

COMMONWEALTH HEALTHCARE CORPORATION

FY 2021 Citizen-Centric Report

Providing quality, comprehensive health services and promoting healthy environments for individuals at every life stage for a resilient community



Commonwealth Health Center
Rota Health Center
Tinian Health Center

CHCC at a glance	page 1
Year in review	page 2
Finances	page 4
Opportunities	page 3



Commonwealth Healthcare Corporation

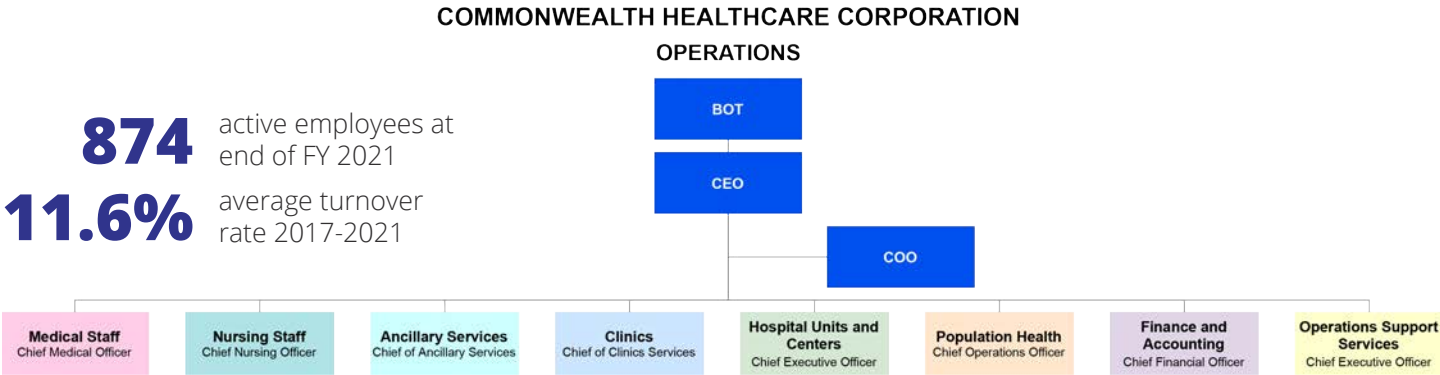
The Commonwealth Healthcare Corporation (CHCC) practices sustainable, innovative, equitable, and comprehensive methods to empower all people in the CNMI to achieve optimal health.

The mission of the Commonwealth Healthcare Corporation is to provide quality, comprehensive health services and promote healthy environments for individuals at every life stage for a resilient community.

CHCC is committed to exceed standards by providing a culture of compassionate, quality care, honoring the dignity of its stakeholders and community, and promoting accountability, equity, and transparency throughout the corporation.

Strategic Goals

1. Providing quality and affordable care to the community.
2. Maintaining a comprehensive data management system to track health patterns and trends in the CNMI.
3. Increasing financial efficiency to make investments into improvements to facilities, equipment, and services.
4. Maintaining U.S. Centers for Medicare & Medicaid Services accreditation.
5. Recruiting and retaining staff from both the U.S. and abroad.
6. Improving the corporation through professional development and staff training.





Year in review

Accomplishments

- On December 19, 2020, the CHCC and the Governor's COVID-19 Task Force **launched the first phase of the COVID-19 vaccine distributions.**
- On March 17, 2021, the CHCC **implemented the first Electronic Vital Registration System in the US-Affiliated Pacific Islands** to securely transmit vital events information to the National Centers for Health Statistics.
- In May 2021, Milesceilyn Guerrero, nurse manager for the Jose T. Villagomez Center for Dialysis, **was awarded the national Excellence in Nephrology Nursing Management Award** by the American Nephrology Nurses Association.
- In August 2021, the CHCC **debuted its online bill pay system** through HealthPay24, allowing patients of the CHCC in Saipan to make payments online.
- In August 2021, the CHCC **was awarded \$522,722 by the Federal Communications Commission** for telehealth devices to expand outpatient telemedicine services, particularly for patients living on Rota and Tinian who would otherwise require air travel to access care.
- In August 2021, the CNMI WIC Program **received a WIC Breastfeeding Performance Bonus** in recognition of the state agency's outstanding achievement in sustaining high breastfeeding rates among WIC participants during fiscal year 2020.
- On September 10, 2021, the CHCC **successfully vaccinated 80%** of the CNMI's eligible population at the time.



Facilities upgrades

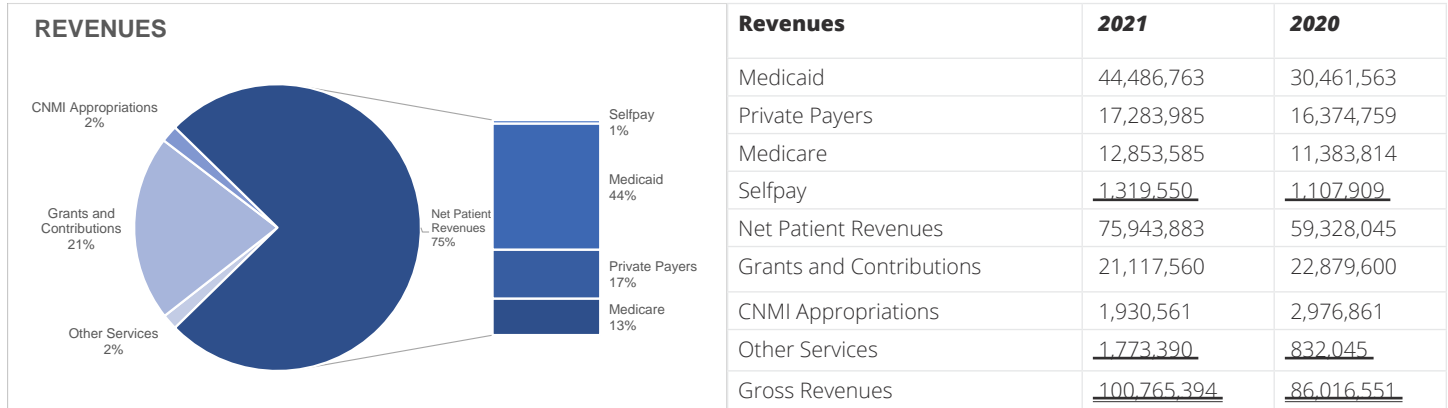
- A new **autoclave** was delivered and installed to ensure used needles and sharps are sterilized before disposal.
- A **reverse osmosis machine** was installed for the Hemodialysis Unit.
- A **mobile laboratory trailer** was stationed at the MCATS to support to the public health/ hospital laboratory.
- The **fire suppression system** was re-piped and **new sprinkler heads** were installed.
- A new **diesel catchment** for the emergency generators in Building I was installed.



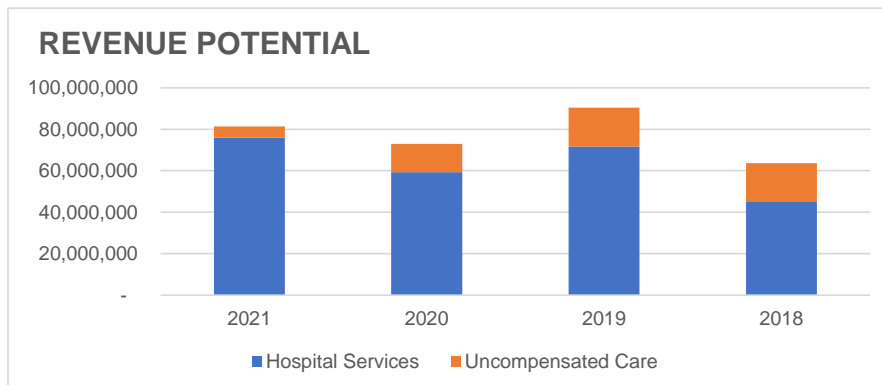
Finances

Net patient revenues accounted for **75%** and **69%** of total gross revenues for the years ended September 30, 2021 and 2020, respectively.

Medicaid continues to be the CHCC's major payors as a majority of our population are covered by either Medicaid or Presumptive Eligibility Medicaid.



Full Hospital Revenue Potential	2021	2020	2019	2018
Hospital Services	75,943,883	59,328,045	71,600,329	45,280,616
Uncompensated Care	5,462,198	13,620,844	18,850,514	18,329,708



Additional federal grants awarded in 2021, related to COVID-19:

- CDC ELC Program - (Epi/Lab Upgrades/COVID Testing Ops) - **\$13,155,787**
- CDC Immunization Program (Vaccination/COVAX Ops) - **\$5,573,715**
- Behavioral Health COVID/ Disaster Programs - **\$4,715,209**
- DOI/OIA Drive Thru Pharmacy Project - **\$1,720,000**
- DOI/OIA Laboratory Expansion Project - **\$581,749**

Incremental Operating Costs due to COVID-19 were **\$3,367,731** in 2021 and **\$5,877,409** in 2020.

Additionally, the CHCC received **\$5.2 million** in ARPA Premium in 2021. The corporation grew from 809 employees in 2020 to 920 at one point in 2021. This increase in staffing and the ARPA Premium contributed to the increase in personnel costs.

Operating Costs	General Fund*	Federal and other Grants	Total 2021	Total 2020
Personnel	50,852,275	6,252,994	57,105,269	48,925,069
Operations	37,382,860	8,389,577	45,772,437	41,283,089
Total Expenditure	88,235,135	14,642,571	102,877,706	90,208,159

Looking forward

Opportunities

The expansion of operations presents unique opportunities and challenges to the CHCC.

The absorption of Medical Referral includes challenges such as whether to adopt a Clinical Integrated Network--working with off-island providers to improve patient outcomes after referral--or another model. The CHCC has indentified a cardiologist interested in the integrated health system model.

The CHCC is looking to renovate its hospital rooms. An application was submitted to the U.S. Department of Agriculture due to the increase in patients and staffing.

The Tinian Health Center continues to undergo multiple projects. A multipurpose room is in the works, as well as an extension to the existing morgue. The Tinian Health Center is also working with the U.S. Department of Defense on expanding the existing emergency room. Tele-pharmacy is fully operational, which includes continued training of staff and significant upgrades of equipment. Equipment upgrades include: a new lab fume hood, and expanded testing capability for COVID-19 using the Abbott ID Now PCR, GeneXpert, and Abbott Binax antigen test platforms. The BioFire FilmArray system has been delivered to the Tinian Health Center, but would need a laboratory technician to operate, due to its complex testing category.

The Rota Health Center received four new refrigerators and two freezers funded by the Immunization Program and Epidemiology and Laboratory Capacity program for the laboratory, pharmacy, nurses stations, and immunization clinic. Medical providers from CHC continue to provide emergency room coverages during after hours, weekends, and holidays. New equipment and technology received at the Rota Health Center include: a BioFire FilmArray system for the laboratory, two copier machines, and network infrastructure upgrades (fiber optic and network installations). The Tinian Health Center continues to assist with staffing coverage for during the nursing shortage.

Economic outlook

While the incremental operating costs due to COVID-19 were less in FY 2021 than in FY 2020, the CHCC continues to anticipate sustained response to the health and economic impacts of COVID-19 in the CNMI. In addition to continuing to provide staff support to the Governor's COVID-19 Task Force for incoming traveler screening, quarantine facilities, community-based testing, and managing the Alternate Care Site (ACS), the CHCC continues to be leading COVID-19 vaccine distribution throughout 2022. Fortunately, expanded access to Medicaid coverage and unemployment assistance has helped the CHCC's patients continue to afford the care they need, especially with the Congressional expansion of Medicaid funds. Further investment in the Medicaid program, both federally and locally, is essential to support the CNMI's health care system through the pandemic.

