

MINA'BENTE OCHO NA LIHESLATURAN GUÅHAN
2005 (FIRST) Regular Session

Bill No. 70 (EC)

Introduced by:

J.A. Lujan 

**AN ACT TO AMEND §80115 OF TITLE 10 GUAM CODE
ANNOTATED, TO RESTORE PUBLIC ACCOUNTABILITY
TO THE FINANCES OF THE GUAM MEMORIAL
HOSPITAL AUTHORITY.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Intent. *I Liheslaturan Guåhan* recognizes that since its creation the Guam Memorial Hospital Authority (“GMHA”) has struggled to operate as a fully functional autonomous agency.

I Liheslaturan Guåhan has determined that GMHA is unable to meet its operating expenses on the basis of revenues generated by the hospital. *I Liheslaturan Guåhan* has been requested over the years for subsidies directly from the General Fund, from special funds established for other uses, as well as major allocations from Compact-Impact Reimbursement Funds. *I Liheslaturan Guåhan* further notes that while the Medically Indigent Program (“MIP”) provides substantial payments for services of GMHA, MIP is funded exclusively by the General Fund.

I Liheslaturan Guåhan also recognizes that despite these subsidies, GMHA is unable to reliably maintain adequate supplies of medicines and supplies, resulting in critical shortages of both for patients, as well as use in the hospital, including use

1 during surgical procedures. *I Liheslaturan Guåhan* finds that this inability to
2 maintain adequate stocks of necessary medicines and supplies results in degraded
3 service to its patients and presents the possibility of a threat to life and health. *I*
4 *Liheslaturan Guåhan* also finds that despite requested subsidies, GMHA remains
5 unable to guarantee timely payments to the Retirement Fund and other routine
6 payments obligated by law. Through these and other administrative shortcomings,
7 GMHA has undermined public confidence in its readiness to serve the medical
8 needs of our people and neighbors in the region's only full service civilian hospital.

9 *I Liheslaturan Guåhan* has determined that since GMHA is heavily subsidized
10 by the General Fund, and since GMHA continues to experience multi-million dollar
11 miscalculations in regard to its annual financial needs, and in consideration of the
12 advantages of a full public review and scrutiny of GMHA's expenditures, it is
13 appropriate that GMHA submit its budget to *I Liheslaturan Guåhan* for approval at
14 this time, in the same way that most executive departments and agencies do,
15 including autonomous agencies such as the University of Guam.

16 **Section 2.** Section 80115 of Title 10, Guam Code Annotated is hereby
17 *amended* to read as follows:

18 **"Section 80115. Mandatory Annual Budget.** Annually, before
19 ~~August 1~~ May 1, the Board shall submit a comprehensive program and
20 financial plan, which shall be the budget for the Authority and all its
21 operations for the subsequent fiscal year, to the Legislature in a budget
22 format utilized by the Bureau of Budget and Management Research for
23 the Executive Branch. The program and financial shall contain the
24 information set out in 5 GCA § 5106 ~~4106,~~ which is used by Executive
25 Branch departments and agencies, except that in all cases the
26 information must include all proposed expenditures by object category

1 and by line item and a complete proposed staffing pattern, including all
2 contractual, classified, unclassified, part-time, limited term or
3 temporary employees. If the Legislature does not reject the
4 comprehensive program and financial plan within sixty (60) days of its
5 submittal to the Legislature, the program and plan is deemed
6 approved. The Legislature must approve, and may amend, the
7 comprehensive program and financial plan, in bill form, in the same
8 manner as the Legislature must approve the annual budget law for the
9 Executive Branch."

10 **Section 3. Interpretation.** This act is intended to require Legislative
11 approval of the annual budget of the Guam Memorial Hospital Authority. Any
12 apparent conflict between the provisions of this act and any other section of the
13 Guam Code Annotated shall be resolved in favor of this act.