

# Guam Memorial Hospital Authority

## *Citizen Centric Report- FY2017*

### A Report to the Citizens of Guam



### About Guam's only Public Hospital

Guam Memorial Hospital Authority, a component unit of the Government of Guam, was created on July 26, 1977 pursuant to Public Law 14-29 as an autonomous agency. The hospital provides acute, outpatient, long-term, urgent care, and emergency care treatment to all patients who seek medical services. The hospital has 161 licensed acute care beds and 40 beds for long-term care at its Skilled Nursing Unit (SNU). GMHA operating revenue sources are primarily from third-party payors, which includes Medicare, Medicaid, Medically Indigent Program, and other commercial insurers.

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### Mission Statement

"To provide quality patient care in a safe environment"

### Board of Trustees

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Peter John D. Camacho, MPH  
Hospital Administrator/CEO

### Vision Statement

*Quality Service  
and standards  
Compliance*

*Open and  
consistent  
communication*

*Fiscal  
responsibility and  
Accountability at  
all levels*

### Strategic Goals

*Achieve Financial  
Stability*

*Leadership team  
development*

*Establish and  
sustain safety and  
quality culture*

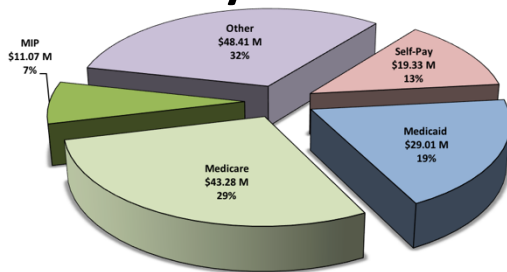
*Training and  
Education  
Assessment and  
implementation*

*Capital  
Improvement,  
planning, and  
implementation*

### FTE (Full-Time Employee Count)

Division	FY2017	FY2016
Nursing	435	455
Professional Support	205	200
Administrative Support	172	166
Fiscal Services	101	94
Administration	14	16
Medical Staff	50	46
DOC	24	8
<b>Total:</b>	<b>1001</b>	<b>985</b>

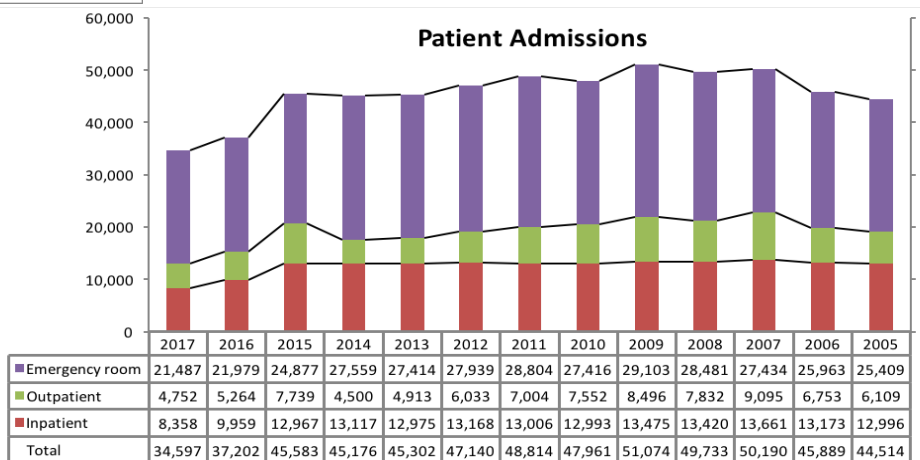
## Payer Mix



Guam Memorial Hospital Authority continues to face financial challenges due to reimbursements from its "Payer Mix". In FY2017, the breakdown of the gross revenue of \$151 M is shown on the chart. The 3 M's (Medicare, Medicaid, and MIP) make up 55% of the total revenue, with a collection to billing ratio of about 41%.

Patient Census declined by 7% in fiscal year 2017 as expected due to the opening of a local private hospital. Despite the decrease in census, the gross revenue declined by only 3%.

## Patient Admissions



## HIGHLIGHTS OF 2017

*Continued Strategic/master planning, implementation, and capital improvement*

*Successfully designing our soon to be built Family Birth Center*

*Developing a Master Plan and Business Sustainability Plan to replace the Z-Wing (50+ Year old building) and establish an enhanced Service Center.*

*Service improvements and meeting its mission "to provide quality patient care in a safe environment."*

*Outstanding hospital accreditation and certification deficiencies continued to be quickly corrected after initial detection by internal GMHA staff and external survey team*

*Received notice of over \$4M in additional Medicare Reimbursement for TEFRA adjustment. Receipt of funds still pending.*

# FINANCIAL POSITION | 3

Revenues	FY2017	FY2016	Change%
Net Patient Service Revenue	\$88,224,299	\$95,065,140	-7.2%
Cafeteria Food Sales	407,276	511,387	-20.4%
Misc Revenue	3,573,953	3,306,720	8.1%
Non-Operating Revenues	24,808,225	70,380,661	-64.8%
Capital Grants and Contributions	980,895	529,458	85.3%
<b>Total Revenue</b>	<b>\$117,994,648</b>	<b>\$169,793,366</b>	<b>-30.5%</b>

Expenses	FY2017	FY2016	Change %
Nursing	\$54,287,913	\$64,070,175	-15.3%
Professional Support	28,888,475	31,281,873	-7.7%
Administrative Support	12,957,803	14,035,184	-7.7%
Fiscal Services	9,052,228	9,343,691	-3.1%
Depreciation	5,373,279	5,121,496	4.9%
Administration	3,435,276	4,725,479	-27.3%
Retiree Healthcare	4,916,428	4,735,670	3.8%
Medical Staff	991,093	983,059	0.8%
<b>Total Expenses</b>	<b>\$119,902,495</b>	<b>\$134,296,627</b>	<b>-10.7%</b>
<b>Change in Net Position</b>	<b>(\$1,907,847)</b>	<b>(\$35,496,739)</b>	<b>-20.0%</b>

## Strategic Challenges FY2017

Pursue adequate funding levels (Medicare, Medicaid, MIP, & Selfpay)

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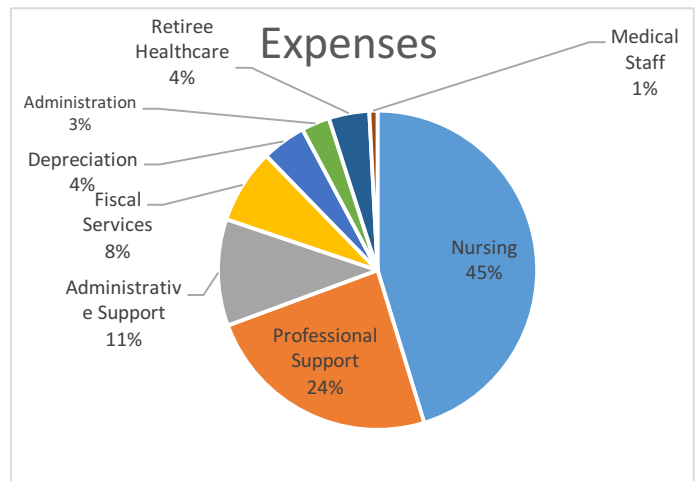
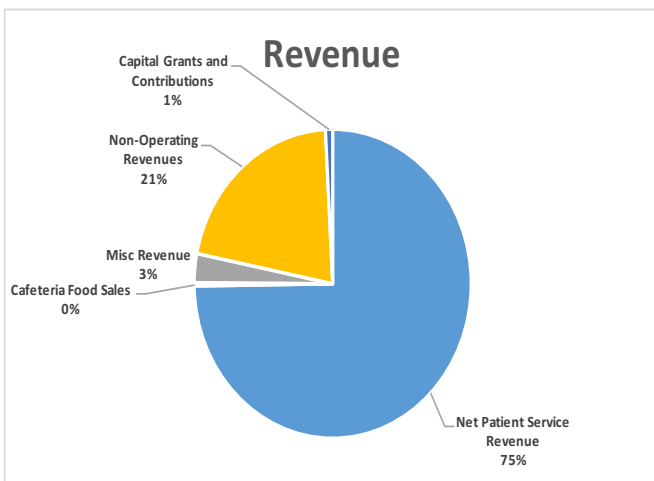
Enhancing Revenues, implementing cost reduction measures, and elimination of existing debt

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Changing reimbursement laws to allow for additional coverage

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Recruitment and retention of physicians, nurses, and other healthcare professionals



An independent audit report of GMHA's financial statements prepared by Deloitte & Touche, LLP conclude that the statements were prepared accordance with generally accepted accounting principles in the United State of America

*We want to hear from you! Let us know what information you want to see. Please contact GMHA (671)647-2555*

## ECONOMIC OUTLOOK

GMHA continues to provide the best patient care despite decades of financial challenges. Its continued effort to improve efficiencies, contain cost and generate internal revenue enhancements will contribute to GMHA's sustainability.

### Successful Projects

- Hospital Portable Ultrasound Replacement Project
- Hospital Mammography System Upgrade Project
- Autoclave Repair Project
- Online Electronic Pay System Project
- Telemetry & PICU Patient Monitoring System
- Removal & replacement of the SNU and Guam Memorial Hospital Nurse Call Systems
- SNU Typhoon Shutter System Upgrade
- SNU Emergency Exterior Walkway and Safe Haven Project



### Looking Forward

#### Family Birth Center

*The US Department of Agriculture approved a loan of \$9.2M to finance the design and construction of a new Family Birth Center within the hospital, with additional Federal grant funds of up to \$3M to finance new equipment for this facility. The center will offer an improved delivery of care to support approximately 250 babies born at GMHA each month. USDA requires interim financing for this project to proceed.*



- Hospital Rooftop Solar PV Project
- Ongoing Expansion of GMHA's Hospital Converged VoIP Telephone System
- Ongoing upgrades to the certified Electronic Health Records (EHR) Optimum Clinical System, Revenue Cycle Management System, and General Financials System to include all associated clinical and non-clinical end user training
- Hospital CT Scanners Replacement Project