

GUAM HEALTH CARE TASK FORCE

Steering Committee Meeting

May 25, 2021 | 2:00pm

In attendance

Lillian Perez-Posadas	<i>GMHA Administrator</i>
Dr. Jolene Aguon	
Dr. Annie Bordallo	
Byron Evaristo	<i>GMHA BOT</i>
Mel Mendiola	<i>GEDA Administrator</i>
Joann Camacho	<i>GEDA Deputy Administrator</i>
Diego Mendiola	<i>GEDA RPD Manager</i>
Mary Camacho	<i>GEDA RPD Supervisor</i>
Mike Cruz	<i>GEDA RPD Project Manager</i>
Tina Garcia	<i>GEDA Public Finance Manager</i>
Therese Arriola	<i>GBHWC Director</i>
Vera Topasna	<i>CDLO Executive Director</i>
George Bamba	<i>CDLO</i>
Jack Hattig	<i>Office of the Governor</i>
Dr. Hattori-Uchima	<i>UOG</i>

Joe Borja	<i>DLM Director</i>
Art San Agustin	<i>DPHSS</i>
Laurent Duenas	<i>DPHSS</i>
Tom Nadeau	<i>DPHSS</i>
Bertha Taijeron	<i>DPHSS</i>
Chad Palomo	<i>DPHSS</i>
Charlene San Nicolas	<i>DPHSS</i>
Chima Mbakwem	<i>DPHSS</i>
Jeffrey San Nicolas	<i>DPHSS</i>
Theresa Arcangel	<i>DPHSS</i>
Senator Telo Taitague	<i>36th GU Legislature</i>
David Jr Cruz	<i>Guam Recovery Office</i>
Celeste Werner	<i>Matrix</i>
Mike Hrapal	<i>Matrix</i>

Meeting Discussion:

Subcommittee Updates

- **Land, Facilities, and Infrastructure (Joe Borja, DLM)**
 - Determining land size needed for a medical campus
 - New hospital, Public Health, Guam Behavioral Health and Wellness Center, CDC Lab
 - 2 of the buildings already have funding (DPHSS and CDC Lab)
 - 100 acreage needed: determined by square footage footprint of existing public healthcare facilities including parking and multiplied by 4
 - Potential Medical Campus sites
 - Sites removed from list
 - Adacao: worst infrastructure situation of all focus sites; also furthest away and least amount of surrounding infrastructure
 - Cross Island Road: soft clay soil with ravines and access issues
 - Ypao Point (Old GMH): Too small and no area to stage construction equipment/materials
 - Finegayan: In close proximity to other hospitals all serviced by one road
 - #1 Recommended site for the future Medical Campus
 - Eagles Field
 - Received Right of Entry from Navy to conduct surveys
 - Land Survey ongoing
 - Navy providing assistance for clearing, so no permit needed
 - Survey will provide legal description, site parameters, existing conditions, and previous uses
 - Other surveys still need to be done
 - Archeological, explosive ordnance UXO, Environmental surveys, etc.
 - NEXRAD antenna: Military requesting to maintain buffer zone around antenna
 - Military 30ft building limitation request
 - (Lillian P.) If we are limited to 30ft height restriction, can we build underground? 2 floors underground to include the lab
 - Original request for 102 acres, and are requesting for another 50 acres

- Utilities
 - No matter what location is selected, major utilities upgrade will be needed to support a medical campus.
- **Medical Services (Dr. Bordallo)**
 - Subcommittee Goal: Update the Task Order for Matrix
 - Gaps from previous studies need to be filled
 - Surveys to be sent to the Guam Medical Society and Guam Medical Association to get a better footprint of the medical services that are already being offered
 - Poll each medical department in the hospital to find out what they are missing
 - Services that are unavailable/missing
 - Request for Matrix study to find out if we can afford to provide them locally and what costs are associated
 - Poll GRMC (do we have the same services and what can one lead)
 - What services do they provide
 - Do we need to both provide them, split them, or some sort of combination of it
 - DPHSS – separate services (medical v. admin)
 - What Clinical services were provided at the old central facility
 - Do DPHSS mandate or local laws determine those services?
 - Request for a listing of services that qualify as pure medical
 - Which services to include at the campus or keep as satellite programs
 - CDC Lab
 - Lab can serve as a reference lab
 - Share resources with other agencies, as a clinical and a reference lab
 - What lab services that facility would be able to provide
 - Will they stick to reference only or stick to overflow?
 - Art S.A. (DPHSS) to list and define what services will be provided at the CDC lab
 - Facilities to include additional training spaces
 - An assessment of training space needed in addition to needs of 3 the agencies, also for programs with UOG and GCC
 - Potential funding source from USEDA for workforce development
- **Finance (Tina)**
 - Bill 121-36 (COR) – An Act to Add a New Chapter 83 to Title 12, Division 5, Guam Code Annotated Relative to the Finance, Design, Construction and Maintenance of Government of Guam 21st Century Healthcare Center of Excellence and Shall be Called “The 21st Century Healthcare Center of Excellence Construction Act of 2021.”
 - GEDA conveyed to the legislature that task force is performing an initial study and asked for a pause in moving forward with legislation
 - Phased construction plan
 - Phase I: DPHSS – Urgent need to begin construction
 - Grant funding available
 - CDC Lab (\$32M grant)
 - Environmental Health (\$3M)
 - Primary Office (\$1M annual rent)
 - Phase II: GMHA
 - Phase III: GBHWC
 - Direct Debt
 - Will be tied to Guam’s statutory debt ceiling (\$353M)
 - Finance options
 - Federal Programs (Note: Borrowing subject to debt limit)

- USDA – Up to 40 years, usually only up to \$25 million. May have some constraints but is available.
 - HUD – Mortgage Insurance Program that provides a federal guarantee in the bond market with a max term of 25 years and allows to secure a bond with Triple Tax Bond backing, but tied to the Debt Ceiling,
 - SBA,
 - New Market Tax Credits
 - Bond Financing
 - General Obligation (directly backed by GovGu), Limited Obligation (Tax Bonds, Special Revenue Bonds)
 - Term is up to 30 years, usually at a fixed rate
 - GovGu debt is triple tax exempt, making it very attractive to investors
 - Lease Financing
 - Experience since have done this with schools
 - Lease obligation; the debt is not tied to the debt ceiling tied to annual appropriations.
 - For the life of the bond, the developer will take care of the major maintenance .
 - Others
 - University Hospital Partnerships aka “Learning Hospitals”
 - Regional Hospital through DOI as part of Compact Impact Agreement
 - Veteran’s Hospital Funding
 - PPP with private foundations
- Next steps
 - Seek a Financial Advisor who specializes in healthcare financing
 - Work with the agencies on project cost estimates
 - Work with bond counsel on appropriate language for financing

AGENCY UPDATES

GMH

- Ongoing survey for Medicaid services

DPHSS

- Welcome prioritizing of DPHSS
- Will provide info as needed to the committee(s)

GBHWC

- First internal clinical meeting
- What should be at the campus and what should remain in Tamuning
 - Campus – client centered

NEXT STEPS

- MOU between OOG and Matrix is currently with the Gov’s office
- Final notes to be provided to Matrix including update and recommendations from the subcommittees to task order
- As we move towards groundbreaking, any taskforce members who may have any conflicts of interest may exit
- The Veterans Affairs Office has been invited the taskforce