

LAWMAKERS UPDATED ON THE STATUS OF THE HEALTH CARE INDUSTRY

Date : February 4, 2019

ST. THOMAS- Members of the Committee on Health and Hospitals and Human Services, chaired by Sen. Oakland Benta, convened in a meeting at the Capitol Building on Monday, to receive testimony on an update of the status of the Virgin Islands Health Care Industry.

Currently, structural and internal damages sustained because of Hurricane Irma and Maria were repaired, and essential services resumed at the Roy L. Schneider Medical Center (SRMC). Some of them are the re-opening of the Operating Room, Emergency Medicine, Heart & Lung Services, and Hemodialysis. However, due to the lack of a financial investment, the Charlotte Kimmelman Cancer Institute remains closed for patient care services. The Myrah Keating Smith Community Health Center (MKS) remains inoperable. MKS General outpatient medical services were relocated to the DeCastro Clinic in St. John.

Some of the significant financial challenges of SRMC include the lack of ability to comply with the Collective Bargaining Unions negotiated salary increases estimated at \$2.8 million; the Government Employee Retirement System (GERS) in which \$2.7 million is required to complete the conversion of employer rates, and an additional \$8 million in allotments from the Government of the Virgin Islands is needed to offset the \$30 million in uncompensated care to Virgin Islands residents. As it relates to the Community Disaster Loan (CDL), Sen. Benta inquired if SRMC will be able to draw down on the CDL by the March 31, 2019 deadline. Chief Medical Officer of SRMC Luis Amaro noted that SRMC is operating due to access to CDL and all funds are expected to be expended by the period.

Similarly, Juan F. Luis Hospital (JFL) Acting Chief Executive Officer Dyma Williams shared an update. Post-Hurricane Maria, there was extensive water and structural damages to JFL. As a result, services at the Operating Room has declined, Interventional Cardiology Services was adversely affected, and the inpatient-bed capacity has reduced from 80 to 46 beds. Furthermore, to resolve those issues, FEMA indicated that replacing JFL by building a new hospital is necessary. However, the timeline for that project is unconfirmed. Despite paying down ongoing bills to WAPA, suppliers, contractors, and GERS, JFL remains in financial debt. The operating expenditures and payroll obligations are met through the \$42 million approved by CDL of which the amount expended is \$37 million.

In addition to SRMC, JFL, the V.I. Department of Health (DOH), the Department of Human Services (DHS), the Frederiksted Health Care Center (FHC), Inc., St. Thomas East End Medical Center (STEEMCC) and the V.I. Developmental Disabilities Council, Inc. also shared an overview. Thus far, DOH has resolved three outstanding arbitration cases, processed over a 1,000 Medical

Malpractice Liability Insurance Certificates, reorganized the Immunization Division, and hired twenty-seven new employees, promoted twenty-two employees and currently have eight-four vacancies. DOH actively participated in Contract Bargaining Agreements Negotiations, implemented two minimum wage increases and settled thirty grievance cases including those that were outstanding.

Post-Hurricane Maria, there were structural damages to DHS Golden Rock Office in St. Croix. As a result, the department relocated to five different buildings. DHS received a total of \$3,989,177 from the Food and Nutrition Services (FNS) issued for benefits distributed in February 2019.

Considering a potential government shut down, it is unclear of the availability of FNS funds for March 2019. The lack of staff is one of the significant challenges of the department. There are eighty-seven vacancies; this significantly affects the Division of Senior Citizens Affairs. There is a reduction of juvenile delinquent cases in the St. Thomas-St. John District. However, there is an increase in the St. Croix District.

Separately, some of the initiatives of the Frederiksted Healthcare Center are providing behavioral, medical and dental services to the homeless population, obtaining a Center of Disease Control grant to educate the community about AIDS and HIV, and receiving an Elton John Foundation Grant for the FHC needle exchange program. FHC's challenges include the need to recruit additional Licensed Practical Nurses and dental assistants, limited inpatient care for psychiatric patients and a prolonged process for licensing for Medical and Dental Providers.

Despite the destruction caused by the hurricanes, STEEMCC facility remained undamaged. The assets were untouched, and provider and staff continued working which enables continued patient care. One of STEEMCC challenges is uncompensated care costs. According to STEEMCC Executive Director, Moletto Smith, Jr. private pay group also known as self-pay is 40% of the payer mix; this resulted in unpaid debt.

The major challenge for the Virgin Islands Developmental Disabilities Council, Inc. is obtaining the required resources to conduct program services effectively. Some of the initiatives include the expansion of the Family to Family Health Care Centers Programs to the Virgin Islands, collaborating with Vocational Rehabilitation that provides wrap-around services, and increasing grant writing training opportunities.

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