

2027 GVI FISCAL YEAR REPORT

The Power of Care in Action



Budget Hearing Testimony

**June 22, 2026
Tess G. Richards, MD
Executive Director**

Good morning, Honorable Senator Novelle Francis Jr., Chairman of the Committee on Budget and Appropriations; Honorable Senators of the Committee; other Honorable members of the 37th Legislature; the St. Thomas East End Medical Center Corporation Board of Directors and staff; and the listening and viewing public.

I am Dr. Tess Richards, Executive Director of the St. Thomas East End Medical Center Corporation (STEEMCC). Thank you for the opportunity to appear before you today to present our testimony for the FY 2027 budget.

I. OPENING: A RECORD OF PARTNERSHIP

This testimony represents years of grit, sacrifice, and quiet determination. We rebuilt when rebuilding was hard, sacrificed when sacrifice was necessary, and most importantly, kept our doors open in the face of profound adversity.

We are not here today as supplicants, but rather as partners. We use this word because this Legislature has shown up for us and allowed us to show up for the community. Last year, you increased our allotment, and that decision was felt deeply in the care we delivered, the staff we retained, and the programs we sustained. We do not take that vote for granted. We are grateful for it, and we are grateful for every member of this body who has championed the work we do and the community we serve.

That is the partnership we are asking you to continue today. A partnership grounded in transparency, accountability, and a shared conviction that the health of every person in this Territory is secured by the deliberate decisions made in rooms like this one. The road to equitable healthcare is long, and no single institution can walk it alone. Right now, that road has more than a few potholes.

Healthcare in this Territory is not broken because people stopped caring. It is broken because the care stopped moving.

Every day, someone in this Territory skips a doctor's visit, and it is not because they do not want care or need it, but because they cannot afford it, can't get there, or because years of broken promises have quietly taught them not to expect anyone to show up for them.

STEEMCC made a different promise. Nearly fifty years ago, we were born as a clinic under the Department of Health out of a recognition that the people of our community deserved healthcare that came to them, and that promise has never wavered. Through hardships, through limitations, through every obstacle that comes as a byproduct of living in paradise, we have kept it. When our community cannot come to us, we go to them. We meet them where they are. That has been our track record for nearly half a century, and it remains our commitment today.

As I continue this testimony, I invite you to receive it for what it is, which is the unpolished, unadorned truth of what it takes to deliver healthcare to people who have been told, in too many ways, that they do not matter. This testimony carries the weight of every patient who trusted us with their care. It is measured in numbers, documented in outcomes, and felt across this Territory. It is the story of a health center that builds access where none existed, and a team that has gone beyond clinic walls to make care a living, breathing reality.

What we are building at STEEMCC is tangible and already happening, in real communities, with real people who depend on us every single day. We are doing it with limited resources, on difficult terrain, and with a level of commitment this community has counted on for nearly fifty years and one we intend to carry forward for generations to come.

II. OUR TRACK RECORD: OUR TENURE

Fifty years of commitment means nothing without accountability. That accountability is exactly what this leadership team has brought since assuming its tenure in March 2023. We acknowledge this health center's past. There were years marked by mismanagement and financial instability that eroded public trust. We carry that history with full accountability because we have spent our tenure working tirelessly to leave it behind. Our documented record since Fiscal Year 2023 tells a clear, undeniable story of transformation.

But numbers are only half the story. The other half belongs to the people:

- The grandmother at Lucinda Millin Home, who cannot walk to a bus stop, let alone make it to our Center, receives care right in her own community through our Wellness Without Walls program in partnership with the VI Housing Authority.
- The VIPD and VIFEMS first responders who run toward crisis every single day will finally have somewhere to take the weight they carry, through our Tele-behavioral Health Services program, in private, on their terms.
- The veteran who is not merely recognized on a holiday, but genuinely served and seen at our Veterans Appreciation Day Event, and the sustained behavioral health pathway we are building around it.

These are the lives behind every number in this testimony, the communities behind every program we have built, and the reason, the only reason, that STEEMCC exists. I want to be clear, these are not exceptions. They are a handful among thousands — thousands of people across this Territory who are desperate for a place to go, a door that will open, and a team that will show up for them. The STEEMCC standing before you today has earned a new chapter, and we intend to keep writing it.

Total Revenues, Expenses, and Change in Net Assets (FY2023 - FY2026)



This graph provides an overview of the organization's financial performance over the past four fiscal years, highlighting Total Revenues, Total Expenses, and the Change in Net Assets (Net Profitability). It illustrates how the relationship between income and operational costs has evolved, showing the organization's movement from significant deficits toward improved financial stability.

Financial Turnaround

When this leadership team assumed control in 2023, STEEMCC was nearing closure. We inherited a substantial deficit of approximately \$2.65 million, as total expenses (\$11.97M) exceeded total revenues (\$9.32M) by approximately 28%. That year reflects the most financially challenging point in the period shown.

When I came before you last year, I walked you through the hard decisions we made that put our mission over comfort. We restructured our workforce from 103 employees and 9 directors to a leaner, more purposeful team of 48 employees and 3 directors, growing the share of revenue-generating staff from 9% to 22% by the end of 2025. In July 2024, we implemented a temporary staff furlough and an 8% salary reduction. By November 2024, four months later, we had accomplished exactly what we set out to do: we stabilized the organization, closed the deficit by 96%, and fully restored every dollar withheld to every member of our team, exactly as promised. That is what integrity looks like in action.

We closed FY 2025 with a surplus of \$772,000. It was a milestone that represented far more than a number on a balance sheet. It was proof that this organization, once nearing collapse, had found its footing. Throughout FY 2026, we continued on that same trajectory by pressing forward, building deliberately, and closing the year with a surplus of \$240,607, our second consecutive year of positive financial performance. We will always be transparent with this body about what drives our numbers. The smaller surplus in FY2026 reflects the departure of two high-volume providers, a pediatrician and an OB/GYN, whose patient volume directly affected revenue. We immediately onboarded a Family Medicine provider, a new OB/GYN provider, and a Pediatric provider to mitigate this difference immediately.

The new providers are already restoring patient volume and positioning us for a stronger margin in FY 2027. To date within STEEMCC's FY 2027 (March 1, 2026 - May 31, 2026), we have already collected nearly \$1.773 million in total revenue, with expenses totaling \$1.698 million, resulting in a change in net assets of \$74, 305. 53 in just 3 months. With this, we are projected to end our financial year with an approximate net income of \$300,000. We accomplished all of this while weathering a government shutdown in October 2025 that forced the temporary furlough of a significant portion of our staff. It was a disruption we withstood, recovered from, and moved forward through. That is the resilience of this organization, and that is why we stand before you today as a present and prepared organization that is ready to keep building.

Our Commitment to Self-Sufficiency

Self-sufficiency is a strategic priority embedded in everything we do at STEEMCC. We are acutely aware of the financial pressures facing the Government of the Virgin Islands, and we are taking deliberate, measurable action to reduce our long-term dependence on government subsidies. At the same time, we want to be transparent: as a Federally Qualified Health Center serving the Territory's most vulnerable populations, a GVI appropriation will always be a necessary component of our funding structure. What we are working to change is the degree of that dependence and the pace at which we can generate alternative revenue to sustain and expand our mission.

The allotment we are requesting today is a bridge investment that accelerates our path toward a health center that can increasingly stand on its own. We have already begun walking that path.

The concrete steps we are actively taking toward self-sufficiency include:

1. Maximizing federal grant funding through HRSA, FQHC programs, and other competitive grant opportunities
2. Expanding revenue-generating services, including telehealth, behavioral health, and specialty care, to broaden our payer mix
3. Aggressively pursuing Medicaid and Medicare reimbursements and ensuring full billing compliance to capture every dollar we are entitled to
4. Building sustainable community partnerships with VIHA, VIDOH, VIDOE, WAPA, VIPD, VIFEMS, and others that allow us to share resources and extend reach without proportionally increasing costs
5. Investing in staff development and retention to reduce costly turnover and maintain continuity of care
6. Implementing operational efficiencies and cost controls that preserve quality while reducing overhead.

Actions already taken reflect this commitment in real numbers:

1. We expanded our 340B drug program from a dormant state costing the Center \$2,500 per month to a fully optimized program generating \$150,000 in FY 2026.
2. We launched a care management program generating approximately \$15,000 per month in recurring revenue.
3. We secured a \$1.75 million federal Behavioral Health Telemedicine grant, \$350,000 per year over five years, that is already expanding mental health access across this district. We are closing out Year 2, and the clinical workflows, community trust, referral pathways, and patient base we have built give us everything we need to scale significantly in Year 3 and sustain the program following the grant's completion.
4. We restored our in-house laboratory, eliminating a \$40,000 monthly vendor contract and giving our patients the ability to walk through one door, be seen, be heard, and leave knowing they were cared for, instead of being passed along.
5. We built a dedicated revenue cycle team to optimize billing and collections.

6. Payroll Liabilities: We remained committed to meeting all payroll obligations while steadily reducing other outstanding liabilities.

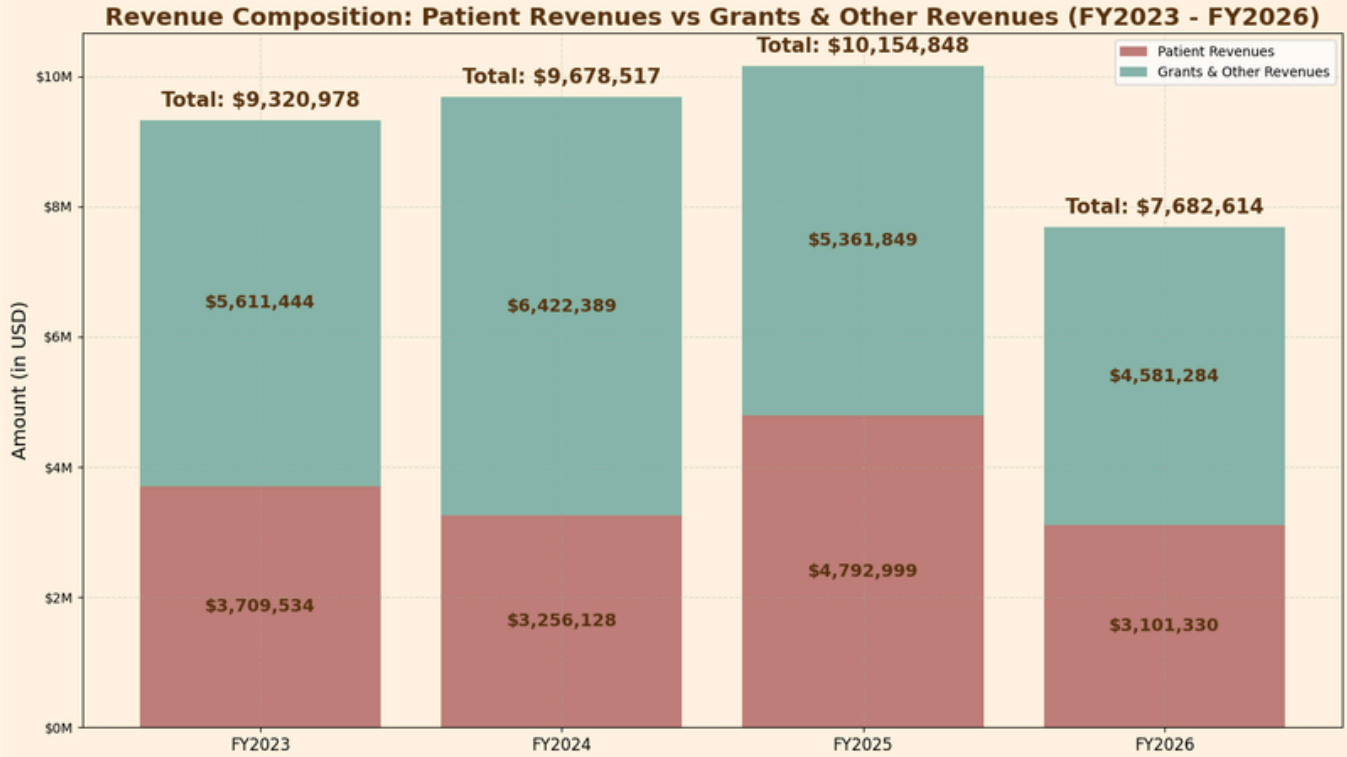
- a. Virgin Islands Bureau of Internal Revenue (VIIRB): The Center is actively engaged in discussions with the VIIRB to address its outstanding payroll tax obligation of approximately \$428,000 for 2022-2024.
- b. Internal Revenue Service (IRS): For more than a year, the Center has consistently fulfilled its payment commitments to the IRS and engaged in ongoing discussions to resolve its outstanding payroll tax liability. Following a year of good-faith payments and compliance efforts, the IRS agreed to enter into formal negotiations with STEEMCC's leadership team. As a result of these efforts, the Center successfully reduced its payroll tax obligation from approximately \$1.4 million in FY2024 to \$299,000 as of May 31, 2026.

7. Accounts Payable: Lastly, we have made substantial progress in strengthening our financial position through the reduction of STEEMCC's outstanding accounts payable.

- a. During this period, the Center successfully negotiated with its landlords at Tutu Park Mall to address a legacy debt obligation. As a result of these negotiations and the successful completion of an agreed-upon payment plan, STEEMCC fully satisfied and settled its outstanding debt with the landlord.
- b. Through these efforts and continued fiscal discipline, the Center reduced its total accounts payable from \$2.714 million in November 2025 to approximately \$890,000 as of May 31, 2026, representing a decrease of nearly 67 percent in less than seven months. This achievement reflects substantial progress in strengthening STEEMCC's financial position and demonstrates the effectiveness of the corrective actions implemented by the organization.

The reduction in STEEMCC's accounts payable has enhanced the Center's financial stability and improved its standing with financial institutions and potential funding partners. As STEEMCC continues to strengthen its balance sheet, opportunities to secure financing, establish a line of credit, and access capital for strategic investments become increasingly attainable. These resources will support the expansion of healthcare services, investment in infrastructure and technology, and improved access to care for the residents of the Virgin Islands. This progress underscores STEEMCC'S commitment to responsible stewardship of public resources, fiscal accountability, and long-term sustainability

Shifting Our Revenue Composition

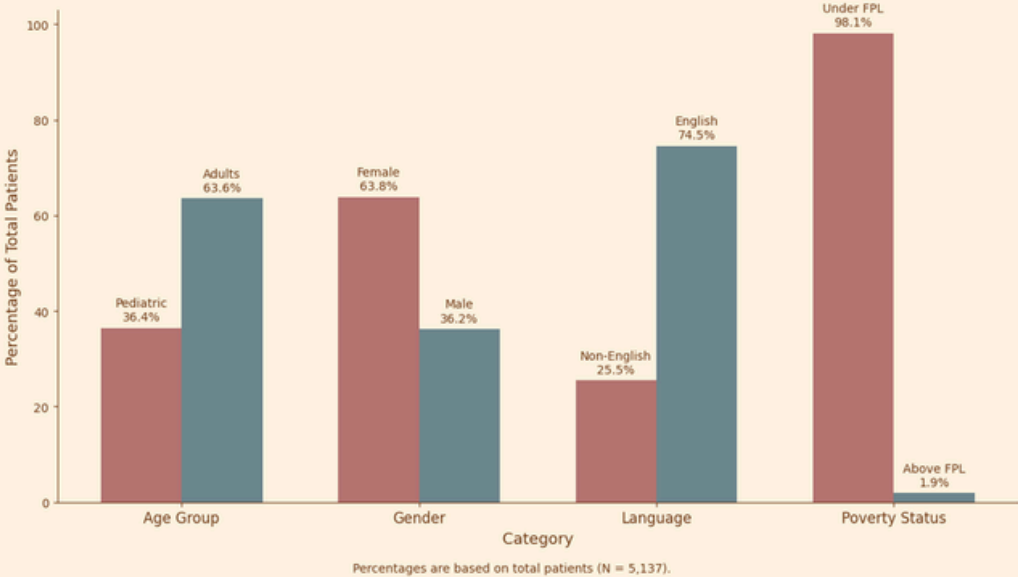


In FY 2025, patient revenue represented approximately 47% of our total income, with grant funding accounting for 53%. This is the closest we have come to a balanced revenue composition in this organization's recent history. In FY 2026, that balance shifted to roughly 40% patient revenue and 60% grant funding, largely attributable to the departure of our two high-volume providers. As previously mentioned, with three new providers already onboarded, patient revenue is projected to recover and grow in FY 2027. At the same time, we are pursuing every available grant opportunity to expand our capacity, because we understand that patient revenue growth alone cannot outpace the rising burden of what is known as uncompensated care. Uncompensated care represents services provided to patients who are unable to pay, while undercompensated care refers to services for which reimbursement falls short of the actual cost of care. These services ensure that access to healthcare is not determined solely by a person's ability to afford it.

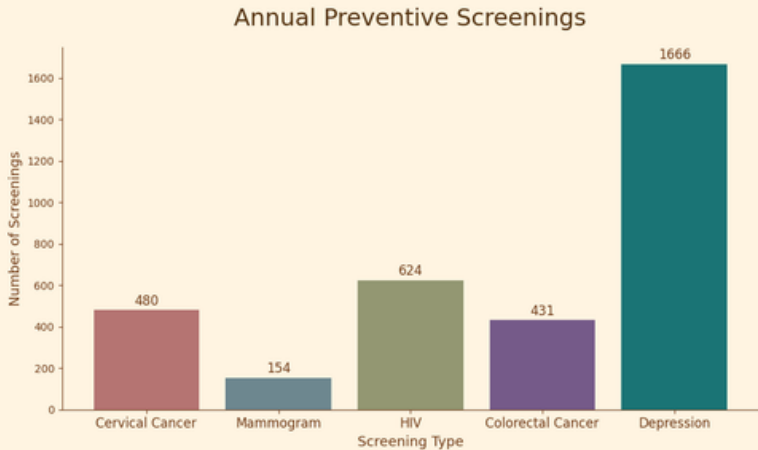
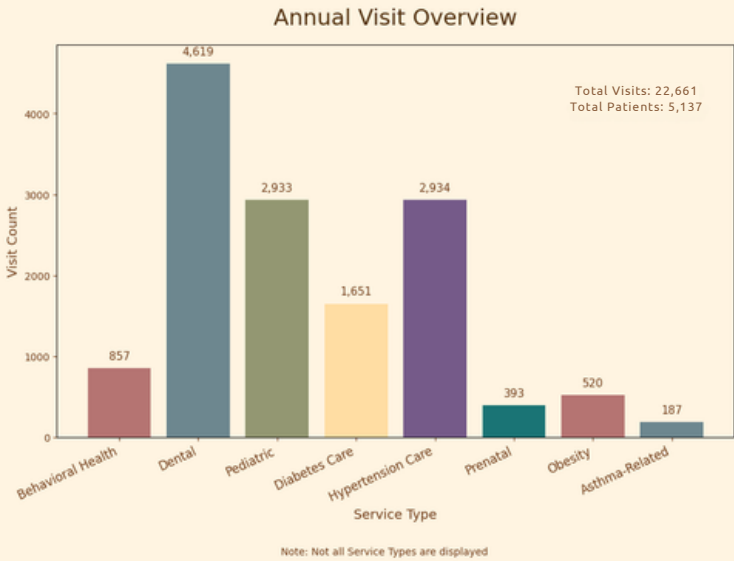
As a Federally Qualified Health Center, providing care regardless of a patient's ability to pay is part of our mission and our mandate. However, that commitment also requires us to continually identify new revenue streams and funding opportunities to offset the gap between the cost of care and the reimbursement we receive. Every grant we secure is a bridge that allows us to serve those patients without compromising the financial stability we have worked so hard to build.

III. CLINICAL GROWTH: WHAT STEEMCC DELIVERS

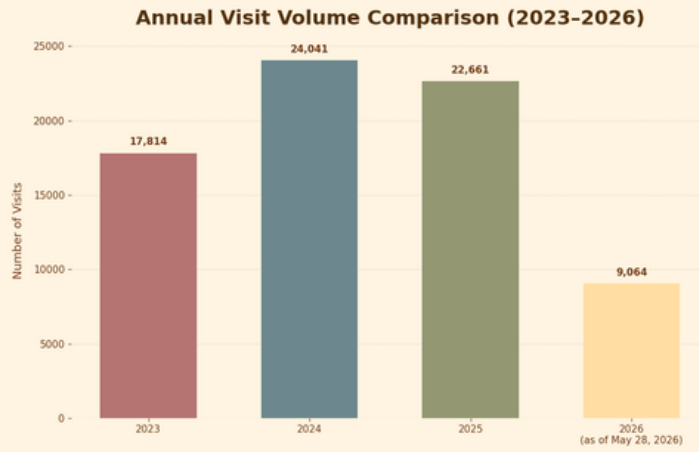
Financial stability and clinical growth did not happen in sequence at STEEMCC, but rather, simultaneously. We refused to let the pursuit of stability come at the expense of the people who depend on us. You do not get to pause the mission while you tend to the house.



Our patient population tells you everything you need to know about why the work we do at STEEMCC matters. With 98% of our patients living below the federal poverty line, our mission statement is a daily operational mandate: eliminate barriers to healthcare for the uninsured, the underserved, the impoverished, and anyone in this Territory who lacks access to providers and basic health services.

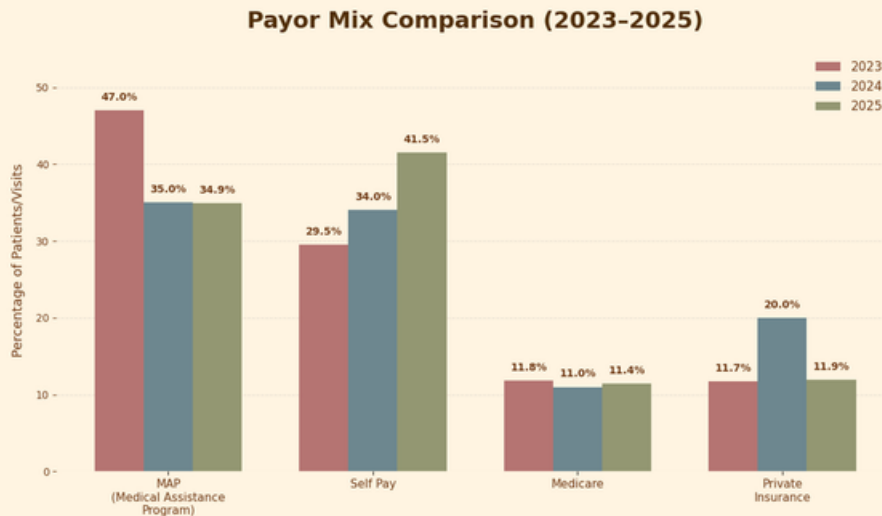


Over the past several years, we have added revenue-generating providers across behavioral health, family medicine, women's health, internal medicine, dental, and pediatric care. The result of this is over 22,000 visits delivered to more than 5,100 patients within the past year— with expanded availability, shorter wait times, and services that were simply not available to many members of our community before we built the capacity to provide them.



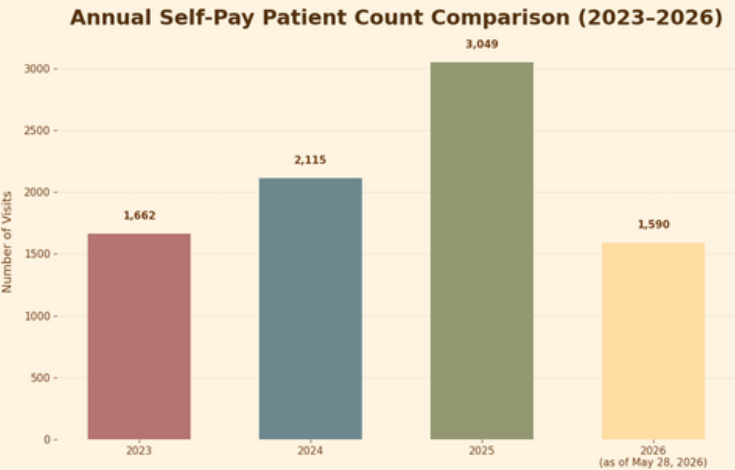
Our annual visit volume grew from 17,814 visits in 2023 to 24,041 in 2024 and remained strong at 22,661 in 2025. As of May 28, 2026, the Center has already provided more than 9,000 patient visits. Based on current utilization trends, we are projected to exceed 22,000 visits again this year. Thus, demonstrating sustained demand for healthcare services across the communities we serve.

The patient population behind these visits and screenings has changed significantly over the past three years, and their changing needs have important financial implications for this Center. The chart before you reflects the evolving payor mix of our patient population from 2023 through 2025, demonstrating both progress and growing challenges.



Between 2023 and 2025, the proportion of patients covered under the Medical Assistance Program substantially declined by 12.1%, from 47.0% to 34.9% of our patient population. This decrease is largely attributable to changes in eligibility requirements that have caused many individuals to lose coverage despite continuing to experience financial hardship. This should not be interpreted as evidence that fewer residents require assistance. It reflects a system in which coverage thresholds have shifted while economic vulnerability has not.

Evidence of this can be seen in the corresponding and proportional growth of our self-pay population. During the same period, our self-pay population increased from 29.5% to 41.5% (a near 12-point rise). In practical terms, more than four out of every ten patients who walk through our doors today do so without insurance coverage and with a significant inability to pay.



Since January 1, 2026 alone, we have provided care to nearly 1,600 self-pay patients, and we anticipate that number will continue to rise as more residents lose Medicaid coverage and eligibility requirements grow increasingly restrictive.

As a Federally Qualified Health Center, our mission requires that we remain accessible to all members of our community regardless of their ability to pay. However, providing care to a growing uninsured population carries a very real financial consequence. As the number of self-pay patients rises, so does the amount of uncompensated and undercompensated care the Center absorbs. This is a core reason the appropriation we are requesting today is essential infrastructure. It helps ensure that financial barriers do not become healthcare barriers and that the most vulnerable members of our community continue to have a place to turn for care.

IV. BEYOND THE CLINIC: COMMUNITY REACH

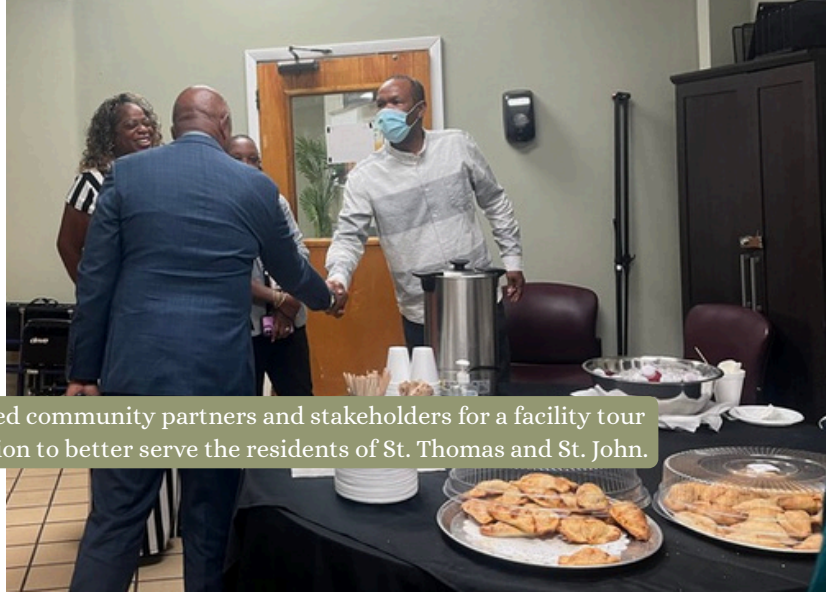
While our mission is rooted in serving the most vulnerable, our reach extends across every demographic in this community. We remain acutely aware that health does not discriminate by income, and so, neither do we. Over the past year, we hosted and participated in events focused on breast cancer awareness, intimate partner violence, HIV/AIDS, diabetes, mental health, and more, reaching hundreds of people across St. Thomas and St. John. We showed up at the Carnival Food Fair, the Department of Human Services Health Expo, The Week Of The Young Child, and everywhere in between – with services, screenings, and our genuine presence. We go where the need is the greatest because compassion and healing have always transcended our Center’s walls. In 2025, we attended or held over 22 community events, recorded more than 600 patient engagements, and conducted 67 visits and examinations outside our walls. In 2026 alone, we have already attended or hosted more than 21 community events, and we are just getting started. The following pages showcase some of the ways STEEMCC has engaged residents throughout the territory, bringing education, screenings, resources, and support directly to those we serve. We invite you to review them at your leisure. These efforts are a testament to our commitment to community health and the strength of the partnerships that make them possible. None of this work could be accomplished without the extraordinary organizations, agencies, businesses, and community leaders who have chosen to collaborate with us in expanding access to care and improving health outcomes across St. Thomas and St. John.

STT medical center hosts open house



National Stakeholder Day: STEEMCC leadership welcomed community partners and stakeholders for a facility tour and meaningful discussions on strengthening collaboration to better serve the residents of St. Thomas and St. John.

Daily News photo by SARA KIRKPATRICK



Community Wellness Day at Contant Knolls: Residents joined STEEMCC for a day of health promotion and preventive care, featuring dental education, blood pressure and blood sugar screenings, and a special visit from dental mascot, Dr. Fill, who helped make learning about healthy habits both engaging and memorable.



Behavioral Health Focus Day showcased STEEMCC's commitment to whole-person care, bringing together over 50 community members for a day of education, screening, and activities focused on strengthening emotional wellness and reducing stigma around mental health.



Elderly Awareness Day: As part of our commitment to healthy aging, STEEMCC staff visited four assisted living facilities across the territory to engage residents in fun, interactive wellness activities that promoted social connection, physical activity, and overall well-being. Pictured here are residents of Lucinda Millin Home participating in the day's activities.



DHS Kids Expo: More than 200 children received dental education and oral health kits from STEEMCC, helping to build healthy habits and increase awareness of the importance of preventive dental care in a fun, family-friendly environment.



World AIDS Day: STEEMCC staff joined a community walk hosted by the Virgin Islands Department of Health to raise awareness about HIV/AIDS, honor those affected by the disease, and promote education, prevention, and stigma reduction throughout the community.



Breast Cancer Awareness Week: STEEMCC staff engaged community members at the mall to provide breast cancer education, share information on screening and support resources, and connect individuals and families affected by breast cancer with behavioral health services and other available support programs.

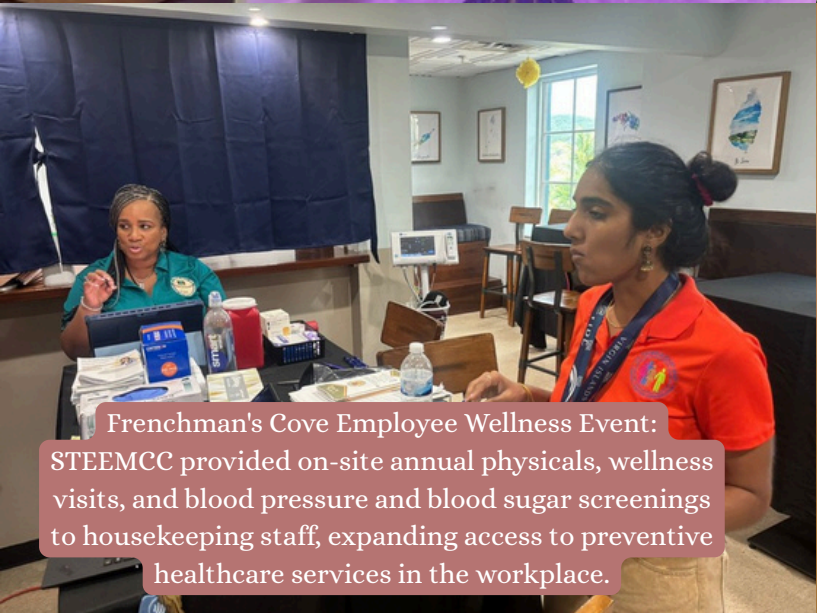


National Patient Day: Staff member serving a patient dumb bread and cheese with bush tea to show them our gratitude





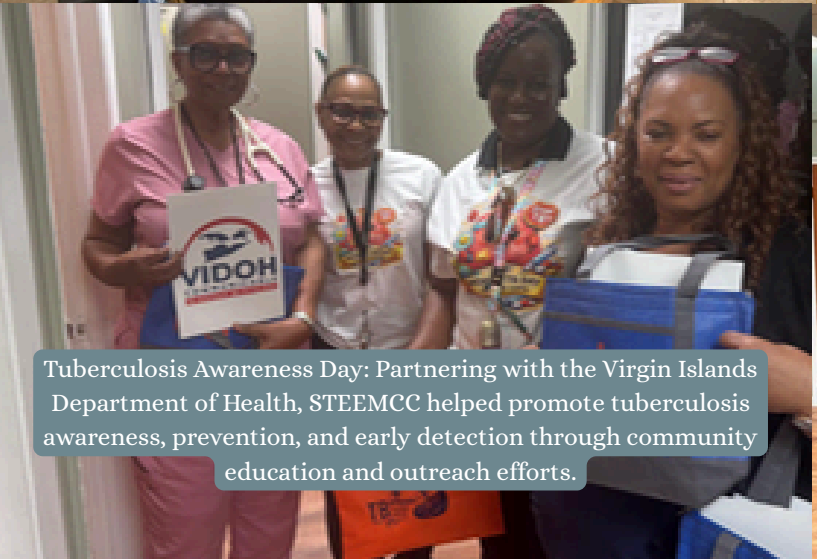
Domestic Violence Awareness Week: Through community outreach and education, STEEMCC staff provided information on domestic violence prevention, healthy relationships, and available support services, while promoting access to behavioral health care and resources for survivors and their families.



Frenchman's Cove Employee Wellness Event: STEEMCC provided on-site annual physicals, wellness visits, and blood pressure and blood sugar screenings to housekeeping staff, expanding access to preventive healthcare services in the workplace.



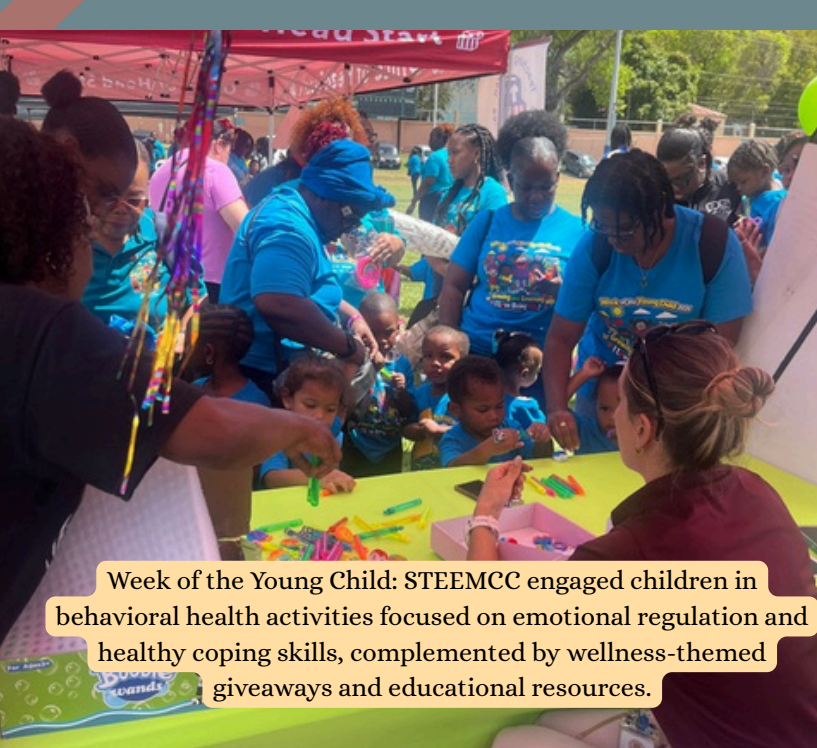
Virgin Islands Territorial Court – Child Welfare Academy: "Restoring the Restorers": Recognizing the importance of caring for those who care for others, STEEMCC provided preventive health screenings, behavioral health education, and wellness resources to members of the Territorial Court to support their physical and emotional well-being.



Tuberculosis Awareness Day: Partnering with the Virgin Islands Department of Health, STEEMCC helped promote tuberculosis awareness, prevention, and early detection through community education and outreach efforts.



Job Training Program: Students from Ivanna Eudora Kean High School completed a hands-on job training experience at STEEMCC, gaining valuable workplace exposure and professional skills. Pictured here is the group on their final day.



Week of the Young Child: STEEMCC engaged children in behavioral health activities focused on emotional regulation and healthy coping skills, complemented by wellness-themed giveaways and educational resources.



DHS Health Expo: STEEMCC provided blood pressure, blood sugar, and behavioral health screenings to community members, helping participants better understand their health status while connecting them with resources and services to support their overall well-being.



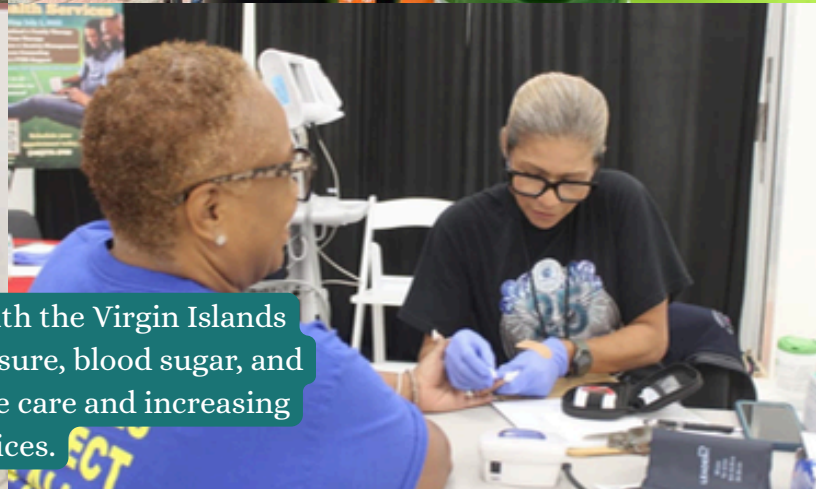
Afternoon on the Green: Community members participated in behavioral health education and a positive affirmation activity that fostered conversations about mental well-being, resilience, and the importance of seeking support when needed.



Carnival Food Fair: STEEMCC provided behavioral health consultations and education, fostering conversations about mental wellness and connecting community members with available support services.



VIDOH Health and Wellness Fair: In partnership with the Virgin Islands Department of Health, STEEMCC offered blood pressure, blood sugar, and behavioral health screenings, promoting preventive care and increasing awareness of available health services.



Hurricane Preparedness Fair – St. John: Through behavioral health education and community outreach, STEEMCC helped residents prepare for hurricane season by sharing resources on stress management, emotional resilience, disaster preparedness, and access to behavioral health support services.



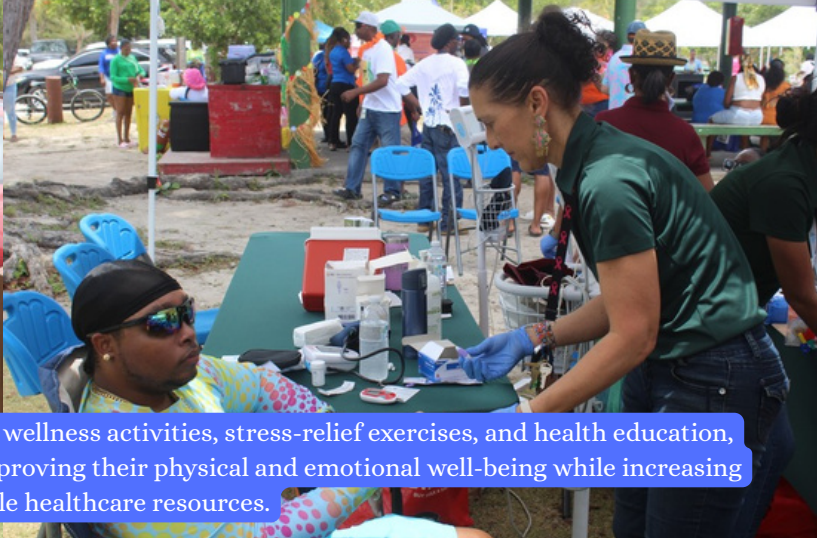
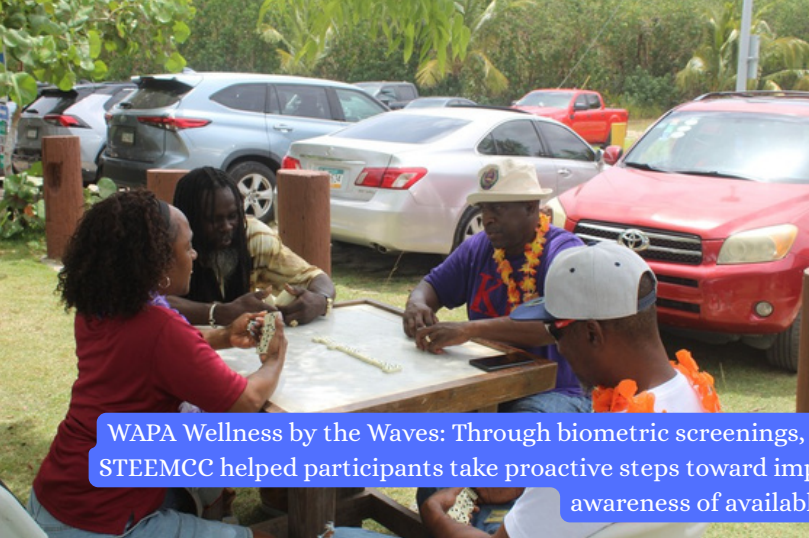
Health, Hospitals, and Human Services Health Fair: STEEMCC offered blood pressure and blood sugar screenings, helping participants take proactive steps toward maintaining their health and wellness.



Taphus House First Friday: STEEMCC joined the community celebration with a special appearance by STEEMCC's dental mascot, Dr. Fill, who helped foster engagement while staff shared educational materials, promoted available services, and raised support for the organization's mission of providing accessible healthcare to the community.



Mall Pop-Up Outreach Event: STEEMCC engaged community members in conversations about mental and emotional well-being, promoting behavioral health services, sharing educational resources, and encouraging individuals to prioritize their overall wellness.



WAPA Wellness by the Waves: Through biometric screenings, wellness activities, stress-relief exercises, and health education, STEEMCC helped participants take proactive steps toward improving their physical and emotional well-being while increasing awareness of available healthcare resources.

Partnership is a strength that we have built deliberately over the years, and one that is paying dividends for this community every single day. As we have worked to stabilize and grow this organization, we have simultaneously cultivated a network of collaborations spanning government agencies, academic institutions, nonprofits, private sector partners, and community organizations across this Territory and beyond. The tables before you reflect the breadth of those relationships. Each one represents an expansion of our reach, an extension of our capacity, and a step forward on our path toward self-sufficiency.

Government & Public Sector

- Virgin Islands Department of Health
- Virgin Islands Department of Tourism
- Virgin Islands Department of Human Services
- Virgin Islands Department of Education
- Virgin Islands Bureau of Corrections
- Virgin Islands Housing Authority
- Virgin Islands Bureau of Motor Vehicles
- Judicial Branch of the Virgin Islands
- Office of Highway Safety
- Virgin Islands Water and Power Authority
- Virgin Islands Port Authority
- Committee on Health, Hospitals, and Human Services
- Office of Health Information Technology & Health Data Utility Board
- Scheider Regional Medical Center
- Charlotte Kimelman Cancer Institute

Academic & Training Institutions

- Emory University / CDC
- University of the Virgin Islands
- Howard University
- SUNY Psychiatry Residency Program
- Marist University
- Ivanna Eudora Kena High School through Virgin Islands Department of Labor



Healthcare & Technology Partners

- Primary Care Association Network
- DigiMed- Chronic Disease Management
- Millennial- Electronic health record transition support
- Zane Networks- Grant Support and Cybersecurity planning



Community & Nonprofit Organizations

- American Cancer Society
- Family Resource Center
- Carib-Cares
- Cancer Coalition



Private Sector- Outreach Expansion

- Frenchman's Cove
- Tutu Park Mall
- CC1 (Coca-Cola)

Wellness Without Walls: The VIHA Partnership

Among our most powerful partnerships is our collaboration with the Virgin Islands Housing Authority, which represents everything this organization believes community healthcare should look like.

In September 2025, we launched a program that takes our clinical team out of our space and into the public housing communities where some of this Territory's most vulnerable residents live their daily lives. Members of STEEMCC's team show up at different housing facilities every month and deliver full annual checkups, problem visits, chronic disease management, and a full range of clinical services identical to the care available inside our Center. Once the medical visits are concluded, follow-up connections are established, ensuring that every patient we encounter has a clear and supported pathway back to ongoing care. This year, we are deepening our presence in the communities we have already entered, and we have extended our reach to Coral Bay in St. John through the Virgin Islands Housing Finance Authority

The residents we served carry compounding burdens, including limited access to public transportation or mobility issues, and for many, healthcare has never felt like something they could realistically prioritize. When your daily energy is consumed by the basic demands of survival, a medical appointment requires a level of access and stability that poverty does not always allow. No person in this Territory should have to weigh their health against their next meal. With this context, STEEMCC decided that as long as we have the capacity to reach them, they will never have to make that choice alone.



RELAY FOR LIFE



Relay for Life: Bringing Hope Back to St. Thomas

That same philosophy of taking healthcare beyond our walls, rather than waiting behind them, led us into a new chapter of community engagement this year. In partnership with the American Cancer Society, STEEMCC brought Relay for Life back to St. Thomas for the first time in a decade. For ten years, one of the most powerful cancer awareness and fundraising traditions in St. Thomas and St. John had gone quiet, and our community felt that absence deeply. When the Charlotte Kimelman Cancer Institute closed, receiving treatment here became a privilege reserved for those who could afford to leave. Patients who could not afford to travel simply went without treatment.

STEEMCC decided it was time to do something about that. We organized, we rallied, and we brought Relay for Life back to St. Thomas, and with the help of 347 participants, we raised approximately **\$77,000** for cancer patients through the American Cancer Society. Those funds represent hope for people who have had precious little of it when it comes to cancer care in this Territory.

What makes this accomplishment even more remarkable is who made it happen. Ten STEEMCC staff members stepped up, took ownership, and built this event from the ground up, while recruiting community members and growing the committee into something larger than any one organization. We are a team of people who are deeply, personally invested in the health and dignity of this community.

In addition to the visits, screenings, and services your investment supports, you also gain a workforce so deeply committed to this Territory that they dedicate their own time to raising \$77,000 for cancer patients and bringing an entire community together around hope. In the coming years, as community ownership of this event deepens and the committee grows beyond our walls, the foundation STEEMCC laid in year one will be the reason it endures. That is what STEEMCC is made of.



Relay for Life: Last Lap - Award Ceremony



Relay For life: First Lap - Kick-Off Event



Luminaria Ceremony



STEEMCC Team

Co-Chairs Tess G. Richards, MD and Lindsay Schauss, MBA



Thanking the IEKHS Leadership



The VIDOH Team



The All Saints Cathedral School Team with our youngest team captain



The Messengers of Hope Team



The VI Police Department Team



The WAPA Team



SRMC and CAHS Cheerleaders



The VI National Guard



The Sunset Lap



Serving Those Who Served: Veterans Appreciation Day

Our commitment reaches into every corner of this community, including those who have given the most to protect it. Earlier this year, we hosted our first Veterans Appreciation Day. This event was designed to bring our veterans together for genuine connection and care. We gathered them for wellness activities and tokens of appreciation, creating a space where they could be celebrated, supported, and seen.

Beneath the celebration was a deeper purpose. Many of our veterans carry invisible wounds, such as PTSD, anxiety, depression, and the compounding weight of experiences that most of us will never fully understand. Our Veterans Appreciation Day is the entry point into a sustained quarterly program that uses community, joy, and belonging as the first step toward addressing the behavioral health needs that many of our veterans carry in silence.



Investing in the Next Generation

That same behavioral health focus is shaping how we invest in the youngest members of this community. STEEMCC will be partnering with the Joseph A. Gomez Elementary School for a Summer Bridge Program, bringing emotional wellness activities and literacy engagement directly into the lives of children who need it most. We will also be extending this program to the rest of the schools within the St. Thomas-St. John district as well as our local Head Start community because we believe that the roots planted early grow the deepest, and these children deserve someone in their corner from the very beginning.

Our commitment to the next generation extends beyond childhood. We have partnered with the Cardiovascular Research and Empowerment Workforce Program at the University of the Virgin Islands to expose college students to healthcare careers. We partner with Eudora Kean High School to provide job training and career development opportunities. We have also opened our doors to many native nursing students, medical students, physician assistants, nurse practitioners, and allied health professionals seeking clinical training who left this Territory to pursue their education and are looking for a place to come home to. Every student who trains at STEEMCC leaves with a connection to this community, an understanding of its needs, and, ideally, a commitment to serving it. That is how STEEMCC multiplies its impact far beyond a single visit or a single patient.

PAVI Merger: Expanding Our Mission

While helping to prepare the next generation of healthcare providers, we have also remained focused on strengthening the infrastructure that will support both their work and the communities they serve. STEEMCC has nearly completed the absorption of Patient Assist VI (PAVI), a longstanding health advocacy nonprofit with deep roots in this community and a history of connecting our most vulnerable populations to necessary care. PAVI has historically raised approximately \$100,000 annually and has touched the lives of thousands of people across this Territory. By bringing PAVI into our organizational family, we inherit a legacy of community trust, a donor network, and a philanthropic infrastructure that will help sustain and expand our mission. This merger is one more example of STEEMCC doing what we have always done, and that is, finding every available path toward serving this community better and sustaining ourselves more fully in the process.

V. FY 2027 BUDGET REQUEST

The work reflected in this testimony did not happen in a vacuum. It happened because this Legislature has continued to show up for STEEMCC, even in a year that has been hard on all of us. We recognize that, and we do not take it for granted. We understand that this body carries the weight of an entire Territory on its shoulders, with competing priorities, finite resources, and no shortage of urgent needs. Every appropriation is a decision made at the expense of something else, and we respect the weight of that responsibility deeply.

We are not asking for more than our share, but for recognition that the share we receive directly determines the health outcomes of thousands of people in this Territory who have nowhere else to go. We are asking for the resources necessary to continue building healthcare that is accessible, compassionate, and delivered with excellence, as every resident of this Territory deserves.

Our people need a place where patients are seen, heard, and respected, which will equally reflect the dignity of the people it serves.

If that is the future we want for this Territory, then we ask that today's investment match tomorrow's vision.

Now that we have a picture of who we are, what we do, and why we must continue to provide services to this community, the remainder of this discussion will be about our operating budget and budget request for FY 2027.

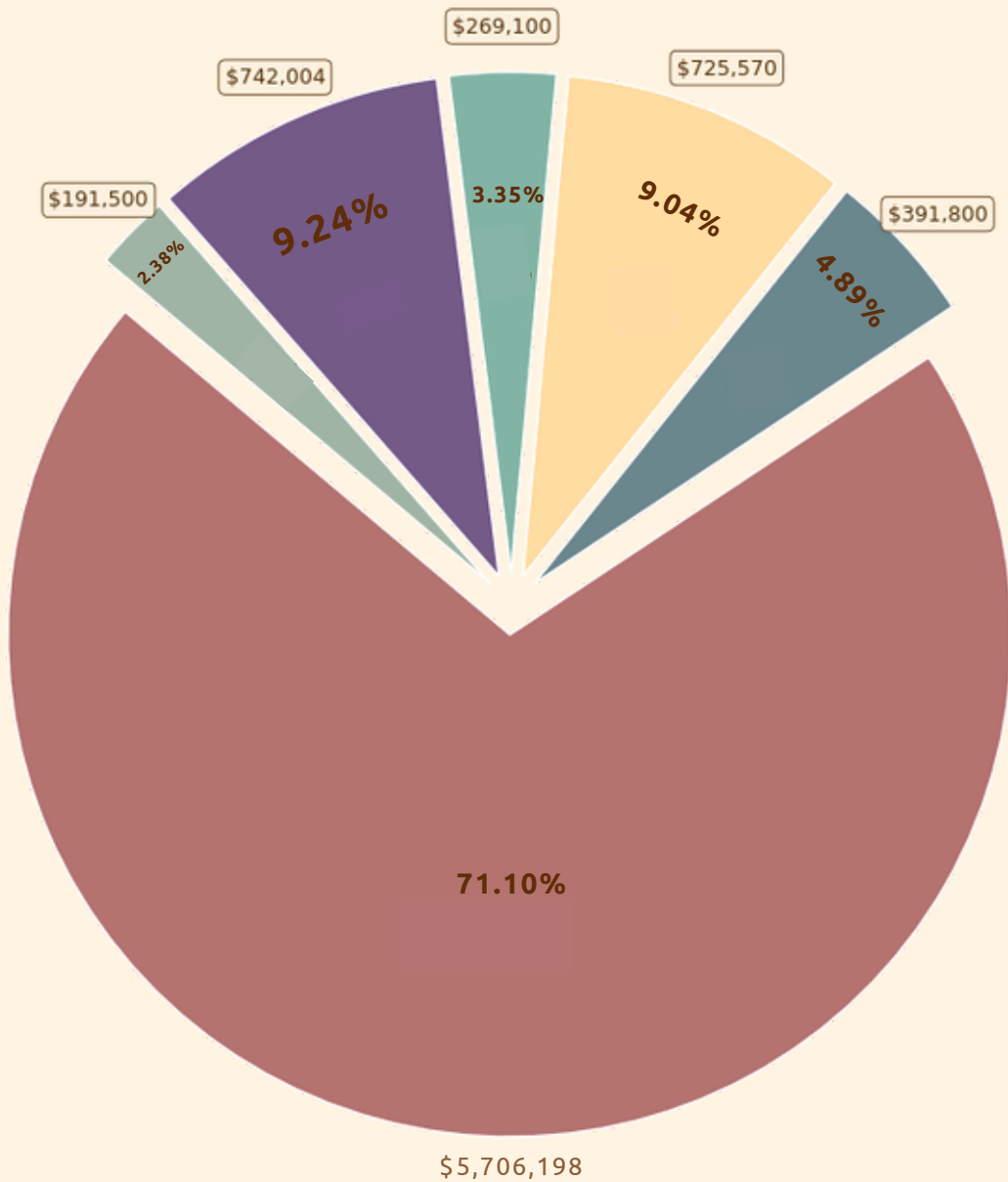
The Foundation of Our Request: Uncompensated Care

Throughout this testimony, you have heard me reference uncompensated care — the care we deliver every day to patients who cannot pay for it. I have done so deliberately because it is the single most honest explanation for why we are standing before you today. Once again, for emphasis, more than one-third of the care we deliver generates little to no compensation in return. Still, we provide that care every day because turning away a patient in need has never aligned with our mission, our values, or our responsibility to this community. But compassion, while essential, does not eliminate the financial realities of providing care. As the burden of uncompensated and undercompensated care continues to rise, the Government of the Virgin Islands' appropriation becomes increasingly important in helping us sustain access for the patients who depend on us most.

Our request also covers our local Medicaid match obligation that has averaged approximately \$600,000 annually over the past three years, representing a 17% match requirement that must be met to maintain our Medicaid participation. Meeting it is how we ensure that our most vulnerable patients retain access to the care they are entitled to. If primary care cannot absorb the need, the hospital will be forced to absorb the consequences. Patients do not stop getting sick because access becomes limited. They simply enter the healthcare system later, sicker, and at a far greater cost. Supporting STEEMCC is one of the most effective investments this governing body can make to reduce unnecessary emergency room utilization, strengthen the healthcare continuum, and ensure that care is delivered in the right place, at the right time, and at the right cost.

It is within this context that we respectfully submit our FY2027 budget of 8,026,172 designed to preserve operational stability, meet rising service demands, and ensure continuity of care for the patients who rely on us most.

FY2027 Budget Breakdown



Categories

- Personnel
- Supplies/Equipment
- Contracts
- Professional Services
- Facility
- Other (Insurance, Travel, Misc)

Personnel and Employee Benefits

The salaries for our current employees and projected new hires, including revenue-generating employees, are budgeted at **\$4,503,827**. This includes providers, clinical support staff, billing and business office staff, administrative new hires, and projected new hires. Employee benefits are a vital part of how we demonstrate our commitment to the health, well-being, and long-term stability of our workforce. The Center's budgeted 2027 benefit rate is approximately 21%. We approximate the total fringe at **1,202,371** equating our personnel costs to **\$5,706,198**. Our benefits package includes Life, Disability and Health insurance, Employer FICA, Pension, Unemployment Insurance and Workman's Compensation insurance and the employer portion of our retirement plan. Offering competitive benefits helps us attract and retain qualified staff in a competitive healthcare workforce environment and reinforces our commitment to caring for those who care for our community.

Contracts and Professional Services

Contract(s) and Professional Services have been budgeted at **\$725,570** and **\$269,100** respectively, for a total of **\$994,670**. Professional services include our annual audit, legal fees, incinerator services, security services, and our electronic health records system. Our contracts include IT consultants, our translator service, on call services, laboratory services, pediatric dental program, radiology, care management, revenue cycle, community assessments, and behavioral health contractors.

Supplies and Equipment

The cost of supplies utilized during patient care, including items used in medical and dental services delivery, laboratory reagents for our point-of-care testing, immunization supplies, basic office supplies, outreach supplies, and maintenance/housekeeping supplies, has been budgeted at **\$331,800**. The cost of equipment, including computers and Xerox, is budgeted at **\$60,000**. These resources are fundamental to delivering safe, efficient, and high-quality care, ensuring both clinical and operational readiness across all departments.

Facility

Under the Facility category, we have budgeted a total of **\$742,004** to cover essential infrastructure and operational needs, including rent charges, lease, storage, communications, utilities, and maintenance. These investments are crucial for maintaining the physical and technological infrastructure that supports both patient care and day-to-day operations.

Other Charges (Travel/Education, Insurance, Miscallenous)

Other Charges are budgeted at **\$108,000** and include a variety of operational and outreach-related expenses. This covers provider recruitment activities, such as classified and journal advertisements, telephone listings, and candidate interviews. This is allocated for advertising and events, which support patient mailings, newsletters, health promotion materials, and outreach efforts, including National Health Center Week, open houses, health screenings, and other patient engagement activities. These efforts are intended to reach the wider community, including examples such as older adults, individuals experiencing homelessness, and other underserved populations.

This category also includes staff uniforms, bank charges, postage, dues, licenses, and professional fees, which are necessary to support daily operations and maintain community engagement.

Insurance costs are budgeted at **\$60,000** and cover essential protections including building and contents, directors’ liability, valuable papers, and bond insurance. Additionally, the Center utilizes Federal Tort Claims Act (FTCA) coverage to significantly reduce malpractice-related expenses, ensuring comprehensive risk management while maintaining fiscal responsibility.

Travel and Continuing Education is budgeted at **\$23,500** to support management development and Board of Directors training. This investment is necessary to strengthen organizational leadership, improve decision-making, and ensure compliance with evolving healthcare regulations and governance standards. Equipping our leadership and board with up-to-date knowledge and best practices directly enhances the strategic direction, oversight, and sustainability of STEEMCC.

All of these individual allocations come together to form our total proposed budget for Fiscal Year 2027: \$8,206,172. Now let’s have a look at the revenue breakdown, with the requested GVI allotment. Our projected total revenue for FY 2027 is comprised of the following sources:

Revenue Breakdown with requested FY2027 GVI Allotment	
Item	Allocation
Program Income (patient revenue)	\$ 2,959,500
HRSA 330 Cluster Grant	\$1,461,580
Behavioral Health Integration-Evidence Based Telehealth Program Grant (REACH-USVI)	\$350,000
340B Program	\$150,000
DigiiMed	\$300,000
Laboratory Revenue	\$150,000
Other Grant Revenue	\$300,000
GVI Appropriations	\$2,700,000
Total Income	\$8,371,080
Total Expenses	\$8,026,172
Total profit (including depreciation and amortization)	\$259,908

Our Request: \$2,700,000

With everything this testimony has laid before you, including our many years of documented transformation, clinical growth, community reach, earned partnerships, and the very real financial obligations that come with serving this Territory's most vulnerable population, we respectfully submit our FY 2027 GVI allotment request of **\$2,700,000**.

This allotment will cover the uncompensated care we deliver every single day to patients who have nowhere else to go, and the local Medicaid match that preserves access to coverage for our most vulnerable patients. These are not discretionary costs. They are the price of keeping our promise to this community, and the costs we have managed with discipline, accountability, and transparency every year we have been in leadership.

We have exercised discipline over every area within our control: staffing, procurement, operations, and efficiency. What falls outside our control is the reliability of the funding we depend on to meet our obligations. Timely appropriations and prompt Medicaid remittances are foundational to everything we have built. When they are delayed, the consequences travel through our vendor relationships, payroll, and ultimately to the public trust and stability we have worked so hard to earn.

VI. CLOSING

I urge you to consider for a moment what this organization has built— with limited resources, constrained budgets, and a team that has given more than anyone had a right to ask. Every program, every patient served, every community entered, every partnership forged has been accomplished through discipline, creativity, and an unwillingness to accept that the people of this Territory deserve anything less than our very best.


We are the only Federally Qualified Health Center serving St. Thomas and St. John. We are the safety net beneath the safety net, and as this testimony has shown, we take every dollar entrusted to us and stretch it further than anyone could have imagined.

Last year, we stood in this room and told you this was about what comes next. We had already done the hard work of saving ourselves, and we asked you to invest in our momentum. This year is the answer to that ask. Every program, every partnership, every patient served, and every surplus posted is what that collaboration looks like.

We come before you now with proof of what we intended to come next 11 months ago. Proof in our surpluses and our growing visit numbers, in the ten staff members who brought Relay for Life back to this Territory for the first time in a decade, in the ailing grandmother at Lucinda Millin, the veteran carrying weight no one sees, and the child learning that they can have faith in us to sustain their future. They may not have made it onto a budget spreadsheet, but they will feel the outcome of every decision made in this room today. That is the weight of this vote and the privilege of this seat. That is why we are asking you, with full confidence in what we have already built and full faith in what this partnership can still become, to stand on the right side of their stories.

Years from now, when this chapter has closed, the question will not be whether the need existed; the question will be who chose to answer it. Today, you have the opportunity to be a part of that answer- to help shape the legacy. Together, we can ensure that this chapter becomes one that our community will be proud to inherit.

Respectfully submitted,



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Executive Director
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