



**GUAM MEMORIAL
HOSPITAL AUTHORITY**

ATURIDÁT ESPETÁT MIMURIÁT GUÁHÁN

Citizen Centric Report

FISCAL YEAR 2021

October 2020 - September 2021

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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. The hospital provides acute, outpatient, long-term, urgent care, maternal-child health, and emergency care treatment and serves as a "safety net" hospital for every individual. GMH is Guam's only civilian, public acute care hospital. It has 161 licensed acute care beds and 40 long-term care beds at its Skilled Nursing Unit.

Our Vision

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

Our Mission

Providing quality patient care in a safe environment

CORE VALUES: ACES + Q

Accountability
Cost Efficiency
Excellence in Service
Safety +
Quality



OUR TEAM	FTE Count	Personnel Costs
2019	1,025	\$79M
2020	1,107	\$90M
2021*	1,124	\$97M
Clinical	801	\$78M
Non-Clinical	323	\$19M

* - Increase staffing by 17 FTE in FY 2021 primarily to support GMHA's response to COVID-19

- Hospital of the Year and COVID Management Initiative of the Year - GMHA was recognized with two awards from Healthcare Asia Awards 2021 in May 2021
- New GMHA Website - Updated, user-friendly design was launched in January 2021.

We Want to Hear From You!

If you would like to comment, ask questions, or suggest additional information for our report, please contact us at communications@gmha.org

**To learn more about
GMHA, visit our
website at gmha.org**

PATIENT DEMOGRAPHICS	FY 2019	FY 2020	FY 2021
Patient Census	35,801	29,050	25,191*
COVID-19 Census	0	1,896	2,257**

* - 16% of Guam's total population based on the 2020 official census

** - 15% of Guam's COVID-19 positive cases as of 9/30/21



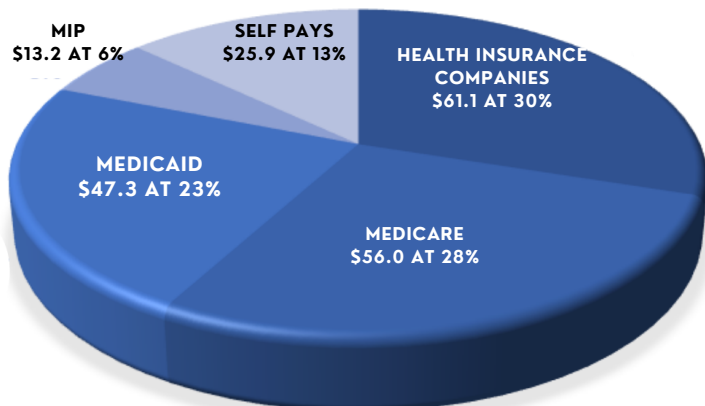


Performance

Achieving Financial Stability

In June 2021, GMHA and a consultant started the evaluation of GMHA's Revenue Cycle Management (RCM) to address perennial cash flow issues. RCM is an extremely critical function of a hospital for medical billing, coding, reimbursement, and revenue enhancement.

FY 2021 PAYOR MIX



*No significant CHANGE in the payor mix since FY2019.

PERCENT OF COLLECTIONS TO BILLING	FY 2019	FY 2020	FY 2021
3Ms (Medicare, Medicaid, MIP)	34%	54%	38%
Health Insurance Companies	69%	82%	68%
Self-Pays	19%	51%	39%

As a Medicare provider, GMHA is reimbursed at a per discharge limit of \$11,759, which is less than the cost of treating Medicare patients of \$26,228. Medicaid and Medically Indigent Program (MIP) mirror Medicare payment methodology. Meanwhile, GMHA expects to collect an average of 20¢ per dollar billed to self-pay patients.

Sustaining Safety and Quality Culture

In June 2021, GMHA engaged with the Center for Improvement in Healthcare Quality (CIHQ) to begin the process of accreditation. CIHQ's accreditation resembles and aligns with the Centers for Medicare and Medicaid's (CMS) standards and Conditions of Participation.

Training and Education | Leadership Team Development

GMHA developed a Training Needs Assessment Survey that was sent to management and employees in January 2021. Responses are currently being analyzed. Meanwhile GMHA sent several employees to Advance Leadership Training for personal and professional development, which will equip them to lead and inspire their teams.



Capital Improvement, Planning, and Implementation

- January 2021 - Implemented telemedicine technology via hi-definition television (Rounder) that delivers life-size physicians in real-time care to critical care patients
- July 2021 - Completed the installation of patient monitoring equipment (REDI Kits) in support of GMHA's COVID-19 response
- July 2021 - Purchase Order awarded for the Roof and Envelop Repair and Upgrade Project
- August 2021 - Completed abatement works (asbestos and lead removal) for Z-wing
- September 2021 - Completed renovation of C-Arm room in Interventional Radiology, and installation of C-Arm units



Finances

(Amounts are shown in millions)

REVENUES	FY 2019	FY 2020	FY 2021	Δ from PY
Operating Revenues:				
Net Patient Revenue	\$99.1	\$91.3	\$107.8	\$16.5
Other Operating Revenues	1.2	3.1	3.1	-
Subtotal	100.3	94.4	110.9	16.5
Non-Operating Revenue	38.8	38.9	60.4	21.5
Capital grants and contributions	1.0	2.1	0.9	(1.2)
Total	\$140.1	\$135.4	\$172.2	\$36.8

The \$36.8M increase (27%) in revenues in FY 2021 was primarily due to: (1) increased inpatients' length of stay due to increased acuity; and (2) \$20.4M increase in non-operating revenues from various federal grants in response to and recovery from COVID-19 for contract travel nurses, doctors, payroll, medical supplies, and equipment.

Operating expenses increased by \$35.1M (24.1%) due to increases in expenses to prevent, prepare for, and respond to COVID-19, such as contracts for travel nurses, physicians, and medical supplies.

Operating Expenses	FY 2019	FY 2020	FY 2021	Δ from PY
Nursing	\$38.3	\$43.6	\$67.5	\$23.9
Professional Support	29.8	29.9	35.0	5.1
Medical Staff	25.8	28.2	30.6	2.4
Administrative Support	15.4	15.7	15.7	-
Retiree Healthcare & Pension Costs	6.3	10.9	13.3	2.4
Fiscal Services	7.9	9.4	10.2	0.8
Administration	3.6	4.2	4.4	0.2
Depreciation	3.5	3.7	4.0	0.3
Loss on Impairment of Building	0.4	-	-	-
Total	\$131.0	\$145.6	\$180.7	\$35.1

FY 2021 Personnel Cost by Division

Nursing	\$40.9
Professional Support	19.9
Administrative Support	8.4
Fiscal Services	7.4
Administration	3.3
Medical Staff	17.2
Total	\$97.1



FY 2021 Financial Audit

Deloitte & Touche, LLP, rendered a clean audit opinion on GMHA's FY 2021 financial statements. The auditors emphasized a going concern due to recurring losses and negative cash flows from operations and possible negative impact to financial statements from COVID-19.

You may view the audit in its entirety at -
<https://www.gmha.org/financial-reports-center/>





Our Outlook

Updating and Developing the Strategic Plan

GMHA will develop a scope of work to update the 2018-2022 Strategic Plan. The current plan encompasses five goals that need to be reevaluated for relevancy and to reflect the expected environment in light of the Hospital's current operations.

Improving Cash Flow with Revenue Cycle Management Evaluation

A review of GMHA's current revenue cycle is ongoing, including staff training and updating of policies and procedures. The RCM is expected to help optimize GMHA billing systems and increase collections.

Carrying Out Recruitment and Retention Initiatives

The new Nurse Professional Pay Structure and Differential became effective in July 2021. GMHA continues to address other pay disparities in other clinical areas until the Department of Administration concludes a comprehensive competitive wage study for all GMHA staff.

Pursuing Accreditation

GMHA is confident it will obtain accreditation together with the CIHQ. Accrediting organizations, such as CIHQ, must apply for a deeming authority from the Department of Health and Human Services. Mock surveys are ongoing in FY 2022.



Working Towards the New Hospital Facility

GMHA will continue collaborating and engaging with the Guam Healthcare Task Force to complete the conceptual design for the new hospital facility and medical campus. The Task Force is exploring land acquisition for the new medical campus.

Migrating to a New EHR System

Testing of the CareVue system is ongoing and is expected to go live by late 2022. This new EHR technology will meet CMS's "Promoting Interoperability Program" requirement.

Ongoing Capital Improvements

Although a new hospital facility will be pursued, GMHA is repairing the existing facility's critical life safety items. Major works include (1) roof/envelope upgrade to enhance structural integrity during heavy rainfall, (2) Z-Wing demolition, retrofit, and parking lot, (3) isolation of B-Wing for the ACS, and (4) ventilation and cooling system upgrades.



Our Strategic Goals for FY 2022:

- ✦ Achieve financial stability
- ✦ Leadership team development
- ✦ Establish and sustain safety and quality culture
- ✦ Training and education assessment and implementation
- ✦ Capital improvement, planning, and implementation