

# COMMONWEALTH HEALTHCARE CORPORATION

## FY 2023 CITIZEN CENTRIC REPORT



SAIPAN - TINIAN - ROTA

**Vision:** The Commonwealth Healthcare Corporation provides sustainable, innovative, equitable, and comprehensive culturally responsive services to achieve accessible, high-quality, patient-centered wellness outcomes for all people in the CNMI.

**Mission:** Provide quality comprehensive health services and promote healthy environments for a resilient community.

**Values:** CHCC is committed to exceeding standards by providing a culture of compassionate, effective, quality care, honoring the dignity of its stakeholders and community, and promoting equity and transparency as well as continued accountability and growth throughout the corporation.

- 01 CHCC AT A GLANCE
- 02 OUR PROGRESS
- 03 OUR FINANCES
- 04 OUTLOOK

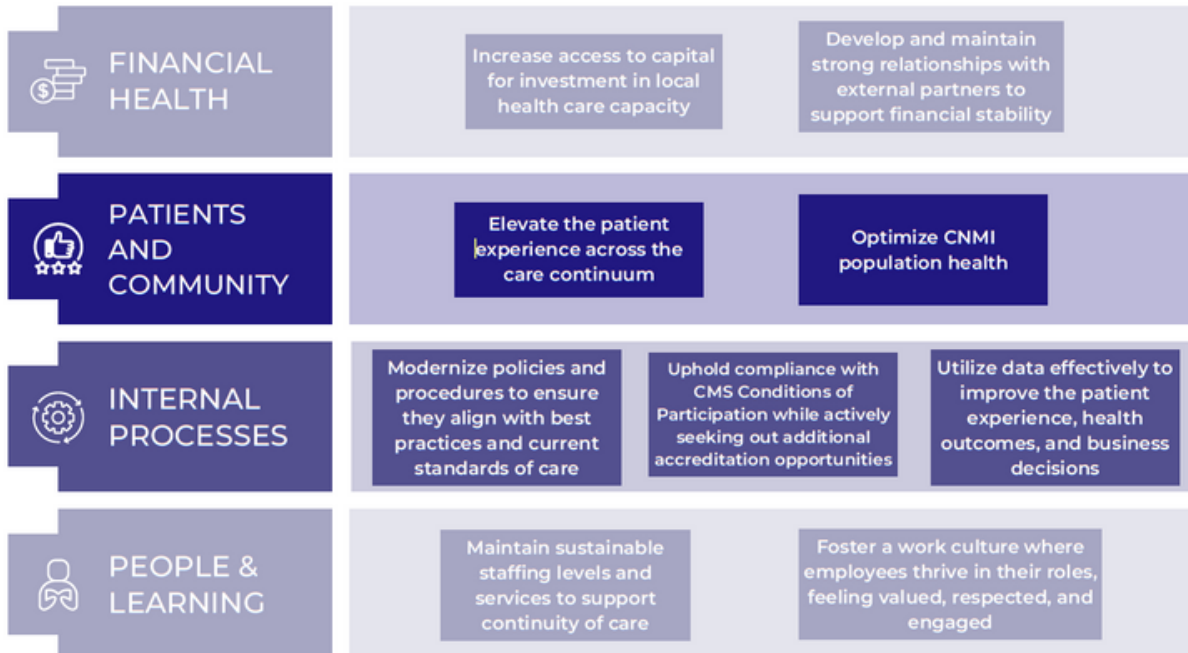


Juan N. Babauta  
Chairman  
Board of Trustees



Esther L. Muña, PhD, MHA, FACHE  
Chief Executive Officer

## Strategic Objectives



## OUR PROGRESS

- The Grants Management Office (GMO) continues to oversee the financial and record keeping side of the annual grant-making process for the Corporation and its Divisions for all grants received or awarded.
  - GMO maintains working relationships with all program managers, including CHCC leadership, to develop and streamline grant proposal application, implementation and administration, procedural compliance, performance evaluations and reporting requirements on all grants. Currently, GMO manages over \$70 million in federal funds. Additionally, the Grants Management Office continues to write and manage grants it receives specifically for modernizing and improving the overall CHCC.
  - Laboratories are CLIA certified:
    - The Clinical Laboratory Improvement Amendments (CLIA) Program regulates labs testing human specimens and ensures they provide accurate, reliable, and timely patient test results no matter where the test is done. Please use the certificates as proof of our compliance and meeting standard of care for Lab Testing.
    - CHCC Respiratory Care CLIA Certificate of Compliance - The validity of this certificate is from 05/03/2023 - 05/02/2025 (2 years).
    - CHCC Laboratory CLIA Certificate of Compliance - The validity of this certificate is from 04/07/2023 - 04/06/2025 (2 years).
  - Rota Health Center (RHC) Laboratory CLIA Certificate of Compliance - The validity of this certificate is from 12/12/2022 - 12/11/2024 (2 years)
  - Tinian Health Center (THC) Laboratory CLIA Certificate of Waiver - The validity of this certificate is from 08/06/2023 - 08/05/2025 (2 years).
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- CHCC: Community Guidance Center led the planning, coordination, and implementation of activities recognizing May as Mental Health Awareness Month in partnership with key stakeholders to raise awareness and educate the community about mental health issues, available resources, and protective strategies, practices and behaviors that promote mental health and wellness in our CNMI community. Featured activities included a Mind, Body, and Sole 5K Fun Run, Walk, and Roll; Self-Care at the Park Activity; and several Mental Health First Aid (MHFA) and Trauma-informed Trainings.
  - Haggan Woong United for Recovery, led the month of September as National Recovery Month and partnered with the CHCC: Community Guidance Center to plan and coordinate activities in collaboration with September also recognized as National Suicide Prevention Month. A slew of activities was conducted on Saipan, Rota, and Tinian and featured a combined Proclamation Signing, community-wide "Light up the Night" walk, Outrigger Paddling Activity, Basketball Activity, and Family Fun Day.
- Hemodialysis:
    - Obtained peritoneal dialysis cyclers after years of being declined this equipment by the manufacturers due to legal and liability issues/concerns. PD cyclers provide the patient with a more thorough treatment and better lifestyle which improves their overall health and livelihood.
    - Established and implemented fixed patient schedules which improved patient and staff experience. This provided stability in operations and consistency.
  - Health Vitals and Statistics (HVSO)
    - HVSO successfully implements Social Security Enumeration at Birth (EAB) program. The EAB program offers parents the option to request a Social Security number for their newborns during birth registration.
    - Through Epidemiology and Laboratory Capacity (ELC) Funding, HVSO is participating in the Data Modernization Project to enhance/modernize electronic vital registration system toward a more integrated system with other data exchange partners.
  - The Commonwealth Healthcare Corporation: Community Guidance Center (CHCC: CGC) highlights, among its directory of trainings, the Mental Health First Aid (MHFA) Training, an evidence-based, early intervention program designed to teach participants how to identify, understand, and respond to someone who might be struggling with a mental health or substance use challenge – and connect them with appropriate support and resources when necessary.
  - Honorable Governor Palacios appointed the CHCC: CGC's Joseph Kevin Villagomez to serve as the lead representative for the CNMI Governor's Challenge that addresses suicide prevention among Service Members, Veterans, and their Families (SMVF). This nationwide initiative engages states and jurisdictions and is led by the United States Veterans Office and Substance Abuse and Mental Health Services Administration.
- As CHCC continues to offer opportunities to build local workforce capacity. Five (5) Graduate Nurses from the Northern Marianas College were assisted for their NCLEX certification exam while employed at CHCC have successfully passed their exam and now full pledged Registered Nurses.
  - Non-Communicable Disease Prevention
    - 70 NCD Prevention Presentations
    - 3,878 Presentation Participants
    - 375 Sports Clinic Participants
    - 222 Breast & Cervical Cancer Screening Vouchers (70 women from Rota & Tinian)
  - Reproductive Health
    - 1,324 patient's service by Family Planning Program
    - 2,340 Family Planning Visits
    - Service Expansion: Saturday Clinics
  - Families & Children with Special Needs
    - 168 Families Served in Home Visiting
    - 2,274 Home Visits Conducted
    - 171 Parent Learning Session Participants
    - 122 transportation vouchers issued for children/families in accessing healthcare & related services
  - Nutrition & Breastfeeding
    - 2,859 families enrolled in WIC as of 09/30/2023
    - \$3,092,119 in Food Benefits issued to CNMI families
    - Award Winning: Gold
    - National WIC Breastfeeding Awards of Excellence to CNMI WIC Program
  - Immunizations
    - 9,608 individuals vaccinated through Immunization Clinic
    - 19,313 vaccines administered
    - \$41,390 in fees collected
    - \$155,053 in vaccine administration fees billed
  - Environmental Health
    - 1,451 Retail Food Establishments Inspected
    - 4,547 Food Handlers trained
    - \$485,210 in fees EHDP collected
  - Rota Health Center
    - RHC's Outpatient Clinic Patient Registration is currently piloting the Patient Consent Form via Laserfische.
    - A new jockey pump was installed for the reserved water tank. The fire sprinkler system is back in service.
    - The 750 KVA secondary generator with accessories were delivered to RHC on Sept 23, 2023.
    - Supply storage containers are now accessible as the power installation was recently completed by CUC.
  - Tinian Health Center
    - The X-ray Machine was upgraded to have the capacity to interface with the rest of the CHCC radiology systems/network.
    - The morgue (room/space) expansion was completed. The multi-purpose room (located next to the morgue) construction is ongoing and is nearing completion.

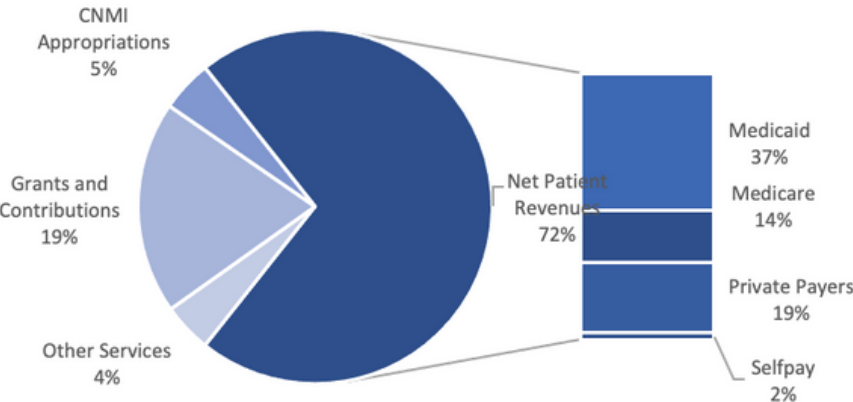
Net patient revenues accounted for 71%, 58%, 75% and 69% of total gross revenues for the years ended Sept 30, 2023, 2022, 2021 and 2020, respectively.

# OUR FINANCES

Medicaid continues to be CHCC major payor as a significant number of our population are covered by either Medicaid or Presumptive Medicaid.

CNMI Appropriations including transfers for the Medical Referral Program amounted to \$5,479,78. Actual expenditures for this program amounted to \$7,011,138.96.

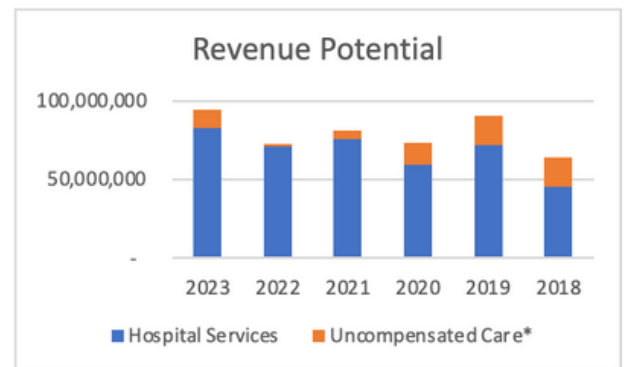
## REVENUES



Revenues	2023	2022	2021	2020
Medicaid	42,504,873	44,866,921	44,486,763	30,461,563
Private Payers	22,117,160	11,324,659	17,283,985	16,374,759
Medicare	16,171,976	13,638,431	12,853,585	11,383,814
Selfpay	1,959,487	1,051,896	1,319,550	1,107,909
Net Patient Revenues	82,753,496	70,881,907	75,943,883	59,328,045
Grants and Contributions	116,005,710	35,128,773	1,117,560	22,879,600
CNMI Appropriations	5,479,678	11,685,655	1,930,561	2,976,861
Other Services	5,223,963	3,882,267	1,773,390	832,045
Gross Revenues	116,005,710	121,578,602	100,765,394	86,016,551

Full Hospital Revenue Potential	2023	2022	2021	2020	2019	2018
Hospital Services	82,753,496	70,881,907	75,943,883	59,328,045	71,600,329	45,280,616
Uncompensated Care	11,654,597	1,709,919	5,462,198	13,620,844	18,850,514	18,329,708

\* Including unremitted Medicaid CPE of \$9,028,464 from June to September 2023



Expenditures	General Fund*	Federal and other Grants	Total 2023	Total 2022	Total 2021	Total 2020
Personnel	63,066,600	7,798,369	70,864,969	74,439,986	57,105,269	48,925,069
Operations	44,756,140	8,292,354	53,048,494	66,537,051	45,772,437	41,283,089
<b>Total Expenditure</b>	<b>107,822,740</b>	<b>16,090,723</b>	<b>123,913,463</b>	<b>140,977,037</b>	<b>102,877,706</b>	<b>90,208,159</b>

Incremental Operating Costs due to COVID amounted \$6,093,745 in FY2022, \$3,367,731 in FY2021 and \$5,877,409 in FY2020.

## OUTLOOK & CHALLENGES



### Legislative and Policy Factors

- Healthcare laws and policies impact how CHCC delivers and bills for care.
- Lack of health insurance protections risks affordable healthcare access.
- Medicaid PE expiration Increased Uncompensated care.
- Medicaid state plans significantly affect CHCC's finances and healthcare deliveries.
- Delays in CNMI Nursing board certifications cause staff recruitment delays.

### Economic Factors

- Capped Medicaid funding adds to uncompensated care costs.
- CNMI government's financial crisis may lead to underfunding, low Medicaid reimbursement, lack of appropriations to CHCC and reduced capital availability.
- Increasing costs of goods, services, transportation, and tariffs could strain CHCC's budget. Inflation might discourage patients from seeking care and affect CHCC's purchasing power.
- High cost of living in CNMI might hinder CHCC's ability to offer attractive salaries.
- Healthcare workforce shortages could lead to staff burnout, longer wait times, and increased costs.
- Loss of Medicaid coverage for CNMI residents will strain CHCC's cashflow and lead to poorer health outcomes.

### Social Cultural Factors

- Growing service demands and expectations put pressure on CHCC's resources and quality of care.
- The hiring of Community Health Workers and the Mobile Clinic outreaches aim to improve access to primary care, no matter the socio-economic and cultural status.
- Strengthened partnership with Community-based organizations is essential to reducing health disparities.

### Technological Factors

- AI presents opportunities for predictive modeling, diagnosis, treatment, administrative task automation, and population health management at CHCC.
- Telehealth can offer remote consultations, monitoring, improved communication, cost savings, and reduced hospital burden.
- Federal funding and CNMI Office's efforts improve broadband capacity, benefiting telehealth.
- Digitization could improve CHCC's efficiency and automate quality control processes.

### Environmental Factors

- Climate change threats to CHCC include potential infrastructure damage, transportation disruption, air quality deterioration, heat-related illnesses, water and food supply threats, and mosquito-borne diseases.