

CHCC Board of Trustees

Minutes of March 6, 2025

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

Juan Babauta, Chair
 Polly Masga, Trustee
 Mariah Barcinas, Trustee (zoom)
 Corinne Santos, Trustee
 Phyllis Chong, Trustee
 Esther Muna, CEO
 Perlle Santos, CFO
 Robert Glass, AAG

Gallery:

Dr. Rohringer
 Eleanor Cabrera
 Trinidad Diaz

| Topic | Discussion | Resolution/Action |
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| I. Call to Order | Meeting called to Order at 5pm | |
| II. Determination of Quorum | Five (5) Trustees were present: Juan Babauta, Chairman; Polly Masga, Trustee; Corinne Santos, Trustee; Phyllis Chong, Vice Chair; Mariah Manglona, Trustee (Zoom). | Five (5) Trustees present; quorum |
| III. Approval of Agenda | Trustee Santos made a Motion to Approve Agenda. Trustee Masga seconded the Motion There being no objection, Motion is approved. | Agenda approved. |
| IV. Public Comment | No public present; no comments. | |
| V. Budget Submission | <p>CFO presented how the budget request is done – aligning request with the Mission and Vision through the Strategic Plan. Background on the budget: starts with budget meetings scheduled with C-Suite: discusses needs for each department; meet with CFO, Comptroller and respective manager individually; budget discussed by business. During these meetings the strengthening of the four Pillars of CHCC is discussed: financial perspective – where we are and where we want to be; tie in request to patient population perspective – what the community want and how those services can be provided; internal process perspective – internal improvements; amount to be allotted to meet those; move. Move from travel to personnel training cost on island and online training. The capital expenditure plan – utilize federal funding to supplement the local funds. Internal controls are in place so as not to stay away from the Mission.</p> <p>-Budget: request for FY26 \$86.2M with new FTEs request for 33 new positions – 8 medical providers; new positions for business units – budget narrative will be shared. New FTEs account for \$3.8M; \$13.9M vacant FTEs; \$68.4M filled FTEs. There are 178 federally funded employees – 834 locally funded.</p> <p>-All Others: Requesting \$54.9M; Medical pharmaceutical supplies – McKesson; inpatient Y outpatient pharmacy - \$16M (still owing \$300K; medication); assistance is available for the uninsured. Payments to small vendors are current – behind on big vendors. Medical supplies: general medical supplies that is requested by the nurse units.</p> | FY2026 Budget approved. |

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| | <p>-Professional Services: Requesting \$7M: includes maintenance and preventative contracts that includes all the business units; the fee for auditing 20, 21, 22 and 23 are budgeted and encumbered. 2020 audit is ongoing. Spreadsheet with details of the budget narrative will be sent for the services requested.</p> <p>-Capital Expenditure: \$6.5M – most improvements are funded by federal programs; Management partners with the federal programs to get funds; is used as a cushion; revenue is reprogramed for other events.</p> <p>-CUC: \$3M – will ask Legislature to CUC in lieu of asking for the dollars; currently paying \$230K a month; projected \$250K multiply by 12 = \$3M at commercial rate.</p> <p>-Revenue Projection: revenue is projected by looking at the previous three years – 2-23, 2024, and 2025 for the first quarter – annualize 2025 – projection include 10% increase from prior years; including projection of collecting off the AR and increased services; projected revenue from the MRI and other services is not included; other items are being discussed to further increase revenue; projecting revenue has to be done conservatively.</p> <p>-Projecting total expenditure at \$141M – conservative estimated revenue is \$129M.</p> <p>-Chairman recommended that the uncompensated care should be added and to request for subsidy. Asked what can be done to make people pay (those that can pay). Billing statements continue to be sent out so that the statute of limitation does not apply.</p> <p>-Removal of Liability Cap: \$300K – should a lawsuit of \$1M be owed – CNMI government has to pay from the general fund. Budgeted at \$300K is used to pay settlements. Recent Supreme Court decision removed the cap – will have an impact on CHCC; hopefully Legislature will submit a bill to reinstate the cap – at present there is no cap.</p> <p>-HNP: \$6.2M - payroll is not included; payroll is under CHCC. Major cost category is patient related; air fare, accommodations, ground transportation and subsistence. Projected \$5.8M for indirect patient cost.</p> <p>-Motion was made to approve the budget. Was seconded. No discussion, without any objections from the Trustees, budget is approved.</p> | |
| VI. Executive Session | No request for Executive Session. | |
| XIV. Adjournment | Meeting adjourned at 6:18pm | |