

MAP Bill Sent to Rules and Judiciary Committee

Date : June 7, 2019

ST. THOMAS--Senate President Novelle E.

Francis, Jr. convened the 33rd Legislature in Regular Session on Wednesday in the Earle B. Ottley Legislative Hall, St. Thomas. The committee received testimony from several Healthcare Officials and other Semi-Autonomous Agencies on Bill No.33-0072.

Bill No.33-0072 seeks to appropriate \$39,467,909 that was awarded to the Virgin Islands Medical Assistance Program because of a multi-year reconciliation and review of several of the territory's healthcare agencies and various governmental agencies.

Andrea Daley, Chief Financial Officer, VI Waste Management Authority (VIWMA) said in her testimony that the \$3 million dollars awarded to them will be used towards the down payment of outstanding debts to the haulers. She added that the Authority has an outstanding debt of \$27,583, 979.30 and at the end of April, the Landfill Operators were owed \$12,586,892.12; Wastewater Treatment Plan Operators \$6,290,853.50; and other vendors \$4,060,917.87 respectively.

According to Daley, the total balance amount of \$4,645,315.81 is due to the haulers exclusively. This appropriation shall enable the Authority to pay a portion of what is owed, approximately 65 percent, with a balance of \$1,645,315.81 due haulers.

Other testifiers for VIWMA were Adrian Wade Taylor, Interim Executive Director, and Ann Hanley Acting Chief Operating Officer.

Lawrence Kupfer, Executive Director/CEO for VI Water and Power Authority (WAPA) testified that the sum of \$9,903,746 is to be appropriated directly to WAPA for payment of service owed by JFL and the sum of \$4,312,454 owed by Schneider Regional Medical Center amounted to approximately \$22.9 million which is the amount the Authority was anticipating. This combined amount owed by the Territory's hospitals leaves the Authority with a substantial arrearage of \$8,673,800 for utility services.

Kupfer added that the failure of the Authority's base rate revenues to keep pace with operating and capital costs have created a revenue deficiency which continues to threaten the operational and financial integrity and sustainability of WAPA's Electrical System.

Jenifer O'Neal, Director Designee of OMB said that the \$8,710,649 payment to the Department of Labor will be immediately used to pay the outstanding debt owed to the Virgin Islands Water and Power Authority (WAPA) by Schneider Regional Center and Governor Juan F. Luis Hospital and Medical Center.

According to O'Neal, the \$5 million dollars received by the Virgin Islands Bureau of Internal Revenue is to immediately be used to pay outstanding refunds for Tax Year 2016. She added that these funds were received after an audit of the cost reports and ratings through the Department of Human Services. She added that OMB fully supports Bill No.33-0072.

Dyma Williams, Acting Chief Executive Officer of JFL, said the reason why JFL is in so much debt is due to uncompensated care. From fiscal year 2014 to 2019, JFL has experienced a \$114.4 million shortfall due to non-reimbursement of uncompensated care by the Government of the Virgin Islands.

Dr. Bernard Wheatley, Chief Executive

Officer, Schneider Regional Medical Center (SRMC) said they have \$25 million in Account Payables including the \$8.8 million owed to WAPA. As a point of clarification, he stated that DOL

owes SRMC \$6.5 million for medical services provided to clients of the workers' compensation program.

Other invited testifiers were Justa

Encarnacion, Commissioner Designee Department of Health; Moleto Smith, Chief Executive Officer, St. Thomas East End Medical Center; and Massarae Sprauve-Webster, Chief Executive Officer, Frederiksted Health Care, Inc.

After several rounds of questioning, the

Body moved to send Bill 33-0072 to the Committee on Rules and Judiciary for further amendments and clarifications.

The last item on the day's agenda, was Bill

33-0089, a resolution which reestablishes the Majority Caucus of the 33rd Legislature and the structure of each committee. The resolution was approved by a 9-member majority of the Body.

Senators at Wednesday's Session were:

President, Senator Novelle E. Francis, Jr., Alicia Barnes, Oakland Benta, Marvin Blyden, Allison DeGazon, Dwayne DeGraff, Donna Frett-Gregory, Kenneth Gittens, Stedmann Hodge, Jr., Myron Jackson, Javan James, Sr., Steven Payne, Sr., Janelle Sarauw, Athneil "Bobby" Thomas, and Kurt Vialet.

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