

# Citizen-Centric REPORT

FISCAL YEAR 2024

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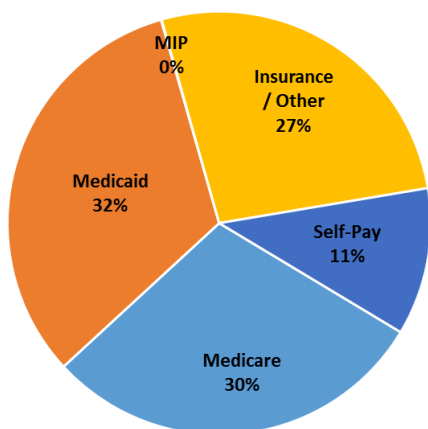
## Our Core Values

- Community
- Compassion
- Innovation
- Resilience
- Patient Safety
- Trust



## Our Payers

In FY 2024, 62.0% of GMHA's \$289.2M of gross patient revenues is comprised of the 3M's: Medicare, Medicaid, and Medically Indigent Program (MIP).



## 1 Who We Are

The Guam Memorial Hospital Authority (GMHA) was created by Public Law 14-29 in 1977 as a Government of Guam autonomous agency. GMHA owns and operates the Guam Memorial Hospital with 161 licensed acute care beds and 40 long-term care beds at the Skilled Nursing Facility. The hospital provides acute, outpatient, long-term, urgent care, maternal-child health, and emergency care treatment. As Guam's only public acute care hospital, it serves as a "safety net" hospital for every individual seeking medical care on Guam.

### Our Vision

Committed to compassionate, forward-thinking, quality-driven, and safe health care that honors the community.

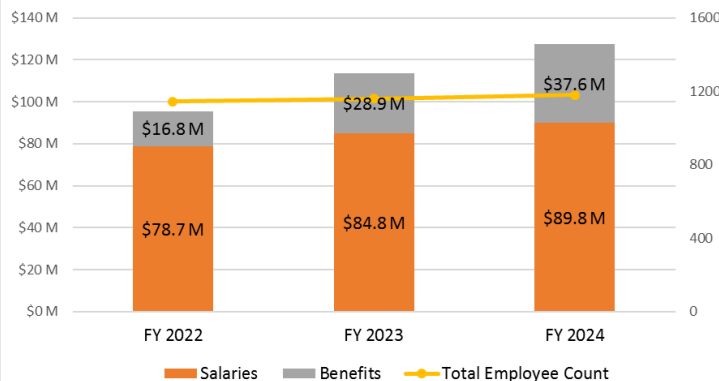
### Our Mission

To achieve a culture and environment of safety and quality patient care meeting national standards and addressing the community's needs in a fiscally responsible, autonomous hospital.

### Our Team

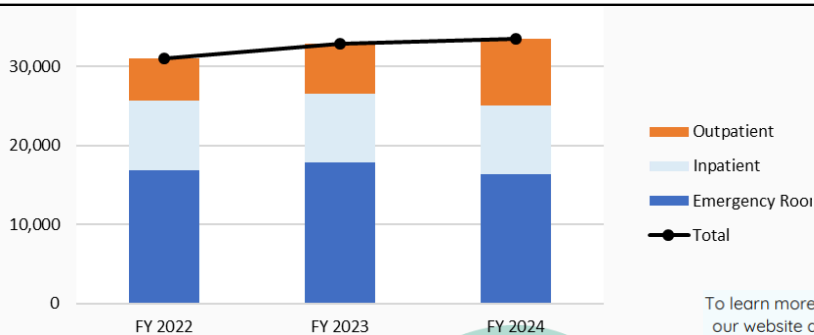
Overall, GMHA's full time equivalent (FTE) count was 1,180 at September 30, 2024, increasing by 20 FTEs. FY 2024 budgeted FTEs is 1,272. Since pre-pandemic FY 2019, GMHA increased staffing by 15% primarily to increase resources to support the Nursing Division.

#### Personnel Salaries & Benefits



### Our Patients

FY 2024 inpatient admissions declined by 6.3% while patient days increased by 2.5%. The average length of stay also increased by 9.6% compared to FY 2023. The average FY 2024 end-of-month inpatient census was 142, versus 147 in FY 2023. GMHA provides a proportionately high number of inpatient services to outpatient services wherein 81% of gross revenues are attributed to inpatient services and 19% for outpatient services. In FY 2024, GMHA continued to see growth in outpatient services of 33.5% over FY 2023. GMHA introduced a gastroenterology clinic in late FY 2023, adding to the pulmonology, cardiology, and podiatry clinic services.



To learn more about GMHA, visit our website at [www.gmha.org](http://www.gmha.org)

Follow us On



## 2 How We are Doing

### Achieving Financial Stability

GMHA, being a public hospital, continues to face patient collection challenges. Overall, only 41% of gross revenues was collected in FY 2024 (43.9% in FY 2023). Improvement in collections will be achieved through outsourcing revenue cycle tasks, training, and technology upgrades.



### Training and Education | Leadership Team Development



Through the DOI TAP grant, GMHA provided Revenue Cycle Management (RCM) and professional development training opportunities for staff by sending employees to the Healthcare Financial Management Association (HFMA) Annual Conference. This training is designed to enhance skills and leadership abilities, empowering them to lead effectively and contribute to the overall success and growth of GMHA.

### Capital Improvements, Planning, & Implementation

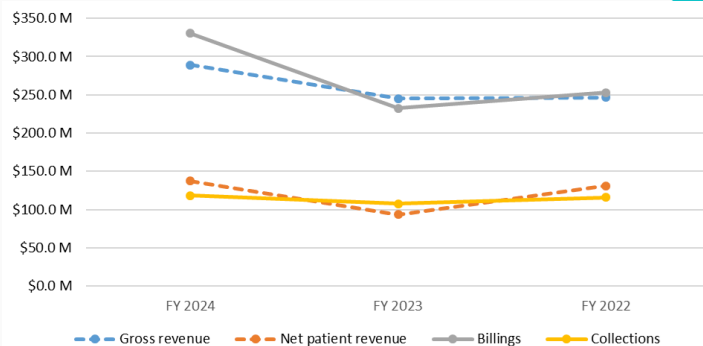
Of the 47 GMHA CIP projects as of September 30, 2024, 7 were successfully completed, equating to approximately 15% of the total projects. These completed projects represent critical upgrades and expansions across various departments, ensuring that GMHA can continue to provide quality care and meet the growing demands of the community. Additional funding will be sought to complete all critical projects.

- CT Scanner Tube
- Angiosuite Active Directory Server
- Installation and Commissioning of Power Source at L&D/OB Ward/Nursery
- Liquid Oxygen Enclosure/Tanks Expansion
- Portable Hearing Diagnostic & Screening Instrument
- HIPAA Compliant Crosscut Shredders & Scanners
- Servers Replacement



### Revenues, Billings & Collections

In FY 2024, GMHA made significant efforts to increase billing production to recover from the negative effects from an extended network outage and a major typhoon that occurred in FY 2023. To mitigate cash flow issues and revenue shortfalls from these events, GMHA received \$22.3M in Medicaid advances in FY 2023. The Department of Administration recovered the advances by withholding certain amounts from Medicaid remittances to GMHA. As of September 30, 2024, the balance of such Medicaid advances was \$3.4M.



	FY 2024	FY 2023	FY 2022
% of billings to gross	114.0%	94.9%	102.6%
% of collections to net	88.5%	115.1%	88.5%
% of collections to gross	41.0%	43.9%	47.1%

### Sustaining Safety and Quality Culture

The GMHA Center for Improvement in Healthcare Quality Self-Assessment is an ongoing throughout FY 2024. It is a process by which the hospital regularly assesses its compliance with CIHQ Hospital Accreditation Standards at various intervals. GMHA's goal is to achieve accreditation in FY 2026.



### WE WANT TO HEAR FROM YOU!

Was this report helpful? Would you like to see other information? Please let us know by contacting us at [communications@gmha.org](mailto:communications@gmha.org).



### 3 Our Revenues & Expenses *(Amounts in millions)*

#### Revenues

		FY2022	FY2023	FY2024	▲ from PY	
Net patient revenue	\$	131.2	93.5	133.9	40.4	GMHA's FY 2024 operating revenues increased by \$42.0M, or 42.9%, due to increases in net patient revenues from improved billings. Net patient revenues increased \$40.4M, or 43.2%, from \$93.5M in FY 2023 to \$133.9M. Gross revenues increased 18.0% due to increased room and board rates effective November 2023.
Other operating revenue		3.7	4.3	5.9	1.6	
Total operating revenues		134.8	97.8	139.8	42.0	
Transfers from GovGuam		26.5	32.5	71.3	38.8	
Federal grants		31.3	21.7	1.8	-19.9	
Other non-operating revenues		0.0	0.5	0.2	-0.3	
Capital grants and contributions		1.8	2.6	0.2	-2.4	
Total revenues	\$	194.4	155.1	213.3	58.2	



#### Expenses

		FY2022	FY2023	FY2024	▲ from PY	
Nursing	\$	70.8	62.2	72.4	10.2	FY 2024 operating expenses rose 14.3%, or \$27.9M, due to increases of \$8.6M in fringe benefits from pension expense, \$8.0M in salaries, mainly for 18% Nurse Pay Plan adjustments, \$6.0M in contractual services for independent contractor physicians and travel nurses, and \$6.1M for other post-employment benefits for retirees.
Professional support		39.1	41.3	46.2	4.9	
Medical staff		32.1	35.3	42.5	7.2	
Administrative support		22.7	25.6	24.8	-0.8	
Retiree healthcare & pension cost		12.2	10.9	16.9	6.0	
Fiscal services		10.3	8.7	8.1	-0.6	
Administration		4.4	6.3	6.9	0.6	
Depreciation & amortization		4.4	5.3	5.7	0.4	
Non operating expenses		0.3	0.4	0.1	-0.3	
Total expenses	\$	196.3	196.0	223.6	27.6	



#### Personnel Cost by Division

Nursing	\$58.5
Professional Support	30.1
Medical staff	11.8
Administrative support	14.4
Fiscal services	7.1
Administration	5.5
<b>Total</b>	<b>\$127.4</b>

#### FY 2024 Financial Audit

Ernst & Young LLP, rendered a clean audit opinion on GMHA's FY 2024 financial statements. You may view the audit in its entirety at

<https://www.gmha.org/financial-reports-center/>

This led to ending FY 2024 with a negative change in net position of \$10.3M and increased GMHA's cumulative deficit in unrestricted net position to negative \$308.7M from \$298.4M in FY 2023. A major factor in these changes is due to actuarial assumptions for other post-employment benefits and pensions costs.

### Achieve Financial Viability

The GMHA 2023 – 2027 Strategic Plan emphasizes how vital it is for GMHA to Achieve Financial Viability as Goal 1 and a priority to support life-saving patient care. The American Hospital Association emphasized in The Cost of Caring: Challenges Facing America's Hospitals in 2025, that hospital expenses have surged and will remain at elevated levels. GMHA will continue to ask for sufficient financial assistance from our elected Legislature through the annual budget request process. Although revenues and collections have improved, they do not fully cover GMHA's operational costs to support life-saving patient care services. GMHA looks forward to continuing the work to improve Medicare and Medicaid reimbursements with our Legislative Chairperson for the Committee on Health and Veterans Affairs and our Congressman. Receiving adequate and sufficient reimbursement from all payors, including self-pay, is one of the most critical issues GMHA faces. For self-pay patients, GMHA offers a sliding fee scale in addition to interest-free payment plans and Medicaid application assistance. Challenges still exist for GMHA's "long-stay patients (social cases) who have exhausted their insurance benefits.



### Pursue Accreditation

Since 2021, GMHA has engaged with The Center for Improvement in Healthcare Quality (CIHQ), a deemed-status provider that has been granted the maximum deeming authority length of 6 years, to pursue accreditation. Accrediting organizations that work with hospitals accepting Medicare and Medicaid must obtain deeming authority from HHS. Mock surveys were conducted in 2022 and 2023, to prepare GMHA for accreditation as well as provide guidance on what resources are needed to successfully achieve accreditation. GMHA is aiming to achieve this milestone in FY 2026.



### Recruit and Retain Healthcare Professionals

GMHA's recruitment and retention efforts will focus on expanding participation in job fairs and enhancing virtual recruitment, targeting both local and off-island candidates for hard-to-fill positions. The Human Resources team will refine job postings to highlight career development opportunities and continue outreach to high schools and newly graduated healthcare professionals from the University of Guam.



### Capital Improvements

For FY 2025, GMHA's capital improvement plan will continue efforts to modernize the facility, reduce infrastructure risks, and ensure safe patient care. Key ongoing projects include replacing the fluoroscopy suite and implementing an enterprise medication dispensing system to enhance diagnostic capacity and patient safety. GMHA will also complete a hospital-wide access control system, upgrade network infrastructure, and introduce a dedicated medical transport vehicle for emergency and inter-facility transfers. Critical mechanical and life-safety upgrades, such as chiller replacements, HVAC improvements, and fire protection enhancements, will also be prioritized. Additionally, elevator modernization and refurbishment of key equipment like the warehouse material lift will ensure reliable movement of patients, staff, and supplies.



Achieving maximum efficiency is a key factor in cost savings. GMHA will assess the information technology infrastructure, the backbone of GMHA, and further assess existing technology applications, such as the current electronic health records system. To further help cash flows, potential cost containment strategies include outsourcing, reevaluation of contract terms, and workforce reduction.



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