

CHCC Board of Trustees

Minutes of October 10, 2024

Prepared by: Trinidad S. Diaz	Approved by: Board of Trustees
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Present:

Juan Babauta, Chair
 Mariah Barcinas, Trustee (zoom)
 Corinne Santos, Trustee
 Phyllis Chong, Trustee
 Esther Muna, CEO
 Perlie Santos, CFO
 Stephen Anson, AAG

Gallery:

Tiffany Crisostomo
 Eleanor Cabrera
 Jesse Tudela
 Warren Villagomez
 Grace Laxina
 Halina Palacios
 Lee Tenorio
 Martin Rohringer
 Trinidad Diaz

Absent:

Polly Masga, Trustee (excused)

Topic	Discussion	Resolution/Action
I. Meeting called to order	Meeting called to order.	Start time is 11:03am
II. Determination of Quorum	Four (4) Trustees present: Juan Babauta, Chairman; Trustee; Mariah Barcinas, Trustee (zoom); and Corinne Santos, Trustee; Phyllis Chong, Trustee	Quorum determined with four (4) Trustees present.
III. Approval of Agenda	A motion to approve the agenda was made. Was seconded. Without objection from the Trustees, the motion was approved.	Agenda approved.
IV. Approval of Minutes: August 8, 2024	A Motion to approve Minutes for August 8, 2024 was made. Was seconded. Without objection from the Trustees, the motion was approved.	Minutes for August 8, 2024 is approved.
V. Public Comments	No public comments received; No public present.	
VI. Credential and Privileges	<p>Credentials documents for each applicant were sent to all the Trustees for review.</p> <p><u>New Applicants</u></p> <ol style="list-style-type: none"> 1. Dr. Lisa Weber, Nephrology/Locum – without objections from the Trustees, Applicant is approved. 2. Brynna Lynch, Certified Nurse Midwife/Locum - without objections from the Trustees, Applicant is approved. 3. Dr. David Goodman, Surgery/Locum - without objections from the Trustees, Applicant is approved. <p><u>Renewal Applicants</u></p> <ol style="list-style-type: none"> 4. Dr. James Hofschneider, Internal Medicine/Oncology- without objections from the Trustees, Applicant is approved. 	<ol style="list-style-type: none"> 1. Privileges approved up to the expiration of Contract; expires 4/18/25. 2. Privileges approved up to the expiration of Contract; expires 4/21/25 3. Privileges approved up to the expiration of Contract; expires 1/24/25. 4. Privileges approved up to the expiration of License; expires 1/31/25.

	<p>5. Dr. Angelica Sabino, Dentist – without objections from the Trustees, Applicant is approved.</p> <p>6. Dohyun Kim, Physician Assistant – approved on condition: renewed License must be received before October 31, 2024 – should License not be received, privileges shall expire; without objections from the Trustees, Applicant is approved.</p> <p>7. Thomas Vasick, Physician Assistant - without objections from the Trustees, Applicant is approved.</p> <p>8. Christine Strong, Physician Assistant - without objections from the Trustees, Applicant is approved.</p> <p>9. Annie Trusso, Certified Registered Nurse Anesthetist – completed Fellowship, passed necessary exams - applying to expand her privileges as Interventional Pain Management; without objections from the Trustees, Applicant is approved.</p>	<p>5. Privileges approved up to the expiration of License; expires 4/30/25.</p> <p>6. Privileges approved up to 10/31/24; should License be received Privileges shall expire upon expiration of Contract; expires 11/5/25</p> <p>7. Privileges approved up to expiration of License; expires 3/31/26</p> <p>8. Privileges approved up to expiration of License; expires 7/31/25.</p> <p>9. Privileges approved up to expiration of License; expires 6/20/26.</p>
<p>VII. Review & Approve Chargemaster Fee Edits</p>	<p>-Majority of the fees presented are for new services; three revised due to some changes in the Medicare rates; some are new charges for additional services for Neurosurgeon; new services for pain management; some services were increased in line with the Medicare rate; other are for new procedures. Rates are for Professional services, does not include facility rate which is incorporated into the Medicare Cost Report.</p> <p>-Rates are compared to the market rate – use Medicare rate as benchmark; also considered is how the neighboring areas charge. Billing for private insurance is contractual – and will remain within cost; CHCC is reimbursed only for cost. Still using the company Craneware to evaluate the charges. Cost report audit is done every year for Medicare.</p> <p>-After further discussion on how the rates were determined, a motion was made to approved the Chargemaster Fee Edits; was seconded; without objections from the Trustees, Motion is approved.</p>	<p>Presented Chargemaster Fee Edits submitted for Board approval was approved without objection.</p>
<p>VIII. CUC</p>	<p>Update: an update of the reconciliation of CUC accounts: have not met with CUC in regards to the balance. Based on CHCC review net receivable is \$28M. CUC shows \$67M – penalties of \$31.9M – per CUC principal amount is \$3.5M.</p> <p>-According to Public Law 20-11 1% of OPA fees was for CHCC; was not set up as an offset – it was to offset CHCC bills; 1% is only withheld for the fees when an appropriation is received for Medical Referral. Previous years, OPA did CHCC audits up to 2018 – currently CHCC works with private auditors for its own audit.</p> <p>-OPA is limited to auditing the revenue and HNP evaluation; have resolved majority of the revenue audits; they only do performance audit and investigations; currently paying private auditors \$100K a year.</p> <p>-Have made payments to CUC totaling \$600K. Check has not been cashed by CUC – payment was calculated using the commercial rate. Have requested for a meeting to reconcile; to pay commercial rate plus reconcile and have a monthly payment for the arears; will continue to pay at the commercial rate.</p>	

	<p>-FY24 after August – hospital constitutes about 98% of the billing; there is almost a difference of \$3.3M in the last 11 months using the commercial rate, which is lower by \$1.9M compared to the government rate. The biggest charge is for water and sewer compared to the electric charge. There is currently no agreement in place with CUC. Based on the last letter by the Board, will pay at the commercial rate at \$200K.</p> <p>-Currently working with the legislature to get the commercial rate codified into law.</p> <p>-At this time, it is not known what was in the negotiation between the government and CUC; it was an offset of what was being owed CUC with the OPA fees; the legislature had hoped that CHCC would be included – millions of dollars owed for the Medicaid match.</p>	
IX. Audits	<p>Update: The internal control findings were returned; risk assessment was not done to make the proper opinion; auditors were in a rush – whatever findings they find they wrote up without backup; on the draft findings all documents were submitted that they claimed were not provided; attached were the regulation and guidance that allowed for encumbrance within the period of liquidation one reason for the findings is that they did remote audit – were not present on site; had to contest every finding to be resolved before report is published. FY2019 audit still pending; since audit is delayed Grantors come in and test internal control over financial reporting – it is effective. For all local or federal funds – separate set of internal control is not allowed.</p> <p>-Motion for Recess at 1150am; was seconded. Meeting in recess; meeting resumed at 1153am.</p> <p>-current audit is still ongoing – have up to Friday to finalize; until FY2019 is done, will move on to 2020; despite FY2019 audit not completed – federal grants have individual audits – no issues and concerns from Grantors; not having a current audit is affecting CHCC’s ability to get loans. FY2019 audit should be done by October 17, then will move on with FY2020. For FY2020 audit, it will be conducted on site; will discuss with auditors about doing FY202 and 21 concurrently; bidding was announced for FY23/24/25 – no bids were received.</p>	-Meeting in recess from 1150am to 1153am.
X. CFO Report	<p>-Closing FY24 on Munis: currently have no financial report-will email financial statement quarterly a month after closing; have a new consultant help with reporting, but is backlogged; requesting to provide FY24 reports to the Board at the end of the month; will contain entire fiscal year – will send out financial statement on financial statement balance sheet, and income statement.</p> <p>-Last quarter RCM report – collections from patients collected at cashier - \$1.3M; 30,000 visits – 842 discharges; claims billed \$42M – converted \$26M cash flow; will break down by units on the supplemental schedule on financial report. Report for RHC and THC remain about the same. If payment is received on the deductible – and determined to be over, it gets refunded. Patients who are not able to pay their deductible are referred to the financial services to make payment arrangements. Revenue Cycle – just top three payors reported; will break down entire report; \$54M in grants awarded - \$30M expended – grants period of performance varies from one year to five years; 61% of grants awarded is spent; currently no financial statement available – will send out by the end of October.</p>	

	<p>-The Budget submitted for the Board’s approval are for local revenue; grants not included; financial statement to be provided will contain funds for capital improvements; will show how much is being generated and expenditure; federal funded FTEs are not listed in the Budget; have separate position control for federal funded FTEs. CEO is the authorized official for all grants. Left over federal funds may be reprogramed for other use for operations in that program’s operations; cannot be reprogramed to the hospital; a complete listing of all federal grants was requested to be sent to the Board.</p> <p>-Recruitment for Medical Providers and Nurses: there are 107 FTEs for the medical providers: 94 filled, 13 to be filled for Certified Nurse Midwife; Nurse Practitioner; Nephrology Physicians; ER Physicians; Family Medicine; Hospitalist; Internal Medicine; OBGYN; Oncology; Physician for Rota; Physician Assistant and Speech Language Pathologist. These positions were zeroed out in the budget request that was submitted to the governor and legislature; it is contained in the CHCC working budget; revenue generating positions that contribute to the cash flow is prioritized.</p> <p>-Lunch break: 12:26pm to 12:54pm</p>	<p>Lunch break: 12:26pm to 12:54 pm</p>
<p>XI. CEO Report</p>	<p>-Medicaid – awarded \$8.6M included in the Continuing Resolution Appropriations Act; has been signed into law; expecting to receive in November. The \$8.6M is part of the certified public expenditure – part of the report submitted to Medicare and Medicaid; will go towards salary increases for staff that has been budgeted; everyone who has not gotten a pay increase in two years will receive the increase; funds will also go into paying vendors.</p> <p>Strategic Planning: Four Strategic Pillars- goals, objectives and primary objective were laid out: Pillar One – financial health – investments in medical supplies and technologies; enhancing existing facility; improve patient care to align with mission; everything is moving forward. Planning phase; completed pending projects; does not include money identified for facility expansion; does not include funds being spent for public health services – progressed are being monitored; maintaining project control. Comprehensive facility master plan is needed - currently being worked on to ensure that it meets the mission and mandates. Continuing to work with Medicaid, the administration, the legislature and federal partners to be able to make adjustments to address the shortfall of CPE coverage.</p> <p>-CHCC Foundation – legal entity has been established and is active; all CNMI and federal tax filings are current; orientation and tour of the facility for the two non-affiliated directors was done; first meeting to be held in on October 15; will report on whether or not tax exempt is granted.</p> <p>-Committed to reduce HNP referrals and cost; build up services here for the CNMI to benefit, as well as keeping the Medicaid dollars here; committed increasing access in the underserved areas; developed urgent care PCAP; teledentistry; PT services in Tinian and Rota; mobile outreach clinics and services. Some actions taken to reduce HNP referrals and cost – purchased lithotripsy; hired a neurosurgeon to provide services here – reduced cost of referral as well as generating revenue; looking into other ideas to improve patient outcomes. Pillar one goals and objective – investment capital – be profitable so revenue can be invested.</p> <p>-ELC issues weekly surveillance report – tracks all encounters on the sentinel site – FQHC – included mobile clinic which is not tracked in</p>	

the weekly report to show effort in how to reach people in underserved areas – who cannot come into the clinics. Data is gathered from the ELC report; ELC initiative- supposedly all private clinics report sentinel events – only FQHC reports currently.

-Pillar two: addresses what the priority objective of elevating patient experience; patient satisfaction and retention initiative; addressing facility design amenities. Quality and HR working on necessary orientation, training and policy development; make sure that organizational structure is in place to adjust patient grievance and increase patient representation; HIT working to improve system tools. Wait time for appointment should be met on time - HCAPS focus on inpatient for now; surveys being sent out by mail; moving to mixed mode to allow for phone calls.

-Pillar Three: internal process – policies and procedures. HR component in Munis is in process; ensure that there is a system in place for all employees to be able to access the policies and procedures; emphasize upon HR buildup of orientation, on boarding and professional development programs. Better alignment of policies and procedures with current standards of care.

-Pillar Four: emphasize on addressing new hires; average on boarding of about 20 employees a month; need clear communication and timely completion of processes – performance evaluation, contract renewal. During the summer there was a four to five weeks survey – at the time 999 identified employees – 535 partially or completed the survey; will receive report at the end of the month. Performance evaluation – address employee satisfaction and deal with both high and low performing employees; need to make improvement to start increasing the level of performance evaluation so that the work force is better guided; develop more data to address some issues. Health system address patient satisfaction and employee engagement separately – should be considered as one.

-MRI: details are in Mr. Tudela's report; also addressed in Pillar One on the slides. Pillar One mentions improving collections; collection takes six to nine months to bill – target goal would be to reduce the time.

-FY2025: \$1 budgeted for CHCC; \$97,711 for HNP; 797K for inter-island medical referral was vetoed; estimated \$3M using CHCC funds; spoke to the governor about expanding the Medicaid Plan; Medical referral polices should align with the Medicaid state plan, currently they don't. In other jurisdictions Medicaid covers subsistence and lodging. It is up to the legislature to change the law to revert Medical Referral back to the administration. The current Regulation narrows the gap of who qualifies and who doesn't - it is best to maintain the present Regulation. You are covered under the program if you qualify for Medicaid; the law states that it is managed by CHCC but funded by the government. Incentivized programs through CMS to provide charity care – only bad debts program is covered – patient has to be Medicare participant. Will continue to ask for money – with an emphasis on Medicaid.

-Long term Stayers: there are six – longest stayer is 539 days. If there is suspicion of any kind of elder abuse, it is up to the medical team to report it. In the CNMI there is no law that requires a safe discharge plan; there is nothing to prevent the discharge of a patient.

-Microgrid: did hear back from NREL – nonprofit that contracts with the Dept of Interior; received proposal from MRE; urge for the continued use of solar power versus the microgrid; no actual facts

	<p>that the Dept of Defense have used microgrid; according to NREL the hydrogen systems are not necessarily economic; no evidence to show that it is going to save money; will go ahead and submit an OIA grant proposal for RHC. Currently construction on Phase 2 is ongoing; funds received for Phase 3; trying to find money for Phase 4.</p> <p>-Recruitment and Retention: 122 staff affected by the touch back; 11 EB petitions – employee based green card; H1B petitions for two physicians are in process for approval; CW petitions – 142; losing 17 nurses, but getting replacements – some local and from off island; might get a PA for Rota for two years; Nephrology will start October 14; Pediatrics requesting additional FTEs.</p> <p>-Helmsley is considering funding telemedicine for Rota; possibly expanding to Tinian; request is to include training.</p> <p>-EHR: Meditech contract is being reviewed; Gantt chart is not available until contract is official signed. Current EHR – Medsphere, continue to pay \$34K a month; want to continue using e-prescribe as well as the revenue cycle management. New access point application for Rota was submitted – hoping to hear back by March.</p> <p>-HR improvement in strategic planning – staff are being trained to use the Munis system beyond entry.</p> <p>-Fentanyl: held training for first responders; CHCC affiliation – should partner with other jurisdictions – specifically for hospital; held discussions with Guam and America Samoa to start affiliation with large hospital.</p> <p>-HIV: less than one – either don't report; marker for reporting is 45%; requested to include Tinian; free services are available for those kinds of screening.</p>	
<p>XII. Board Committee Report</p>	<p>1. Quality & Patient Safety Committee: Motion was made to hear the report until next meeting. Was second. Without objections from the Trustees, motion approved.</p> <p>2. Governance Committee: met today; reviewed some of the current legislation; will focus on areas that need updates; follow up with the legislature; next step is to reach out to staff for feedback for updated policies.</p> <p>3. Finance & Audit Committee: no new update since last report.</p>	<p>1. Motion approved.</p>
<p>XV. Executive Session</p>	<p>With no objections from the Trustees present, the meeting moved into Executive Session to discuss employees matters with the Legal Counsel.</p>	<p>Meeting moved into executive session at 2:43pm to 3:14pm.</p>
<p>XVI. Adjournment</p>	<p>Motion to adjourn. Seconded. Without objections, meeting adjourned.</p>	<p>Meeting adjourned at 3:16pm.</p>