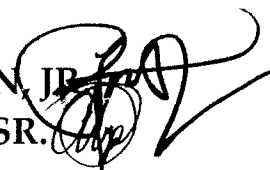





MINA'TRENTA NA LIHESLATURAN GUÅHAN
2009 (FIRST) Regular Session

Bill No. 119 (COR)

Introduced by:

FRANK B. AGUON, JR. 
A. B. PALACIOS, SR. 
F. F. BLAS, JR. 
TINA MUNA BARNES 

AN ACT RELATIVE TO THE ESTABLISHMENT OF THE
"GUAMS HOSPITAL FOUNDATION ACT OF 2009", TO
PROVIDE FOR THE FORMATION OF A NON-PROFIT
PUBLIC CORPORATION FOR THE EXPRESS PURPOSE
OF SOLICITING PUBLIC AND PRIVATE DONATIONS
AND GRANTS IN SUPPORT OF CAPITAL
IMPROVEMENT PROJECTS AND EQUIPMENT NEEDS
OF THE GUAM MEMORIAL HOSPITAL AUTHORITY
THROUGH THE CREATION OF THE "GUAM
UNIVERSAL ASSISTANCE FOR MEDICAL SERVICES
(GUAMS) HOSPITAL FOUNDATION"; THROUGH
ADDING A NEW SUBSECTION §80119 TO CHAPTER 80,
DIVISION 4, OF TITLE 10, GUAM CODE ANNOTATED.

2009 MAY 20 AM 11:51



1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent.

3 *I Liheslaturan Guåhan* finds that the Guam Memorial Hospital (GMH)
4 continues to serve as the island's only hospital facility which serves Guam
5 residents and residents of neighboring islands and the region. It is
6 recognized that for many years GMH has experienced serious challenges in
7 acquiring the finances to fund the operations and procurement of necessary

1 equipment and supplies to effectively service its patients. This situation
2 can be partly attributed to the legal mandate that the hospital service every
3 individual that seeks medical treatment at its facility. Over the years, it has
4 been presented repeatedly by management and staff that the mandate to
5 service every person at Guam's only public hospital facility regardless as to
6 the patient's ability to pay has resulted in tremendous difficulties in
7 collecting full payments from a majority of these patients subsequent to the
8 services provided. A recent financial audit report released by the Office of
9 the Public Auditor for fiscal year 2008 revealed that approximately 23 cents
10 on a dollar was collected, and that these challenges continue to affect the
11 hospital's ability to properly finance its operations and to adequately
12 provide excellent, quality healthcare services. Despite these challenges, the
13 hospital management, staff and medical professional personnel continue to
14 provide the best hospital care that they can provide considering the
15 circumstances.

16 Therefore, it is critical that every effort be pursued to enhance the
17 Guam Memorial Hospital's ability to pursue financial support from as
18 many different sources as possible to include the national, international,
19 and local communities. A major aspect of a successful medical hospital
20 facility is the ability to aggressively pursue additional financial resources
21 from numerous sources, i.e. public donations, businesses, federal grants,
22 personal contributions, and other communities, that may be utilized
23 toward enhancing the quality of hospital services provided to our people.

1 The establishment of a non-profit community hospital foundation, of
2 which its total existence and commitment is to concentrate its complete
3 efforts toward generating revenues and soliciting equipment resource
4 contributions would directly result in the hospital acquiring additional
5 financial and resource support to augment GMH's operational
6 requirements, and ensure the continual improvement of the medical
7 services and treatment provided to the people of Guam and to patients.
8 Thus, this provision would authorize the establishment of the "Guam
9 Universal Assistance for Medical Services Foundation", that will be
10 responsible for pursuing solicitations and donations of finances and
11 resources from public and private sources to support the Guam Memorial
12 Hospital's capital and equipment needs, hereinafter known as the
13 "GUAMS Hospital Foundation Act of 2009".

14 **Section 2. Establishment of the Guam Universal Assistance for**
15 **Medical Services (GUAMS) Hospital Foundation.**

16 A new subsection §80119 is hereby added to Chapter 80, Division 4,
17 of Title 10, Guam Code Annotated, relative to the establishment of the
18 Guam Universal Assistance for Medical Services (GUAMS) Hospital
19 Foundation, to read as follows:

20 **"§80119.**

21 **GUAM UNIVERSAL ASSISTANCE FOR MEDICAL SERVICES**
22 **(GUAMS) HOSPITAL FOUNDATION ACT OF 2009**

1 **§80119.1 Short Title.** This Chapter shall hereinafter be known as
2 the “*Guam Universal Assistance for Medical Services (GUAMS) Hospital*
3 *Foundation Act of 2009*”.

4 **§80119.2. Establishment of the Guam Universal Assistance for**
5 **Medical Services Hospital Foundation.**

6 The Governor of Guam, with the assistance and support of the
7 Administrator of the Guam Memorial Hospital Authority and the GMHA
8 Board of Trustees, is hereby authorized to establish a public, non-profit
9 foundation corporation which shall be named the “**Guam Universal**
10 **Assistance for Medical Services Hospital Foundation** (hereinafter referred
11 to as the ‘*GUAMS Hospital Foundation*’), which shall be separate and
12 apart from the Guam Memorial Hospital and the government of Guam for
13 the express purpose of soliciting funds and resources to augment the
14 hospital’s capital improvement and equipment resource requirements.

15 **§80119.3. Administration of the GUAMS Hospital Foundation.**

16 The GUAMS Hospital Foundation shall be administered by a Board
17 of Directors, which shall hire a President who will be responsible for the
18 daily administration and operation of the Foundation operations and
19 activities. The President shall work for the Board of Directors, and shall
20 serve at the discretion of the Board, in accordance with the policies and
21 guidelines set forth for the GUAMS Hospital Foundation.

22 Upon establishment of the Foundation, said corporation shall, as its
23 first action item, establish its articles of incorporation and by-laws and all

1 other rules and regulations relative to operations, investments and
2 programs through which all private gifts, donations, endowments, services
3 in-kind, grants and other money shall be granted back to the Guam
4 Memorial Hospital Authority.

5 **§80119.4. Authorization for the GUAMS Hospital Foundation to**
6 **Solicit and Receive Funds and Resources for the Guam Memorial**
7 **Hospital Authority.**

8 The GUAMS Hospital Foundation is hereby authorized to solicit
9 public or private funds, donations, gifts, service-in-kind, grants (to include
10 federal grants), or other contributions in support of the Guam Memorial
11 Hospital Authority's overall capital facility improvement and equipment
12 resource requirements. Such funds and resources generated shall be solely
13 used in support of and to augment the hospital's capital improvement
14 projects and medical equipment needs, and shall not be expended for
15 operations. Any and all solicitations and acceptance of contributions by
16 the GUAMS Hospital Foundation shall be in accordance with the
17 provisions contained herein and in accordance with the laws of Guam.

18 **§80119.5. Administration and Expenditure of Funds.**

19 Funds received by the GUAMS Hospital Foundation *shall*
20 immediately be deposited into a fund as established by the public
21 corporation and shall be known as the GUAMS Hospital Foundation Fund
22 (the Fund). Any and all expenditures made from the Fund shall be in
23 accordance with the policies as set forth by the GUAMS Hospital

1 Foundation Board of Directors, or otherwise in accordance with conditions
2 which have been set forth by the donor on the private gift, donation,
3 endowment, services in-kind, or grant. The GUAMS Hospital Foundation
4 shall work with the Guam Memorial Hospital Authority No more than five
5 percent (5%) of the total sum generated from contributions, donations, or
6 grants shall be expended for the administration and operation of the
7 GUAMS Hospital Foundation.

8 **§80119.6. Composition of GUAMS Hospital Foundation Board of**
9 **Directors.**

10 The GUAMS Hospital Foundation Board of Directors shall be
11 composed of nine (9) members. The Governor of Guam shall appoint the
12 charter members of the GUAMS Hospital Foundation, and each member
13 shall serve for a term of three (3) years. Each Board of Directors appointee
14 shall be subject to the confirmation by I Liheslaturan Guahan. The hospital
15 administrator shall serve as the interim President of the Foundation until
16 such time that the appointed members elect their officers, and shall upon
17 the appointment of no less than five members convene the first official
18 meeting of the Foundation. Upon the appointment and confirmation of at
19 least seven (7) members, the members shall elect from among its
20 membership its officers in accordance with its established constitution and
21 by-laws, and shall subsequently appoint the President of the Foundation.
22 Any official action of the Foundation shall require a majority of the

membership present, in which a quorum shall be no less than five (5) members present at each officially designated meeting.

The GUAMS Hospital Foundation Board of Directors membership shall be representative of the following minimum criteria:

- i. At least two (2) of its members shall have served on the GMHA Board, served as an administrator of the Guam Memorial Hospital Authority, or worked at the hospital at one time;
- ii. At least one (1) member shall have significant accounting or finance work experience and knowledge;
- iii. At least one (1) member shall have experience and knowledge in the field of marketing or advertising;
- iv. At least one (1) member shall have professional experience and knowledge in the law;
- v. At least one (1) member shall be appointed from the GMHA Volunteers Association; and
- vi. The remaining members shall have resided on Guam for a minimum of three (3) consecutive years immediately prior to the appointment.

In the event of a vacancy on the Board of Directors, the Governor of Guam shall appoint a replacement for the unexpired term, of which appointment shall also be subject to the advice and consent of I Liheslaturan Guahan, unless such term is to expire no more than three (3) months from the date of appointment. Employees of the Guam Memorial

1 Hospital Authority or actively serving GMHA Board of Trustees members
2 shall not be eligible to serve on the Board of Directors of the GUAMS
3 Hospital Foundation.

4 **§180119.7. Requirements for Public Access and Viewing of**
5 **GUAMS Hospital Foundation Activities and Financial Reports on the**
6 **Website.**

7 The GUAMS Hospital Foundation shall publish information
8 regarding its operational activities on a monthly basis. The information
9 may include, but is not limited to the following: monthly financial
10 statements, meeting minutes and agendas, and any other information that
11 the Foundation may deem beneficial to the general public.

12 The Guam Memorial Hospital Authority shall make their website
13 available to the GUAMS Hospital Foundation for the purpose of
14 publishing the above required information.

15 **§180119.8. General Reporting Requirements.**

16 The GUAMS Hospital Foundation *shall* transmit quarterly reports
17 detailing information pertaining to the contributions made to and
18 expenditures from the Foundation Fund to *I Liheslaturan Guåhan*, I
19 Magalahen Guahan, and to the Office of the Public Auditor of Guam. Said
20 reports shall be transmitted no later than 30 days upon the completion of
21 the third month in each quarter.

22 **Section 3. Severability Clause.**

1 *If* any provision of this Act or its application to any person or
2 circumstance is found to be invalid or contrary to law, such invalidity shall
3 *not* affect other provisions or applications of this Act which can be given
4 effect without the invalid provisions or application, and to this end the
5 provisions of this Act are severable.