







**I MINA' TRENTAI TRES NA LIHESLATURAN GUÅHAN**  
**2016 (SECOND) Regular Session**

Bill No. 277 -33 (COR)

Introduced by:

D.G. RODRIGUEZ, JR.   
T.C. ADA   
R.J. RESPICIO   
V.A. ADA   
T.A. MORRISON   
N.B. UNDERWOOD, Ph.D. 

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**AN ACT TO DIRECT THE GUAM ECONOMIC DEVELOPMENT AUTHORITY TO DEVELOP AND PUBLISH A REQUEST FOR INFORMATION (RFI) RELATIVE TO HOW AN INTERESTED CONTRACTOR, HOSPITAL MANAGEMENT TEAM, OR OPERATOR WOULD TRANSITION GOVERNMENT OPERATION OF THE GUAM MEMORIAL HOSPITAL TO A PUBLIC-PRIVATE PARTNERSHIP WHILE CONTINUING TO PROVIDE QUALITY HOSPITAL SERVICES WHICH ARE ACCESSIBLE TO ALL THE PEOPLE OF GUAM AND THE OVERALL ASSESSMENT OF GUAM'S DELIVERY OF HEALTHCARE SERVICES.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that the manner and method of operating the Guam Memorial Hospital requires  
4 significant change in order to provide quality healthcare services to the people of  
5 Guam. Challenges in financial stability date back to the inception of the hospital in  
6 the late 1970's. The original Guam Memorial Hospital was constructed at Satpon  
7 Point in 1956, representing a major change in the history of the local government's  
8 attaining a direct role in the delivery of hospital services. Previously, the U.S.  
9 government provided free hospital and health care services to the people of Guam.

1 community that continues somewhat to this day, as evidenced by the historical lack  
2 of payment by a significant portion of the self pay patients, uninsured patient  
3 categories and even insured patients' copayments.

4 In 1964, the Guam Memorial Hospital was established as a line agency of the  
5 government of Guam's executive branch. Thirteen years later in 1977, the Guam  
6 Memorial Hospital Authority was established as a public corporation, and has  
7 since been operating as a governmental, nonprofit institution serving the people of  
8 Guam under the governance of a nine-member Board of Trustees.

9         In the late 1970's, the government transitioned from the rapidly deteriorating  
10 Guam Memorial Hospital facility at Satpon Point by purchasing and transferring to  
11 the nearby Medical Center of the Marianas at Oka Point, which was initially  
12 constructed by the Catholic Arch-Diocese of Agana. The hospital's historically  
13 tumultuous financial difficulties can be traced to its beginning with a deficit of 9  
14 million dollars by 1978 during its initial operation as a public corporation, with  
15 continual deficits, to date. That deficit has grown to \$20 million dollars in 2015  
16 and the hospital has never been without significant deficits since those early times.  
17 From the initial commencement of services, the practice of the government was to  
18 provide subsequent funding to maintain and continue services for all patients,  
19 regardless of their ability to pay.

20         *I Liheslaturan Guåhan* further finds that history is again repeating itself and  
21 the current situation will not change unless we assess a different path. Continuous  
22 parades of boards of appointed trustees and administrators have passed through the  
23 doors of GMHA. Notwithstanding the qualifications and expertise of the  
24 generations of appointees, the challenge continues to be dependable stability in the  
25 leadership and operational management of the hospital, which impedes

1 implementing well planned and consistent efforts towards establishing a firm  
2 financial footing.

3 *I Liheslaturan Guåhan* therefore directs the Guam Economic Development  
4 Authority to develop a Request for Information (RFI) and put forth that RFI to the  
5 market. The purpose of this RFI is seeking information on how an interested  
6 contractor/hospital operator would transition government operation of the Guam  
7 Memorial Hospital to a public-private partnership while continuing to provide  
8 quality care that is accessible to all the people of Guam. The Compilation and  
9 Analysis of any respondents will assist the community and policy makers to move  
10 in a direction that finally provides long-term sustainability of Guam’s public  
11 hospital.

12 **Section 2.** A new Chapter 68A is added to Division 2 of Title 12, Guam  
13 Code Annotated, to read:

14 **“Chapter 68A**

15 **GMHA Request for Information; Management and Operations**

16 **§ 68A101. (a) Request for Information.** The Guam Economic  
17 Development Authority *shall* develop and publish a Request for Information (RFI)  
18 for the purpose of soliciting and determining public interest and the desired  
19 direction public policy makers should take relative to the management and  
20 operation(s) of the Guam Memorial Hospital Authority. The information to be  
21 solicited shall include, at a minimum, but shall not be limited to:

22 (1) Transfer of the management and operation of the hospital in its  
23 entirety to either a for-profit or non-profit entity;

1 (2) Transfer of limited management and operation of only specific  
2 hospital operations and assets;

3 (3) A Public/Private collaboration in the operation of the hospital;

4 (4) A Public/Private collaboration in renovations to the existing hospital  
5 structure or rebuilding a new hospital facility;

6 (5) Re-use existing GMH facility and/or property;

7 (6) Assessment of Guam's healthcare industry and market and gaps in  
8 overall healthcare services;

9 (7) Information related to level of available federal and non-  
10 governmental funding and/or compelled by law and how any change in  
11 GMH's operational structure would impact the availability of federal and  
12 non-governmental funding;

13 (8) Assessment of Guam's healthcare information and research  
14 infrastructure.

15 The publication of the RFI shall be specifically clear in that it is being issued  
16 solely for the purpose of soliciting public information for planning purposes, and  
17 does not constitute a Request for Proposals (RFP). The request for information  
18 does not commit the government to contract for any supply or service, and the  
19 government will not accept unsolicited submissions which are deemed beyond the  
20 scope and intent of the RFI.

21 Respondents shall be advised that the Government of Guam will not pay for  
22 any information received or administrative costs incurred in responding to this  
23 RFI. All costs experienced or associated with responding to this RFI will be

1 incurred solely at the contributing party's expense. Not responding to this RFI  
2 does not preclude participation in any future RFP, if any is issued. All submissions  
3 to this request for information shall become the property of the government of  
4 Guam, subject to public review, and will not be returned. Any issues relating to  
5 intellectual property and copyright must be clarified by respondent and clearly  
6 marked.

7       **(b) Delivery Period/Dissemination.** The RFI shall be publicly  
8 disseminated in a manner to solicit the broadest number of interested respondents.  
9 Registries, direct mailings and other methods, at a minimum, shall be utilized to  
10 maximize the potential number of responses to the RFI.

11       The following schedule shall be followed:

12               (1) Within sixty (60) days from enactment of this Act, develop and  
13               publish Request for Information;

14               (2) Provide for a ten (10) day question period, commencing from the  
15               date of publication, for requested clarification(s) on the RFI from  
16               interested parties / potential respondents;

17               (3) Provide a ten (10) day period after the close of the question period  
18               for submission and receipt of proposals to RFI by respondents;

19               (3) Analysis and compilation by GEDA of RFI submission(s) by  
20               respondents; and

21               (4) Transmittal of RFI complication / results from GEDA to *I*  
22               *Maga'Lahen Guåhan* and *I Liheslaturan Guåhan*, no more than thirty  
23               days (30) days after the receipt of proposals to RFI.

24       **Section 3. Effective Date.** This Act shall be effective upon enactment.