



**TESTIMONY TO THE COMMITTEE ON
HEALTH, HOSPITALS & HUMAN SERVICES**

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April 03, 2024

Good morning Honorable Senator Ray Fonseca, Chairman of the Committee on Health, Hospitals and Human Services (“HHS”), Honorable Committee Members, other Senators of the 35th Legislature of the U.S. Virgin Islands present, and the listening and viewing audience. I am Douglas Koch; a Fellow of the American College of Health Executives (FACHE) and Chief Executive Officer (CEO) of the Governor Juan F. Luis Hospital and Medical Center (“JFL”). I appreciate the opportunity to be here with you this morning to discuss the operational status of JFL.

To assist with this presentation today is the Senior Vice-President of Financial Services, Christopher Lewis; Chief Operations Officer, Hazel Philbert; Acting Chief Medical Officer, Dr. Mavis Matthew; Chief Nursing Officer, Darice Plaskett; Chief of Human Resources, Patricia Canegata; Chief Legal Counsel, B. Patricia Welcome; and Chief of Staff, James J. Rollins.

INTRODUCTION

Before we delve into the focus of this testimony, I would like to take a moment to express my heartfelt appreciation towards the staff at JFL. I understand that our team members are the backbone of our organization and our #1 priority. I am deeply grateful for the opportunity to work alongside such dedicated and resilient individuals. Thank you all for your exceptional work and unwavering commitment to the betterment of our organization.

We are proud of the fact that we have been operating within JFL-North for almost a year. We have a focus on stabilizing operations and growing our workforce, process improvement, and expanding our care model. Today's testimony will cover an overview of JFL's human resources, operations, and finances along with updates on growth and community engagement.



JFL HOSPITAL- OVERVIEW

PEOPLE: Human Resources Overview & Challenges

The backbone of any healthcare system is the people, caregivers, and support staff who are directly responsible for patient outcomes and satisfaction levels. At JFL, we place our highest priority on people, and we are proud of our Human Resources team's efforts in attracting and retaining employees. Despite the industry's labor shortage, we have successfully filled 60 positions during FY 2024. We are particularly excited about the strategic hiring of a Director of Security, which has enabled us to fully staff our security department, as well as a Director of Risk Management, and Guest Services Manager, just to name a few.

In addition, The Graduate Nurse (GN) Program was re-established in collaboration with the University of the Virgin Islands (UVI) School of Nursing and with support from the Bennie and Martha Benjamin Foundation. It is a highly effective career development and training program that enables new graduate registered nurses to transition seamlessly into clinical practice. So far, we hired 10 of 14 graduate nurses in 2022 and 8 of them in 2023. These nurses successfully cleared the NCLEX-RN examination and were onboarded as full-time Registered Nurses at JFL, fully equipped to provide excellent care to their patients. We are also re-establishing the Student Nurse Extern Program this summer for 5 juniors and 5 seniors enrolled in UVI's School of Nursing. The Student Nurse Extern Program also provides support to student nurses with clinical experience, and studies for the RN-NCLEX exam, and will also promote confidence in JFLH as a future employer.

With significant improvement in recruitment strategies, we also prioritized employee retention through engagement communication, and career development. To achieve this, we hired a Hospital Staff Educator and reinstated the Hospital Employee Engagement Committee. We also believe it is critical to provide employees with the opportunity for advancement and promotion from within the organization. We have several examples of this including key positions, such as the Recruitment and Retention Officer, and Public Information Officer. Our commitment to our employees and their professional growth is unwavering, and we will continue working tirelessly to foster a positive and supportive workplace culture.



We continue to tackle one of our biggest challenges, managing the increasing salary demands to ensure that salaries are at par with national standards. We are proud to announce that we have completed the negotiations of the Collective Bargaining Agreements (CBA) with the Licensed Practical Nurses (LPN) and the Virgin Islands Nurses Association (VISNA). We are currently in the negotiation phase for the Registered Nurse Leadership Union (RNLU), and we are confident that we will reach a successful agreement. We believe that these negotiations will not only help us to decrease employee turnover rates, but also make JFL an even more attractive employer.

The biggest challenge remains staff burnout and recruiting/retaining medical professionals, particularly in clinical and specialized areas such as allied health. The data for Healthcare Professional Shortage Areas (HPSAs) highlights that rural states and remote territories will experience the highest shortages of medical professionals per capita, making it twice as hard to meet our staffing needs. **(Exhibit 1).**

Likewise, JFL is faced with a slow but steady attrition of physicians over the years. While some specialties have been successful in recruiting MDs to join the staff (OB/GYN and Neurology), other specialties are still staffed with single providers such as Urology, General Surgery, Psychiatry, Gastroenterology, Pediatrics, Internal Medicine, and Otolaryngology (ENT). To offset this shortage locum tenens physicians have been utilized to supplement the physician workforce. The need for subspecialty care will increase as we address the aging of the population in the Territory, as elsewhere. With a full-time physician recruiter, the focus is on acquiring the HPSA designation, recruiting physicians through the J1 visa program, augmenting relationships with residency programs, and reclaiming V.I.-raised physician providers.

Despite all the efforts we continue to make, we recognize that in certain areas we still have unmet employee needs. Several of these are currently in the Allied Health Division. These shortages cause our current employees to work additional shifts or longer hours. I personally want to say thank you for their efforts as they do not go unnoticed. We will continue to take assertive measures to improve our recruitment and retention strategies to overcome this challenge and meet our staffing needs.



QUALITY & SERVICE: Operations Overview & Challenges

JFL-North provides comprehensive services to its patients with 52 inpatient beds, 16 emergency beds, 2 trauma beds, 4 behavioral health observation beds, and 4 operating rooms. These clinical areas are supported by a variety of departments including Nutrition Services, Housekeeping, Laundry, Laboratory, and Pharmacy, just to name a few.

The Quality & Performance Improvement department ensures that the patients receive high-quality care and makes necessary improvements to enhance the facility's performance. JFL is certified by the Center for Medicare & Medicaid Services (CMS), which regularly evaluates the facility to ensure it meets the Medicare Conditions of Participation (CoP) for all services and areas. Our hospital operations recently underwent its first full CMS hospital survey from December 11th to 16th. This was followed by a second CMS Life Safety Survey from January 29th to February 2nd. The surveys consisted of observations and walk-throughs of the facility, clinical, and ancillary departments, as well as a review of policies, documentation, and employee files to assess compliance. JFL has not received the official survey reports from CMS; however, work is in progress to address the areas identified as opportunities for improvement. JFL also maintains accreditation from The Joint Commission for the Laboratory program, the Nuclear Regulatory Commission, the American College of Radiology, and the Food and Drug Administration. These programs support patient care in radiology imaging and laboratory testing.

We remain committed to continuous improvement of operations and services to ensure the delivery of high-quality care and the safety of our patients while also focusing on patient experience. We have established a Patient Experience Department comprised of Patient Experience Specialists (previously known as patient advocates) and have partnered with the Beryl Institute, which provides training to staff on core concepts related to patient experience. Patient satisfaction is part of the patient experience, measured by surveying patients post-discharge. This survey data (**Exhibit 2-3**) helps us identify our strengths and weaknesses and assist in the implementation of improvement plans that will enhance the overall patient experience in the future. It also compares our scores against the national averages and established benchmarks.



Our operations are still faced with a few challenges including Emergency Department (ED) wait times and the housing of “boarders.” JFL continues to struggle with the problem of "boarders" - patients who no longer need acute hospitalization but cannot be discharged - due to limited services, such as long-term care beds, assisted living facilities, and home health care in the territory. Our Case Management Department continues to work closely with the Department of Human Services and other transitional care and home assistance services to place these patients in appropriate care facilities. Our goal is to reduce the length of hospital stays for patients who do not need acute care and to ensure they are discharged in a timely manner. Thanks to the collaboration of various agencies and individuals, we have managed to lower the number of boarders from over ten (10) to just four (4).

This challenge directly impacts the Emergency Department wait time, creating a domino effect. At JFL, we see an average of about 40 patients daily in the ED. In Q1 of 2024, we noticed an increase in the number of Level 4 and 5 ED visits compared to the same months in 2023 (level 4 and 5 visits are for primary care and non-emergency complaints). Emergency Department wait times are a complex, hospital-wide issue that is impacted by resources such as staffing levels, treatment room and bed capacity, radiology, and laboratory turnaround times, etc. Based on feasibility and available resources, the Fast Track space is activated whenever there is an influx of patients with no available beds in the ED.

It is important to note that increased wait times are reflective of (non) life-threatening complaints as all patients undergo triage upon arrival, and those with life-threatening emergencies are immediately treated in exam rooms. To address this issue, JFL has maintained a multidisciplinary team known as the Emergency Department Improvement Team (EDIT) to oversee quality improvement efforts aimed at reducing wait times in the ED.

FINANCE: Financial Overview & Challenges

JFL's Operating Revenue is broken down into gross billed, net collections and cash collections. Cash Collections is further broken down into the collection percentages as evidenced by **Exhibit 4**. In FY'24 Commercial payers accounted for 46% of the payer mix, representing a 28% increase. However, Medicaid decreased from 27% in FY'23 to 13% in FY'24 representing a 52% decrease in



cash collections, even though we have only seen a 3% decrease in our Medicaid discharges. Medicare has demonstrated an 18% increase in payments from 33% in FY'23 to 39% in FY'24, despite the same amount of discharges year over year.

For FY'24 YTD, JFL has accumulated 77% uncompensated care for discharges and 81% uncompensated care for outpatients (**Exhibit 5**). In this case, uncompensated care includes only Medicare, Medicaid, and self-pay patients who make up less than half (45% FY'24 YTD) of JFL's collection percentages.

In addition to uncompensated care, we are also challenged with the rising costs of healthcare. We saw an increase in clinical staffing agencies and locum expenses. Recruitment and retention of healthcare providers are key to stabilizing the operational cost of care and enhancing revenue generation. Currently, we are projecting a total expense of \$16.3M (**Exhibit 6**). Staffing agencies were originally financed through a COVID-19 Grant through the Department of Health; however, it is now being financed solely by JFL. This is why we need to continue our focused efforts on recruitment and retention. We continue to lessen our reliance on staffing agencies demonstrated by **Exhibit 7** with only 20 agency staff employees compared to 58 previously.

The lack of reimbursement and increasing healthcare costs places JFL in a cash flow deficit. We have fine-tuned the billing collection process to bring in more cash, yielding an increase in operating cash receipts from \$17.8M in FY'23 to \$19.6M in FY'24, despite not receiving Medicaid reimbursements. We are actively working with MAP to identify the source and resolve this challenge.

GROWTH: New Revenue Streams & Capital Projects

With the outlined cashflow deficit, JFL also recognizes the need to augment revenue to stabilize our systems which are key to delivering quality patient care for the people of St. Croix. Our focus on improving efficiency and quality will help us increase our overall volume of patients throughout the facility. We also recognize the need to restore some of the revenue-generating outpatient services for which we were once the sole provider and at least reclaim a percentage of that market.



We must reestablish the Virgin Islands Cardiac Center, this program provides much needed services here in our community. Since we have successfully moved patients to JFL North, we have begun the necessary work. The cardiac catheterization lab has been out of service for many years. We are evaluating multiple vendors that may be able to bring it back online. We have also applied for a grant that if awarded may serve as a funding source to replace the unit completely if necessary. This is just the beginning as a multiphase approach is underway to find the necessary interventional cardiologist and support team. We are also working to expand our Outpatient Clinic with the goal of being open five days a week and providing follow-up care to our patients. The Little Grande Princesse Dialysis Center will be completed, and we will be able to move our dialysis patients from the trailers to a hardened and safe structure. We have re-established our Foundation and have already used their support to apply for over five million dollars in grant funding to assist our efforts.

COMMUNITY: JFL's Community Engagement Strategy

With a strong focus on patient experience, and the exceptional work being provided by our Caregivers, the results of the patient satisfaction data reflects that our inpatient patients are overall satisfied with the services being provided in all of the key driver areas on the HHCAPS survey; however, the data also shows the same patients giving our institution an overall lower rating. Based on this data, we continue to prioritize community engagement intending to rebuild trust in the people of St. Croix. This strategy involves community service and events, media presence & engagement, and community partnerships.

JFL maintains a partnership with the Martha & Bennie Benjamin Foundation, Inc. and the UVI School of Nursing to invest in our local student nurses' training and clinical experience. Recently, we have partnered with Make-A-Wish to grant and fulfill life-changing wishes to critically ill children in the community. To date, we have successfully referred 2 patients, who are receiving their life-changing wish.

We now offer a variety of programs under our Guest Relations department. The Volunteer program has been reinstated with 17 student volunteers, 4 student interns from the St. Croix Career and Technical Education Center, 2 senior volunteers, 2 members from the Senior Community Service Employment Program, one volunteer therapeutic musician, and two receiving training on day-to-day



business routines from Island Therapy. Volunteers are placed throughout the hospital offering career exploration for students and allowing others to give back to the community. JFL's Chaplaincy Program has also been reinstated with three active chaplains offering spiritual services on the medical units multiple times a week. Through this program, we hosted JFL's first Student Convention, which was a tremendous success with 65 registered students from 5 high schools. Students had the opportunity to interact with healthcare professionals, explore healthcare careers through hands-on activities, and tour the JFL hospital.

We continue to emphasize the use of the JFL website, radio & digital ads, and social media for community engagement. Through these channels, we are dedicated to rebuilding the trust of the community.

CLOSING

As always, the JFL Executive Team thanks Honorable Senator Roy Fonseca, Chairman of the Committee on Health, Hospitals, and Human Services, and all the Committee members for granting us the opportunity to provide this testimony today. A special thank you to the Honorable Governor Albert Bryan Jr. and his team for all the support and to our Board of Directors for their commitment to our hospitals and ongoing dedication. Finally, to the community of St. Croix, thank you for the overwhelming support, grace and love you have shown for JFL. I welcome any questions that you may have.





EXHIBITS

Exhibit 1. JFL's Vacancy Listing

WE ARE HIRING



Gov.
JUAN F. LUIS HOSPITAL
& Medical Center

OPEN POSITIONS:

CLINICAL

- Licensed Practical Nurse
- Certified Nursing Assistant
- Certified Hemodialysis Technician
- Medical Technician

ALLIED HEALTH

- Certified Surgical Technician
- Ultrasound Technologist
- Respiratory Therapist
- Radiological Technologist
- Clinical Dietician
- Physical Therapist
- Central Sterile Processing Technician
- Echocardiograph Technologist
- Patient Care Technician
- Certified Pharmacy Technician
- Biomedical Technician (Hemodialysis)

REGISTERED NURSES

- Clinical Care Coordinator
- Cardiology
- Emergency Room
- Hemodialysis
- Critical Care Unit (CCU)
- Medical/Surgical
- Mother & Baby
- Pediatrics
- NICU
- Certified Nurse Anesthetist
- Certified Nurse Midwife
- Head Nurse (Surgical Services)

ADMINISTRATIVE

- Director of Quality
- Unit Secretary

NON-CLINICAL

- Food Service Worker
- Plumber
- Senior Director of Facilities
- Cook II
- Hospital Police
- IT Support /PACS Administrator
- Storekeeper (Nutrition Services)
- Kitchen Attendant
- Diet Aide
- Grounds Keeper



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APPLY ONLINE!

JOIN THE #JFLSTRONG TEAM!

Interested applicants should submit resume to
hireme@jflusvi.org or apply online!

For more information, contact JFL Human Resources Department:
(340) 778-6311 ext. 5804



Exhibit 2-3. National Research Corporation (NRC) Health Stoplight Reports

HCAHPS Stoplight Report

Discharge Dates From Jul 1, 2023 to Mar 31, 2024

<https://catalyst.nrcpicker.com/govjfl/hcasr/default.aspx>

March 24, 2024



Overall	Improvement Planning	Benchmarks NRC Average*	HCAHPS		
			Qtr 1 2024‡	Qtr 4 2023	Qtr 3 2023
Using any number from 0 to 10, where 0 is the worst hospital possible and 10 is the best hospital possible, what number would you use to rate this hospital during your stay?		71.6% (n=398,996)	51.3% PR=1 (n=39)	51.0% PR=1 (n=51)	66.7% μ PR=25 (n=6)
Key Drivers		NRC Average*	Qtr 1 2024‡	Qtr 4 2023	Qtr 3 2023
Responsiveness of Hospital Staff		62.7% (n=372,954)	76.3% PR=82 (n=40)	69.6% PR=69 (n=51)	80.0% μ PR=89 (n=5)
Cleanliness / Quietness		63.6% (n=404,336)	72.0% PR=73 (n=41)	68.5% PR=61 (n=54)	85.7% μ PR=98 (n=7)
Communication with Doctors		79.9% (n=403,050)	83.7% PR=75 (n=41)	82.7% PR=67 (n=54)	85.7% μ PR=83 (n=7)

Emergency Stoplight Report

Discharge Dates From Jul 1, 2023 to Mar 31, 2024

<https://catalyst.nrcpicker.com/govjfl/edsr/default.aspx>

March 25, 2024



Overall	Picker Dimensions	Benchmarks NRC Average*	Gov Juan F Luis ED		
			Qtr 1 2024‡	Qtr 4 2023	Qtr 3 2023
Using any number from 0 to 10, where 0 is the worst facility possible and 10 is the best facility possible, what number would you use to rate this emergency department?		66.5%	31.6%	41.8%	43.7%
Key Drivers		NRC Average*	Qtr 1 2024‡	Qtr 4 2023	Qtr 3 2023
Do you think that you received the right treatment in the emergency room (e.g., tests, diagnosis, medications, etc)?	Coordination of Care	70.2%	52.6%	63.3%	58.9%
Were you seen by a provider in a timely manner?	Access to Care	61.2%	48.1%	52.9%	57.5%
Were your tests conducted in a timely manner?	Access to Care	65.9%	40.4%	68.0%	55.7%



Exhibit 4. JFL Collection Percentage

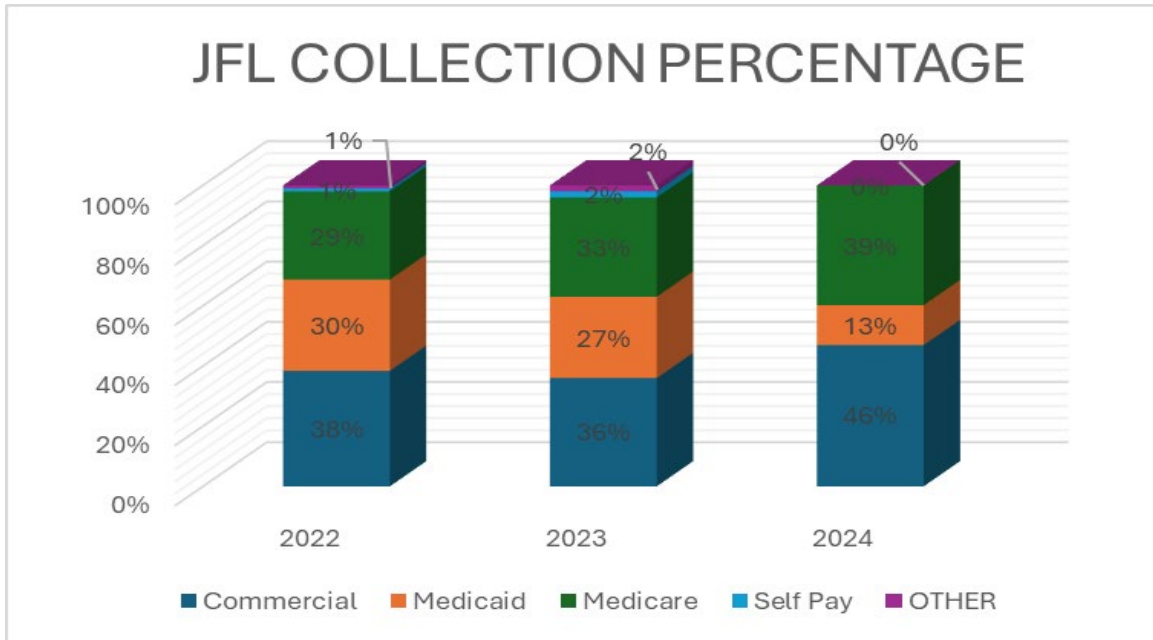


Exhibit 5. Uncompensated Care – Discharge vs. Collected

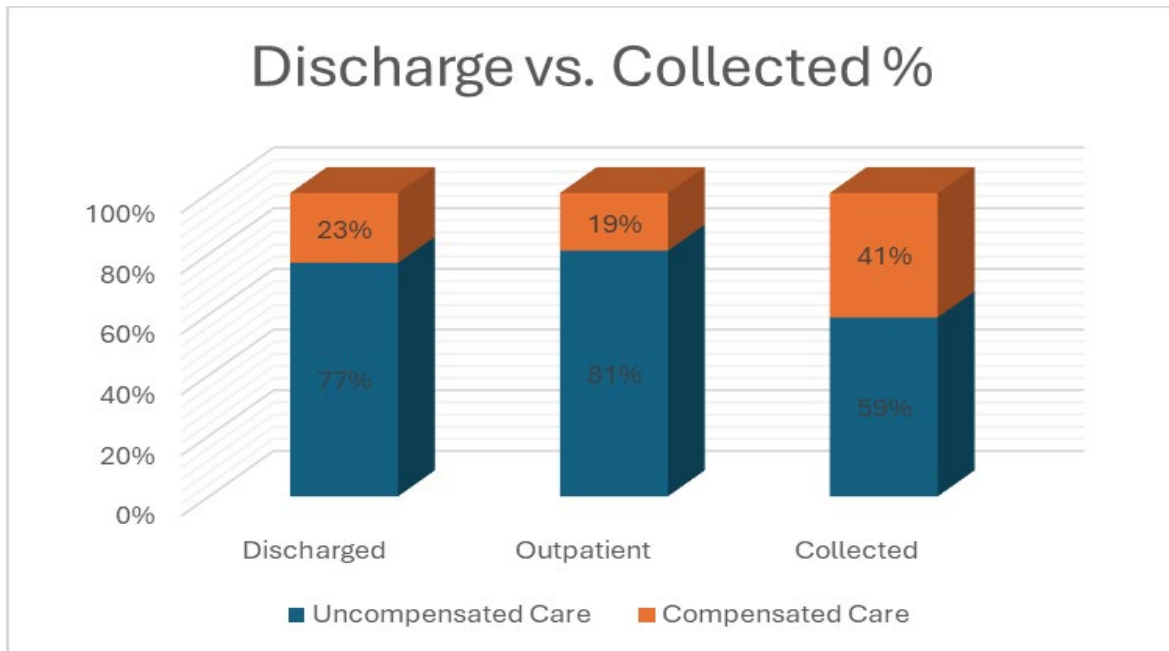


Exhibit 6. Staffing Agency & Locums Expense Summary

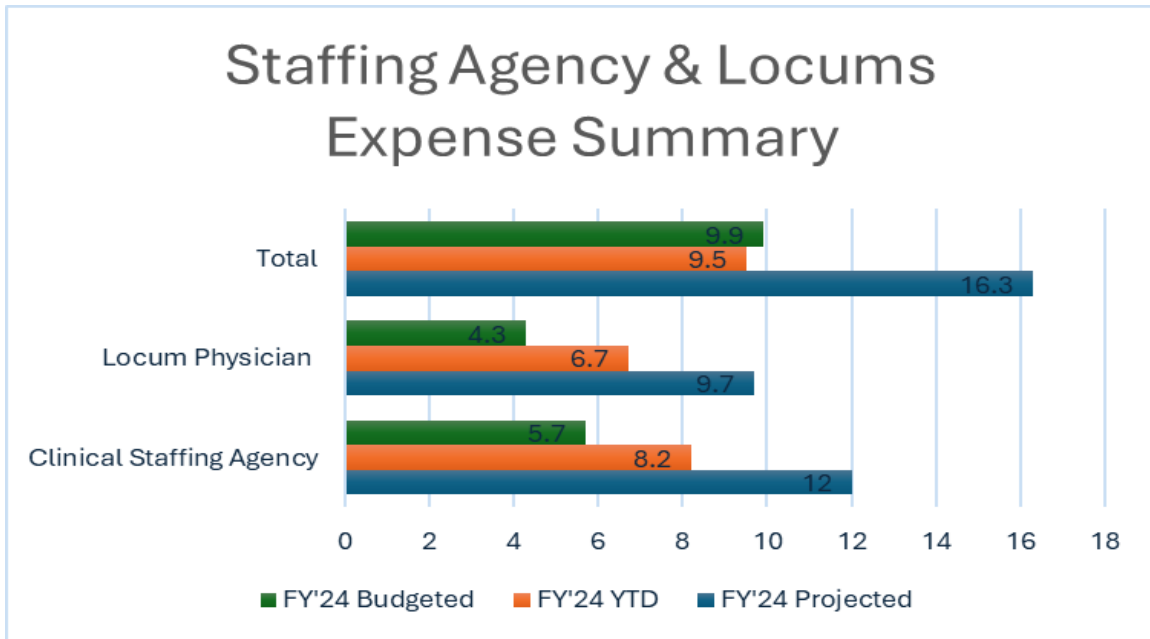


Exhibit 7. Staffing Agencies Summary

