Mid-level PA – nine (9), fully staffed; Nephrology – one (1) with one (1) vacant, and one (1) Locum providing services at present time; Anesthesiologist – three (3) with one (1) vacant; General Dentistry – one (1) with one (1) vacant – also provides services to Tinian and Rota; Gastroenterology – one (1) currently works two (2) weeks on and two (2) weeks off; Pathologist – one (1); Podiatrist will have on staff soon. For specialty physicians they are the hardest to recruit as they need higher salaries, but with their recruitment it will reduce off-island medical referral cost tremendously. Starting Summer of 2018 the following Locums are going to be here for a trial run: ENT Surgeon – one (1) will be here for six (6) months; Orthopedic Surgeon – two (2) will be here for two months each; Cardiology – one (1) will be here for one (1) or two (2) months; Oncology – none at this time.

Recruiting – salary and incentives are still barriers in recruiting from a good pool of candidates; incentives to consider for new hires; shipping of household goods; 5 days of paid CME, and sign on bonus based on years of commitment and hard to recruit; right now we hire Locums from agencies to fill vacant positions temporarily, but is costly; current incentives are, 30 days lodging and auto use.

Retention – FY19 budget proposal includes graded salaries and renewal bonuses. Nursing support – CW issues – will move towards EB-2 or EB-3 Visas; more Providers are arriving during the summer and fall, which requires nursing support in outpatient clinics and operating room; these providers generate revenue, without nursing support it is not possible to expand.

Equipment upgrade: Funding for equipment upgrade, in both outpatient clinics, and especially in the OR for the surgical specialty services is needed; looking to expand the OR for additional suites; looking to see how to adjust the Wellness Clinic area to add on more exam rooms; renovation of the Dental Clinic; and possibly renovation of the L&D. Procurement process has to be improved so that vendors owed shall be timely paid, so that services will not be disrupted. Facilities upgrade: this hospital is old, therefore cosmetic improvements in the main areas is necessary; many of the patient rooms are in despair; families of patients remove items from the room at discharge. Trustee Cing inquired about the Outpatient Pharmacy – doing really well with about a hundred (100) refills a day.

Interisland Medical Staffing: It is agreed that Budgeting should be included in the Medical Staffing Budget; Requesting for three (3) FTE for Rota – family medicine or urgent care experience, no mid-level provider; and three (3) FTE for Tinian – two (2) family medicine or urgent care experience, and one mid-level provider. Trustee Cing questioned why Rota gets three (3) doctors and no midlevel provider, while Tinian has one midlevel provide and two (2) doctors. It will be discussed with Dr. Tudela that Tinian is requesting for three (3) providers, same as Rota.

Met with CUC – asked for two (2) weeks to reconcile with us. Once numbers are agreed on, an agreement will be made. It was agreed that old agreement is no longer in effect. The Net Metering Agreement is still in effect, only the dates will change. Outreach for Diabetes Program - we should reach out to Kagman and Hart Eye Clinic - already have a contract with CHCC.

A copy of CEO's presentation as a member of the Regional Health Committee with PIHOA that was presented at the Micronesian Islands Forum will be forwarded to the Trustees.

B. Financial Statement: FY18 as of March 31, 2018: a detailed summary listing of all federal grants for the current year were emailed to the Trustees. Current expenses as of March31, 2018:

Personnel expense - \$19.688 million, balance of \$31.346 million; operations expense – \$21.9 million spent \$9.52 million; obligations expense of \$4.156 million - \$13.6 million. Total budget \$72.9 million - a total expense of obligation \$33.36 million – balance of \$39.59 million.

Revenue vs. Expenses: Saipan - \$25.7 million in revenue; \$27.54 million expenses and obligation of \$4.08 million equals deficit \$5.84 million; a transfer of \$2.5 million to CHCC was received bringing the total revenue to \$28.3 million. Tinian - \$159,132 in revenue; \$827,299 in expenses and obligation of \$36,273 equals deficit \$704,440. Rota - \$108,566 in revenue; \$806,572 in expenses and obligation of \$36,442 equals deficit \$764,576.

Revenue Center: Saipan at 97% with Tinian and Rota at less than 1%. Sources: Insurance at 75% totals \$19.848 million; Hospital at 18% totals \$4.7 million; appropriations at 4% totals \$1.07 million; all others at 3% totals \$741,620.

Expense Allocation – Personnel \$19.6 million; medical supplies \$1.6 million; CUC \$1.6 million; Repair and Maintenance \$396,000; Cleaning services \$869,000; equipment \$175,000; food items \$203,000; others \$806,000.

Uncompensated cost as of March 31, 2018: Total for the year is \$9.7 million consistent with \$1.6 million a month as reported in January, 2018.

Appropriations Update as of April 20, 2018: PL20-11 Out of the \$708,311 unrestricted funding only \$409,090 has been received; Compact Impact funds of \$919,916 restricted funds – have not received this to date; Tobacco Settlement funds \$655,069 restricted funds have received \$93,273. SLL20-19 – \$2.373 million restricted funds for the purchase of medical equipment that were identified - \$913,853 has been obligated with available balance of \$1.459 million. PL20-32 Tobacco Control restricted funds is \$2.531 million – have not received any funds to date. Appropriation was based on the projection for this Fiscal Year, but as of March only \$324,000 was available. Public Health programs are developing plans to justify the funds needed. PL20-42 Supplemental Gross Revenue Tax \$2.750 million - appropriated \$2.5 million to CHCC – for uncompensated care – unrestricted funds which has not been received to date; \$250,000 restricted funds for Electronic Health Records.

Total amount received from 72 different Grants for FY18 is \$20,950,410.91. They are as follows: DPH - \$7.375 million; PHEPP - \$2.059 million; WIC - \$2.956 million; KCHC - \$1.166 million; CGC - \$5.440 million; DOI/CNMI - \$810,000; Private Grants - \$1.142 million.

Single Audit 2016 – Draft report was issued in April 2018; Single Audit 2017 – trial balances and schedules have been provided; start date is in May, targeted completion date of June 30, 2018.

C. CHCC Budget: Will make some changes to include recruiting, etc. Will also discuss at length at another time.

D. Malpractice Insurance: An RFP was issued to get proposals for Malpractice Insurance. The language on the RFP was broad letting the interested companies to submit proposals or suggestions that they want to provide at different levels – whether it is to cover some doctors, high risk doctors, or all doctors. There were no proposals received. The Procurement Director issued a memo stating the same. A copy of this memo was then forwarded to the Assistant Attorney General handling the Elameto case, and was reported to the Court as well.

E. CMS & ECRI Dashboard Update: The February report came back and a March column was added. Green turns to Black that are closed. Some are Red: Signs – pictures sent to ECRI – after review will change to green. Morgue – AC and exhaust fan were being serviced – this was cited; exhaust fan uploaded to ECRI – will change to green. Pharmacy – equipment need to be in compliance are on the way – still ongoing, can be changed to green. Generator Room Door – purchase order has been signed, awaiting its arrival from Guam – green. Security Chief – two new security started their employment; infant abduction – drill was conducted in late February; Airport drill – emergency department was evaluated for efficiency – evaluation will be sent to ECRI to be added as Preparedness; Active Shooter drill pending. Risk Assessment was done – Psych Unit; Emergency Department; next will be Pediatrics Unit – green. OR pavement was completed. Fire door – recommended that a short course be taken before the pre-test for certification of person selected. Infection Control Policy – was signed and uploaded to ECRI which was a requirement. Physical Environment Dashboard – 90% has been completed.

VIII. Old Business: A. Report on the Solar Project: After the Board's approval of the Solar PV Project a contract was signed by the vendor on March 20, 2018 agreeing to the terms of the payment plan. The letter of award was held back due to Section 106 of the NEPA requirements. Division of Fish and Wildlife permit was received on April 2; Coastal Resources Management issued its clearance as to the coastal reserves impact on April 17; CUC issued a letter of determination for the Flood Plain clearance; On April 19, a letter to request approval to release the letter of award upon approval was sent to Krystina Borja and Tran Uyen; The second phase of this project is dependent on the result of the grant application that will be submitted to the Grants Office. No definite amount is being proposed at this time. The proposal being submitted will be based on the 170 kw proposal. Working with the Governor's Grants Office to identify other available grants that we can avail to complete this and other projects.

B. To vote and approve CEO Evaluation Tool: The tool was discussed during Executive Session. Chair Ogomoro moved to accept and utilize the American Hospital Association Evaluation Tool. Was Seconded. A majority of the Trustees voted to approve the Evaluation tool. Evaluation tool was approved as is.

IX. New Business: To vote and Approve Application for Privileges: Privileges will be affirmed if a majority votes in favor. New Applicants: 1) Dr. Emily Cedarbaum, Resident- Majority voted for approval. Privilege approved. 2) Dr. Nadia Zafar, Resident – Majority voted for approval. Privilege approved. 3) Dr. Bogdan Chumak – Majority voted to defer his Privileges pending Licensing Board. Privileges deferred.

B. FQHC Report: Tinian and Rota: Rota - FQHC Look-A-Like application is preferable at this time for Rota Health Center. Tinian – Have options available with an interest in applying for a Look-A-Like as well - with the opportunity to qualify for the 340 B Program. Rota also wants to proceed with what is now in place and to submit an application.

C. CHCC Strategic Plan Update: The Strategic Plan that was implemented in 2015 needs to be revisited by the staff and see what needs to be changed or updated. A date will be set where the Trustees can participate in the discussion. This will be set for a month from now.

X. Announcements: Next meeting will be held on Thursday, July 19, 2018 at 5:30 pm.

XI: Adjournment: Adjourned at 8:15 pm