



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
Tuesday, September 14, 2021 @ 2:00pm
CHCC Conference Room 3

Present: Lauri B. Ogumoro, Chair/Edward Deleon Guerrero, Vice Chair/Polly Masga, Trustee/Corinne Santos, Trustee/Esther Muna, CEO/Perlita Santos, CFO/Subroto Banerji, COO/Stephen Anson, AAG/Trinidad Diaz

- I. Meeting called to order at 2:13 pm
- II. Quorum was determined with four Trustees present.
- III. A motion to approve the Agenda was made. Motion was seconded. Agenda was approved.
- IV. To discuss CUC's response to extension request: Because the MOU between CHCC and CUC was expiring, a letter was sent to request for more time, as well as to finish the discussion that was being held before the MOU was signed. Payments have been made faithfully and on time monthly. CHCC is looked at as a non-paying agency – issues with the rate has been discussed many times for adjustment to be made which continues to collect penalties. The request was denied by CUC.

A Hearing was conducted today at the Legislature – Senator Hofschneider introduced a Bill to change the rate for CHCC from government rate to commercial rate. Bill will be sent to the Committee for discussion before it is formally introduced and assigned a Bill number.

CFO presentation: The balance of 9/30/2020 was the amount entered into the Settlement Agreement. This balance was not put into a settlement account. The balance continues to accrue a 1% penalty. The balance increased by \$4.2M - \$3.6 M in penalties - \$559K not covered by the Agreement of the \$219K monthly payment.

To date CUC has not applied credit of PL18-71 - \$3.2M; PL20-11 -\$1.5M; and payments applied \$1.1M = adjusted principle balance government rate \$18.7 M. Proof of payment for the SOF is available for PL 18-71; PL 20-11 is the 1% OPA fee.

The \$39M owed could be offset against the Medicaid local match from FY12 – FY17; local match is 45% which has not been received \$58.2M. Current monthly billing is \$280K – penalty is \$265K. Penalty is higher than actual consumption – penalty is added to the principle.

To address the past due: 1) offset against Medicaid local match 2) Legislated Relief, and 3) Settlement/Installment Plan. Had the commercial rate been applied, the balance will be \$27M, with all the payments applied balance should be \$6.8M.

V. Executive Session: A motion was made to move to Executive Session. Was seconded. Executive Session started at 2:55 pm. Moved out of Execution Session at 3:38 pm.

VI. Adjournment 3:38 pm.



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PRIVILEGED AND CONFIDENTIAL

CHCC Board of Trustee
Executive Session
September 14, 2021 @ 2:55 pm
Conference Rm 3

Present: Lauri B. Ogumoro, Chair/Edward Deleon Guerrero, Vice Chair/Polly Masga, Trustee/Corinne Santos, Trustee/Esther Muna, CEO/Perlita Santos, CFO/ Subroto Banerji, COO/Stephen Anson, AAG/Trinidad Diaz

- I. Call to Order at 2:55 pm
- II. Executive Session: Motion was made to move into Executive Session. Was seconded. Meeting went into Executive Session.
- III. Motion was made to move out of Executive Session. Was seconded. Meeting moved to regular session.
- IV. Executive Session adjourned at 3:38 pm.