



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 Trustees Regular Meeting
Thursday, October 18, 2018 at 5:30 pm Conference Room #3

Present: Lauri Ogumoro, Chair/David Rosario, Vice Chair/William Cing, Trustee (via phone)/Esther Muna, CEO/Derek Sasamoto, CFO (via phone)/Nancy Gottfried, Legal Counsel/Chavel Green/Halina Palacios/Kaitlyn Neises/Tiffany Sablan/Krishna Sebangiol/Trinidad Diaz, Recorder/Marcia Calvo

Absent: Dr. Lorenzo Hocog

I. Call to Order at 5:30 pm.

II. Determination of Quorum – Quorum determined.

III. Approval of Agenda – Motion was made to approve Agenda. Was seconded. Agenda approved.

IV. Adoption of Minutes – Minutes from July 16, and 19, 2018, and Minutes from August 2, and 9, 2018 meetings – It was motioned and seconded to approve listed Minutes. Listed Minutes approved without amendments.

V. Public Comments – Marcia Calvo, from Calvo’s Insurance aired concerns about the fee schedule being too high than what other providers are providing here, Guam and Hawaii. Stated their worries of increasing their fees would lead to loss of subscribers.

VI. Reports: A. Management & Operations: For the Healthcare Advisory Committee – an update to the weekly report that are being sent to the Board. Medical Staff Housing – there are a lot of Locums coming on board and the lodging expense is getting very expensive, which is sometimes unavailable. Will be hiring a Neurosurgeon from Guam – Dr. Winegarden who will be doing clinics here once a month; will bring his own team; still working on a contract. Nursing: the OB/Nursery is seeing an increase in census – extra deliveries and a lot of surrogacy. Customs contacted CHCC regarding a package containing sperms coming in from China. According to the Attorney General, as long as it has FDA clearance it is fine. There are no federal laws against surrogacy, it varies from state to state – lack of local law here is being taken advantage off. Therefore, the need for additional nurses.

Tinian Health Center: Military expansion phase 1: morgue expansion and the need to purchase a new freezer; the waiting area - completed. Red Cross donated a container - renovated to be part of the storage. Mayor of Tinian donated a washer and laundry soap; Municipal Council donated wheel chairs. Rota Health Center: Generator from FEMA still being used – purchase to be included in the mitigation. Inter-Island Medical Referral (ISMR): still has problems; legal issues – mainly no definition on who should be the recipient of the stipend– for Rota only (funding from the Rota Delegation). Sealant Program – third thru sixth graders will start next month.

Hospital Compliance: ECRI contract amendment will be done in October – will conduct continuous monitoring. There is still no confirmed date on when CMS will be here for the survey. Suggestion was made that an orientation on the policy and procedures be done, so that everyone understands; to keep being in compliance. Supply Management Issues – lack of centralization; memo to be sent to unit managers stating that Priscilla is the contact person – should there be a need to prioritize or expedite to contact her directly. Perry Point Account – have been reinstated. Should be able to receive federal (GSA) pricing – no need for more than one quotation. Daily Census – Patients: hospital continues to be full – most are NCDs (chronic disease). Readmission rate is still within standard.

Public Health was awarded HRSA State Oral Health Workforce Activity Grant – the school sealant program for Rota and Tinian; HRSA Family to Family Grant was also awarded – for families of children with special health needs. The school sealant and fluoride varnish program started. Report from July to August shows 372 patients with hypertension by ethnicity – 170 of those seen were Chamorro.

CGC: The TLC program has expanded to include long term patients with the help of Dr. Chung. Progress with these patients are going well.

FEMA/SAMHSA Support: Immediate Service Program application was completed to include the Crisis Counseling Services on Saipan, Tinian and Rota in response to typhoon Mangkhut – have not received word from them yet.

B. Financial Statement FY18: FY2018 as of September 30, 2018 – Operations: Personnel budgeted at \$50.9 million – expended a little over \$37 million. Operations budgeted at \$21.8 million – expended \$18.8 million. Obligations at \$4.36 million – over stated by \$1.5 million – adjustments are being made at this time.

Cash Flow: FY18 as of September 30, 2018- Revenues: Saipan just under \$56 million – expended \$53.6 million. Tinian: \$243.9K with some Medicaid revenue – expended \$1.58 million. Rota, a little under \$200K – expended \$1.59 million. Saipan has a positive cash flow of \$2 million; Rota and Tinian – negative cash flow of \$2.7 million combined.

Revenue Breakdown: 2017 - \$4.3 million monthly average. 2018 \$4.6 million monthly average. Uncompensated care costs – as of September 30, 2018 \$18.329 million was incurred – averages \$1.52 million a month – last quarter averaged \$1.6 million. In patient has the biggest amount for uncompensated care.

Appropriation: PL 20-11 – FY18 Appropriation Act – still being owed \$65K; Tobacco Settlement still owed \$288K. SSL 20-19 – Received and expended full amount. PL20-23 - \$2.5 million for CHCC – received \$1.4 million. PL 20-42 - \$2.5 million for uncompensated care and \$250K for Electronic Healthcare Records System – all amounts received. PL 20-58 – no changes. PL 20-61 no changes as well.

Single Audit: FY17 still on-going – anticipated completion is at the end of December. MPLT: Documents are still routing. Agreement finalized for a five-year amortization to start on November 1, 2018. CUC – still awaiting CUC's response on PL 18-71 which mandated to credit CHCC \$3.261 million for past bills. To date CUC has not challenged this law. The Budget Act also states that CHCC will not pay OPA the mandatory 1% fee as well as all the autonomous agencies, but instead will pay to CUC on behalf of CHCC past due bills. Trustee Rosario suggested that Nancy draft a

letter to the Legislature and to copy the Governor stating that CUC Is not meeting their obligations on PL 18-71 and the 1%. As for the Single Audit, Finance agreed to pay for the 2018 and 2018. Contract not signed at this time.

C. CHCC Budget FY19: FY19 is now ongoing. FY2020 Budget – reached out to the Corporate Officers to start preparing their budgets. Hopeful to be done by January. There were no changes on the FY19 Budget.

D. Malpractice Insurance: The Elameto case was what caused the Government Liability Act to be questioned. CHC has settled its portion of this case. Agreement has been executed. CHC is no longer a part of the case, however, there is still a case against Dr. Ramsey which is proceeding in reference to the Government Liability Act. There were three cases that were settled – Elameto, Borja and Lim. Waiting for the ruling on the Government Liability Act.

E. CMS & ECRI Dashboard Update: Three dashboard updates – outstanding issues: additional meeting with ECRI so that continuous monitoring be done. September: yellow- upkeep of the fire doors; parts are ordered, some are here, some are on the way; 70% done – once remaining parts arrive it will be completed – staff are fully trained to so the service – should turn to green. Regulator – have been shut down the oxygen system – working with contractors to complete the process. Radiology – removed obsolete equipment that were being stored to storage. Contract Indicators – will be sent to the CEO in the QAPI November report.

September new CoPs: Cathy – all green; Pat – some red (not in immediate jeopardy) – three new indicators have not been put in place – need to attend MEC meeting – Radiology Director is in Guam – a challenge for a meeting to take place – he should attend meeting with the other providers. Radiology – old film, discuss how it will be transported. Bylaws – new revised bylaws will be sent out. Improve Service – a new desk will be put in the Triage area – still pending. Mock Survey – in process. OR – log-still working on it, all there except 2015 – water damaged. ECRI commented that everything is being done will – were assured that should CMS arrive there should not be a problem.

F. QAPI Report: Third Quarter Data on HIPPA, Hospital Quality Control, Infection Control, Public Health and Utilization Review. HIPPA: based on random audits throughout the month the following sections are at a 100%: Women’s Clinic, Children’s Clinic, NICU, L&D, ICU, Emergency Room and OR. Places where minor violations, such as open patient files, have been found are as follows: Medical, Surgical, OB, Family Care, Pediatrics and Psychiatric Unit. Compliance inspection is done every other day – especially after the weekend. This is done in high census areas.

Hospital Quality: diligent efforts made to make sure program reports are submitted on time now stands at 92.13. Mortality Review: rise on death on arrivals now at 10 – July being the highest. Chart review is being done on deaths that occur. Incident Reports totaled 29. Infection Control: in July there were three device associated Hospital Acquired Infection (HAI) which had to be reported – none for August and September; three surgical side infections (procedure related); Multi Drug Resistant Organisms – one in July, none in August and September; others – one in July and September. Hand Hygiene at 99.4% based on random audits. Transmission Based Precaution – working on bringing to 100%.

Public Health: Working on the new indicators that was used in the accreditation support initiative for this year. Hypertension project closed in July – awaiting quality improvement plan to be approved by the Quality Council for Public Health; CMS Quality Reporting – required reporting by CMS; Merit Base Incentive Program – Medicare patients – needs six providers to fulfill requirements, but upon

review only four were eligible – MIPS team to meet to discuss strategy for 2019. Meaning Use system has been updated.

Utilization Program: review of patients who were admitted: ICU – inpatient 88.6% - observation 11.4%; Pediatrics NICU – 82.6% inpatient – observation 17.4%. Readmission rate – general readmission 7.5%; Medicare readmission 17.3%.

ESRD: Update – 131 patients – have three additional PD patients. Transplant – working with Queens Medical Center in Honolulu – will have another meeting in November.

VII. Old Business:

A. **Chargemaster – Charge Description Master (CDM)** list of billable services to patients or healthcare insurance providers. Components: contains number assigned to each facility; healthcare common procedure coding system code; items description; charge amount; and modifiers. Role: how providers communicate medical bills to payers and patients; tools to track service volumes, costs and revenue. Maintenance: to prevent revenue leakage; revisions result from new testing, procedures, or services correction and regulatory updates. 2019 Pricing Models – there are three models to discuss. Payments and billings from Medicaid, Medicare and VA are not reflected as they pay on specific pay schedule. The Three Models: Model 1 – increase will be 5% to 10%; Model 2 – increase will be 10% to 15%; Model 3 – increase will be 15% to 20%. Dental and non-clinical fees will remain. After much discussion, a motion to approve Model 1 was made. Was seconded. Model 1 was approved. Will be submitted to the Attorney General’s Office to be published in the Commonwealth Register.

B. **Update on Telemedicine & Telepharmacy for Tinian Health Center:** Telehealth – telecommunications technology to support long-distance healthcare. Goals: to improve access on healthcare before or after care; to improve quality care and outcome. Modalities – how need is assessed for telehealth: current programs for provider to provider consultation: Teleneurology Pilot through UCSF; Intermittent Teledermatology at FCC; future plans: Cardiologist and Project ECHO. Direct Patient Consultation – Shriners want to expand services – still working with them to identify expanded services. Telepsychiatry is being done for Tinian and Rota – overall feedback from patients are positive. Telepharmacy is to start as soon as the grant is received, no selection has been made to date. The amount requested is more than \$140K for the software and hardware needed for the first three years. License application has been submitted to HCPLB as well as the applications for Tinian and Rota. Policy and Procedures are being drafted.

C. **Draft Legislation –** A motion to move the discussion on draft legislation to another time was made. Motion was seconded. Draft legislation to be discussed at another time was approved. On voting – Vice Chair Rosario and Trustee Cing voted yes – Chair Ogomoro voted no.

D. **CHCC/CUC Meeting & Payment Schedule –** Was discussed in part in the Financial report above. Will be rescheduled.

VIII. **To vote and approve Application for Privileges:** Privileges will be affirmed if majority votes in favor: New Applicants 1) Dr. Mary Bellama, Dentist – privileges approved for two (2) years; 2) Dr. Ashebir Chekol, Internal Medicine/Locum – privileges approved for three (3) months; 3) Dr. Hima Yalamanchili, Internal Medicine/Locum – privileges approved for six (6) months; 4) Dr. Nellie Pardo, Internal Medicine – privileges approved for two (2) years; 5) Dr. Kim Mung, Dentist (Seventh-Day Adventist) – privileges approved for two (2) years to use OR facility; 6) Dr. Peachy Piana, Radiologist (GRC) privileges for two (2) years to do readings for our Radiology Department; 7) David Knabel, PA for FCC – privileges approved for two (2) years; 8) Branden Heath, PA for ER – privileges approved for two

(2) years; 9) Emily Darr, NP for THC – privileges approved for two (2) years; 10) Dr. Ali Ghellai, General Surgery/Locum – privileges approved for two (2) months
Renewal Applicants: 11) Dr. Angelica Sabino, Dentist – privileges approved for two (2) years; 12) Dr. Elizabeth Kohnen, Internal Medicine - privileges approved for one (1) year; 13) Dr. David Grauman, Internal Medicine – privileges approved for one (1) year; 14) Alexander Johanson, PA for ER – privileges approved for two (2) years. The Trustees requested that the Application for Clinical Privileges be filled out properly. There is a plan to revise this form. Trustees would like to see the revised form before being implemented.

IX. Executive Session: The Board may vote to meet in Executive Session to consult with Legal Counsel. The Trustees voted to move to Executive Session.

X. Announcement

XI. Adjournment 8:50 pm.