CHCC Board of Trustees
Minutes of FEBRUARY 26, 2026

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

Present:

Chairman Juan N. Babauta
Trustee Polly Masga
Trustee Phyllis Chong
CEO Esther Muna
CFO Perlie Santos
AAG Stephen Anson
Eleanor T. Cabrera
Nikki Villagomez
Tiffany Crisostomo
Halina Palacios
Trinidad Diaz
Galvin Guerrero
Richard Hofschneider
Liana Hofschneider

Absent:
Mariah Manglona, Vice Chair (excused)
Corinne Santos, Trustee (excused)

Topic	Discussion	Resolution/Action
I. Meeting called to order	Meeting called to order at 9:02am	
II. Quorum	Three (3) Trustees present: Chairman Juan Babauta, Trustee Polly Masga, and Trustee Phyllis Chong were present. Vice Chair Mariah Manglona and Trustee Corinne Santos excused absence.	Quorum with three Trustees present.
III. Agenda	Motion was made to Approve Agenda. Was seconded. Agenda approved.	Agenda approved without amendment.
IV. Approval of Minutes	Motion to approve meeting Minutes from October 30, 2025. Motion was seconded. Minutes from October 30, 2025 was approved.	Meeting Minutes from October 30, 2025 was approved without objection.
V. Public Comments	-Galvin Guerrero: wanted to praise CHCC and its leadership; wanted to share his personal experience at CHCC – c close relative recently suffered a heart attack, because of the expeditious and professional live saving work, person is doing much better. Also shared that another relative had a life scare, but is alive because of the swift response; another relative on dialysis that was in the US came back and the dialysis center here does not compare in terms of quality of service, level of care and cleanliness – level of efficiency and efficacy is impressive. Gave praise as well on how it was managed to open an Oncology center and continue to meet the needs of our community without funding the state and local government. He wanted to recognize the team for all the hard work and say thank you. -A letter was received from the Rota Chamber of Commerce will be added to the record. -Richard Hofschneider: Came to the ER on August 7, was seen by Physician Assistant; was diagnosed that there was nothing wrong with his back; was requesting to see a doctor; given an x-ray and pain killer then released; came back two days later – was admitted; sent to Guam on the third day – Medical referral staff in Guam were very good; flew to Hawaii in September; after doing research – former Governor Palacios submitted to amend the Medicaid State Plan. I am here to ask to give me an answer. I have respect for this Board. Thank you. -Chairman Babauta let Mr. Hofschneider know that he is welcome to submit written comments if he wants.	Upon the discretion of the Chairman – meeting is suspended to allow Mr. Richard & Ms. Lianna Hofshneider who arrived after the meeting started to deliver their public comments – timed for five minutes.

	-Lianna Hofschneider: Spouse and escort of Richard Hofschneider; here on behalf of herself and the public; have medical issues for the last 21 years; I am here because of a Notice of Claim denial; will submit written testimony – want to know how Medicaid works with medical referral – HNP in order for patients to access in case of emergency to be approved by this committee; three questions: 1. How is it possible for a physician assistant to by pass a doctor before release the patient; 2. The committee, the Board and CEO have to stop being person when deciding who would go or not go on referral; I say this because I have evidence to prove, I want know why my husband cannot use his Medicaid to pay for services when he was on an emergency; 3. Want to know how the State Representative for Medicaid can also be the CEO. Thank you.	
VI. Credentials	Credentials documents for each applicant were sent to all the Trustees for review. **<u>New Applicants</u>** 1. Dr. Melody Angel, Physician (Family Medicine)/RHC – without objections from the Trustees, Applicant's privileges is approved. 2. Keith Longuski, Physician Assistant (Department of Corrections) – applicant approved for EHR access only. 3. Sylvia Taggart, Physician Assistant (Oncology) – without objections from the Trustees, Applicant's privileges is approved. **<u>Renewal Applicants</u>** 4. Matthew Fehrenbacker, Physician Assistant (FCC)- without objections from the Trustees, Applicant's privileges is approved. 5. Caroline Lo, Physician Assistant (FCC) – without objections from the Trustees, Applicant's privileges is approved.	1. Privileges approved up to the expiration of License: 01/31/2028 2. Privileges approved up to the expiration of License: 01/31/2028 3. Privileges approved up to the expiration of License: 01/31/2027 4. Privileges approved up to the expiration of License: 01/31/2027 5. Privileges approved up to the expiration of License: 01/31/2028.
VII. Chargemaster Fee Edits	-Fees highlighted are where changes were made; implementation of Public Law 24-22 – allows home fixed food with minimized cost. Other: some of the fees are transferred from the Vital Statistics to EHDP – transfer of bodies from off or on island. The rest are adjustment of fees and some new fees being implemented. -Question: Trustee Chong – why does it cost $400 to have ashes thrown in the ocean? Pursuant to Public Law 11-117 for the cemetery includes sea burial – bodies (not ashes) buried at sea are taken out four to five miles away. -Food Code – when the Food Code for 2025 was originally promulgated, it was inadvertently not included in the Regulation. Will go back and see if there are any comments received and will respond. -Motion was made to approve. Was seconded. Without objection it is approved.	Motion was made to approve Chargemaster Fee Edits and Food Code. Was seconded. Approved.

VIII. CFO Report	HNP – as of September 30, 2025 have advanced to HNP $4.4M from CHCC; as of December 31, 2025 it has accumulated to $5M; average total expenditure of $1.2M per quarter – Personnel is covered by CHCC; all others should be fully funded; to date total due to CHCC is $532K – average quarterly expenditure is being constantly reduced since CHCC took over; have been able to maintain the cost, but funding is not sufficient. Will request for deficit reduction on Budget request to appropriate money to return to CHCC; continue to provide services despite insufficient funding unless the Board instruct to stop. -Question: Trustee Chong – what is the amount to be reimbursed? Is it professional fees waiting for Medicaid to make payment? No, Professional fees component in what is recorded – only care coordination; Medicaid reimbursement is for airfare, housing and per diem that became effective October 2024; only for Medicaid patients. There is a new policy for reimbursement – in discussion for clarification – have not gotten back with an answer; reimbursement coming in is not timely. Pharmacies in the US and Guam don't accept Medicaid; it is paid by CHCC then get authorization from Medicaid to approve it – eventually gets reimbursed. -Per location as of December 31 – CONUS is the biggest expense for air fare and accommodation. -Actual versus Budget FY25: $131M budget – will defer capital expenditure- use federal funds if available; balance budget of $108M; actual revenue $160M; expense $109M. CHCC Ops - $7M excess revenue was advanced to HNP as reported; performed will on the budget due to revenue collection – doubling efforts on the billing team – remote for those who are certified; collecting payments from private insurance – will be tied to the AR reports. -Trustee Chong – how much are owed to vendors? Average $5M in AP; still having to pay for HNP is in part preventing from making payments to vendors; having access to millions of dollars belongs to the care here – not for patients benefits; half a million was transferred to HNP was is not enough. -Chairman Babauta – how much did the CNMI government appropriate for HNP in the last fiscal year? $1.2M was received; $5M is needed – still waiting for reimbursement. -AR biggest component is Medicaid – non CPE components; private insurance $6.3M; uncompensated care for the quarter is $1M; last year totaled $8.4M for the year - $2M per quarter for FY25. Uncompensated care is not just for insurance denial – consist of deductibles, mostly for sliding fee. -Trustee Masga – what would be the monthly or quarterly collection in comparison to the insurance company – as reported last October – upfront collection $7.6M – 20% and all other deductibles. -Looking into raising rates – last increase was in 2017. Chargemaster – standard fee; two major payors – Medicaid and Medicare. Medicare is per diem, paying fixed rate; Medicaid is based on CPE. Private insurance billed $11M; collected $4M – due to timely payment discounts; contractual adjustments and other adjustments. -Top reasons for denial – system automatically denies claims if its over 180 days; Aetna denial issues with secondary billing – confusion with the coordination of Medicare and Aetna covered people; if employed and have Aetna and Medicare – primary is Medicare if retired – secondary if working.	

	CUC – signed an agreement to pay $150K each month to apply to the arrears. This month's payment not yet – CMA has not fulfilled its commitment to transfer non CPE as part of the condition; will follow up with CMA. Audit timeline: agreed on targeted dates – had several administrative delays; 2020 audit wrapping up; auditors do two to three months filed work then take a week break; hopefully could be done in three months. This year – six major programs audited – two unmodified findings; four findings on fixed assets. One questioned cost: barred vendors – need to use sams.org to review vendors if they have been barred. Policy revised to do a look back every six months. Barred vendors are those who cannot do business with the federal government. Moving forward Ernest & Young has committed to this timeline and have dedicated personnel. Shouldn't be anymore delays; 2020 audit was completed in three months, hoping 2021 will be the same. Status of the single audit committee – not members but we give status updates; accountable to report our status to OPA; OPA did not recommend to have concurrent audits; currently have a contract up to 2025 with Ernest and Young.	
IX. CEO Report	Outlook for FY2026: EHR – on target for October 20, 2026 go live; working with CMA on Medicaid policies – need updating; Target technical assistance for rural hospitals program – as offered by HRSA; will be talking to them in two weeks to tell us where we at and to get more documentation. Completed Medicaid CPA reconciliation for 2016 to 2020; Dialysis in Tinian and Rota, in addition to PD; USAD project pending approval – Tinian – requires a modular unit to be added onto the site paid through Congressman Sablan , funds earmarked for the US Congress; currently there are two PDs in Rota and two in Tinian; Personnel set incentives – funding necessary; pain management clinic – two providers; MRI Fall or winter 2026; Rural Health Clinic designation for Tinian and Rota – is progress for Tinian; continue to work with the Delegate on federal policies. -Meditech is equivalent to Epic – asking that if there is money going to territories should be shared; would also lose a lot of money - alot of money invested already to change; Epic is an expensive system, is maintained on cloud – clinical and medical staff have been working hard on Meditech. -Medicaid – payments are being received late; recently got paid for February on the 20th; claims processing is very slow; non CPE is not being paid – our records show $40M – they say $20M; already have the money but they are not paying; one concern is CMA's nonresponsive to off island Providers – Providers submission for authorization request takes a long time – sometimes no answer; if no answer they will not accept patients; limited applications are being received each day; not entering receivables as claims are filed – only when ready to pay; the delayed payment of $150K required under the CHCC-CUC agreement; they don't pay professional services; Tinian and Rota currently non CPE; other non CPE dental clinic, immunization clinic, out patient pharmacy and doctors fees; according the state plan outpatient clinics are hospital based; working on reports to include these items so payment can be adjusted; will request to the Governor to include professional services in the CPE payment in the state plan.	

	-Chairman Babauta – if opt out of the CPE how is that going to impact the collection system? Does the Chargemaster have to be adjusted? There will be an excuse from CMA not to make timely payments; after the reconciliation is done – the current numbers without non CPE items will be in the plus; territories who use CPE includes American Samoa and California. -Grants and Foundation: Helmsley recently awarded $8M; will be getting new OR suite; maintaining a good relationship; fiscal integrity department is making sure all requirement for the grants are met. Thank you Trustee Masga for being a member of the foundation; align funding with the strategic plan; strategic plan up for renewal in 2028; have 21 projects that were submitted to CBMA/economic adjustment committee; list submitted IGIA: capital improvements – water tank, EHR was included in separate report – not everything on the list can be funded under IGIA; was also recommended that some items be included in the CBMA for review. Will continue to look for grants and foundation to partner with them. -Patient Drug Monitoring will expire April 2026 and will move to Population Health; a bill in the legislature to get all pharmacies into this program – will work with other pharmacies to see what has been dispensed; important to keep this Section to continue to monitor that abuse does not happen. -Rural Designation: application has been submitted; initial assessment completed; some issues in Tinian to be addressed; need to improve monitoring – need to make sure the data is submitted; priority is to be survey ready for the rural health clinic; submit Medicare cost report for Tinian Health Center to get better reimbursement. -Trustee Chong: is Rota Health Center equipped like an inpatient unit? Trying to have it designated as a hospital; the facility is equipped. -Medical Staff: critical positions – Interventional Radiologist: concerns that Guam Providers for these critical positions do not accept Medicaid; only one ENT doctor in Guam – does not accept Medicaid; we only have one cardiologist, one oncologist, and one orthopedic surgeon; shortage in Pediatrics and Internal Medicine; continuously hiring Locums – expensive. -Met with Congresswoman King Hinds to support applications for H1B Visa; need another immigration lawyer to work on the H1B visa system; AHA sent a flash survey to complete; continuously advocating for the removal of the $100K requirement; held back on processing the nephrologist coming from Japan. -Samsung Hospital: people have been accessing this hospital; they had concerns with Aetna – prefer to have telehealth services before patients get there; expressed they are not getting paid by Aetna for this service. -Nursing: nurses are hired after graduating – after two years they gain experience then they move on; need to retain local nurses; retention bonus; recognize length of years the have provided to CHCC; salaries are part of the Medicare cost report – paid by CPE. -World Health Organization: got a notice in January 2026 – stay away from any governance meeting; they are still providing technical assistance. -2028 budget: make sure that the strategic budget aligns with the new template that has been shared; every funding requires is tied to the four pillars; submission to the governor and the legislature will be focused on	

	HNP, matching funds for non CPE; looking at the end of March for submission -Working on Congressional policies and be survey ready around September.	
X. Board Committee Reports	1. Quality & Patient Safety Committee: was able to meet with the committee; QAPI team reached target required; challenges with collecting data from Tinian and Rota to ensure that they are providing quality patient care; next is to approve QAPI goals for 2026 which will be signed today. 2. Governance Committee: Skipped. 3. Finance & Audit Committee: have not had a meeting recently; the audits are a priority; would like to set a time for meeting before the budget. -Chairman Babauta: regarding the next Board meeting to approve the budget prior to April 1; next quarterly meeting will probably in Rota; next meeting around May or June.	
XI. Executive Session	With no objections from the Trustees present, the meeting moved into Executive Session to discuss employees matters.	Executive Session started at 11:45am.
XII. Adjournment	Motion to adjourn was made. Was seconded. Approved.	Meeting adjourned at 1152am**.**