



**THE
DEPARTMENT
OF HUMAN
SERVICES**

**Committee on
HEALTH, HOSPITALS
& HUMAN SERVICES**

Tuesday, 24 of February 2026
SENATOR RAY FONSECA, CHAIRMAN



Testimony of Commissioner Averil E. George
Committee on Housing, Transportation & Telecommunications

February 24, 2026, 10:00 AM

Good morning Honorable Chairman, Senator Ray Fonseca; members of the Committee on Health, Hospitals, and Human Services; distinguished colleagues; and the viewing and listening audience.

My name is **Averil E. George**, and I am honored to serve as the Commissioner of the Virgin Islands Department of Human Services (DHS). Joining me today are key members of my leadership team who play vital roles in advancing the department's mission:

- **Assistant Commissioner** Carla Benjamin
- **Assistant Commissioner** Taetia Phillips Dorsett
- **Chief Financial Officer** Lydia Magras-Purcell
- **Deputy Commissioner of Human Resources & Labor Relations** Rolda Mason
- **Deputy Commissioner of Operations for St. Thomas** Sean Georges
- **Deputy Commissioner of Operations for St. Croix** Hugh Nicholas
- Kishma Vincent, **Administrator of Senior Citizens Affairs**
- Gary Smith, **Director of the Office of Medicaid**
- Akilah O'Brien, **DHS Disaster Recovery Specialist**

Our Team appears before you today, to address critical issues that directly affect the safety, stability, and well-being of the residents of this Territory. My testimony will focus on areas of the highest operational and strategic importance: Medicaid State Plan modernization, long-term care capacity, early childhood services, and infrastructure redevelopment. These initiatives are interconnected. Each represents both a policy obligation and a moral responsibility to the people we serve.

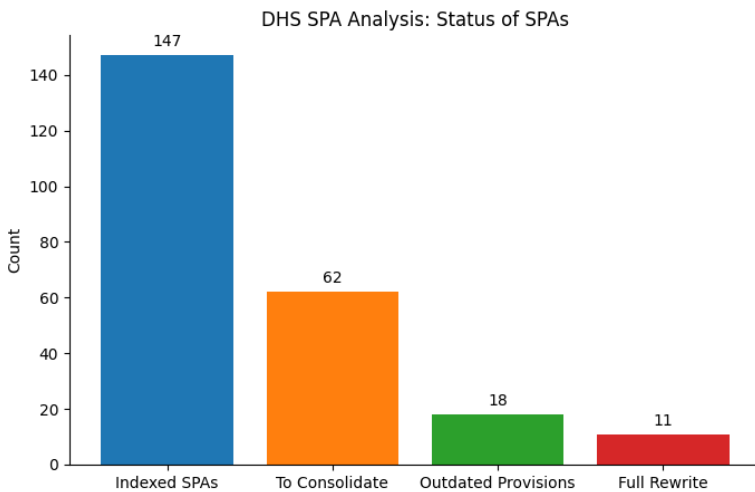
I. Medicaid State Plan Modernization and Policy Priorities

The Medicaid Assistance Program (MAP) remains one of the Territory's most essential programs, providing healthcare coverage to approximately 18,729 residents, representing a large share of the Territory's population.

For many of our residents, Medicaid is not simply an insurance card — it is access to chemotherapy, dialysis, cardiac intervention, behavioral health services, pediatric specialty care, and life-sustaining medications that would otherwise be financially unattainable. The stability of this program is therefore both a fiscal responsibility and a human one. DHS is engaged in a comprehensive State Plan gap analysis designed to

consolidate and modernize the Virgin Islands' Medicaid State Plan. Over many years, amendments were developed in both paper-based and online formats, resulting in a fragmented structure that makes it difficult to present a single, consolidated, authoritative version of the plan. We are currently compiling all existing State Plan Amendments into one complete and unified document.

In **2025–2026**, DHS undertook one of the most extensive State Plan modernization initiatives in its history. This work includes:



- Consolidating decades of SPAs into a **single, authoritative Medicaid State Plan**
- Conducting a **full gap analysis** to identify outdated, missing, or inaccurate provisions
- **Prioritizing amendments** that impact compliance, reimbursement, and eligibility
- **Enhancing transparency** by preparing a publicly accessible consolidated State Plan

To date, DHS has:

- Indexed **147** historical SPAs across paper and electronic formats
- Identified **62** SPAs requiring consolidation
- Flagged **18** provisions as outdated, including rate methodologies and eligibility references
- Determined **11** sections requiring full rewrite for federal compliance

We anticipate having a consolidated version prepared **by April 2026**, after which it will be made publicly accessible to improve transparency and stakeholder clarity.

Beyond consolidation, we are conducting a detailed review to identify any missing, outdated, or inaccurate provisions within the State Plan. This review is expected to continue throughout most calendar year 2026. At the conclusion, the Department will have a prioritized roadmap of remediation activities to guide future amendments and program improvements.

In addition to the gap analysis, the Department recently secured federal approval of a significant State Plan Amendment **addressing interventional cardiology (IC) services**. This amendment updated the reimbursement methodology for on-island physician payments for highly specialized cardiac procedures, including cardiac catheterizations, angioplasties, and stent placements. The goal of this amendment is to increase cardiac specialty physician participation in the Medicaid program, thereby improving access to life-saving cardiac care within the Territory. This SPA will serve as a pilot and possible blueprint to examine an alternative Medicaid reimbursement model that may be used for additional medical services for our members. Evaluating the IC model SPA will ensure that the GVI is able to afford local matches annually in

comparison with availability of federal claims dollars.

The amendment became **effective December 1, 2025, and was approved by CMS on January 30, 2026**. By strengthening reimbursement alignment with Medicare's fee schedule, we anticipate improved provider recruitment and retention, reduced reliance on off-island transfers, and enhanced cardiovascular health outcomes for Medicaid beneficiaries.

The Department is also evaluating a high-priority State Plan Amendment concerning the Local Poverty Level used to determine Medicaid eligibility. The Virgin Islands' **Local Poverty Level (LPL)** has not been updated since **2017**. DHS is assessing the feasibility of aligning eligibility with **100% of the Federal Poverty Level**, including:

- **Fiscal impact** on the capped federal allotment
- **Long-term sustainability** within the Section 1108 framework
- **Required eligibility** and **MMIS system updates**

This analysis includes evaluating long-term sustainability within the Territory's capped federal **Medicaid and CHIP allotments** and available local resources.

As of the close of Federal Fiscal Year 2025, the Virgin Islands had approximately **\$48 million remaining in its Section 1108 allotment authority**. Any eligibility expansion would require formal CMS approval and system updates to ensure accurate implementation. Our objective is to responsibly increase access to care while maintaining fiscal discipline within the capped funding structure.

Additionally, the Department is planning a State Plan Amendment to establish a **cost-plus payment methodology** for inpatient hospital services provided outside the Territory, particularly in Florida. This initiative is currently in the planning stage and will involve coordination with hospital payor negotiation experts to develop a reimbursement structure that more accurately reflects actual resource utilization for higher-acuity patients, while maintaining administrative clarity and sustainability.

Beyond these major initiatives, the Department is advancing several additional State Plan Amendments in 2026 to strengthen program clarity and compliance. These include amendments addressing application methods, behavioral health and clinic services, justice-involved youth coverage requirements **under Section 5121 of the Consolidated Appropriations Act**, Rural Health Clinic reimbursement methodology, dental service clarity, and transportation coverage standards. Each of these amendments is prioritized based on operational capacity, compliance urgency, and anticipated program impact.

Complementing this State Plan to work, the Department is formalizing **Medicaid provider manuals** to ensure policies governing coverage, billing, enrollment, and compliance are clearly documented and publicly accessible. Manuals for physician services, applied behavioral analysis services, provider enrollment, and general information have been developed, with public comment processes incorporated to allow stakeholder input. This effort enhances transparency, strengthens provider understanding, and improves program integrity safeguards.

Collectively, these Medicaid initiatives reflect a deliberate shift toward modernization, compliance strengthening, improved provider participation, and expanded access to care. While the work is complex and resource-intensive, it is essential to ensure the long-term stability and credibility of the Medicaid program in the Virgin Islands.

II. Long-Term Care Strategy: Boarders and CMS-Certified Facility Development

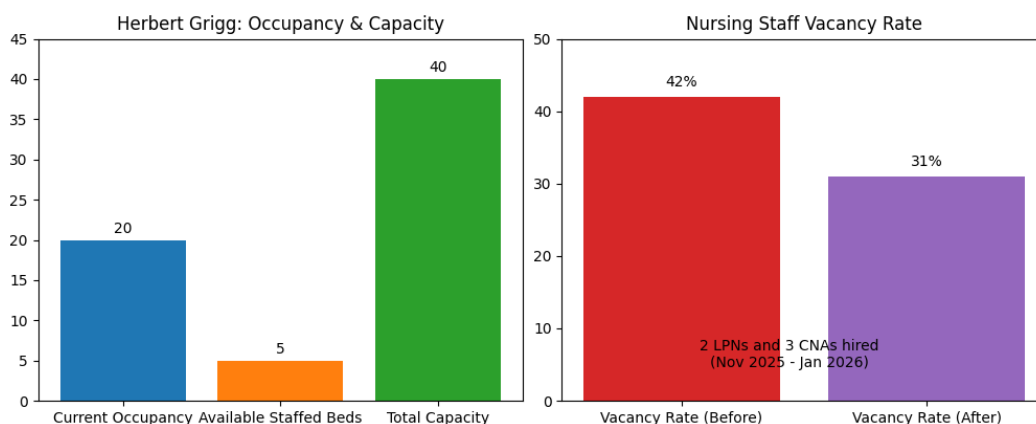
While Medicaid modernization strengthens access to medical services, access to appropriate long-term placement remains one of the Territory's most urgent structural healthcare challenges. The issue of hospital boarders is a direct symptom of the Territory's limited long-term care capacity.

On average, seven to ten medically stable individuals remain hospitalized at any given time because they cannot be safely discharged into our community. Although these individuals no longer require acute medical care, appropriate residential placements are unavailable. As a result of lack of discharge, the territories hospitals are incurring the costs for all of their daily food and ancillary services without CMS reimbursements.

Across our hospitals, there are mothers recovering from strokes, older men who can no longer live safely on their own, and individuals with disabilities who have completed their medical care—all waiting in the same way. These are patients who should be transitioning into long-term care settings but instead remain in acute care beds simply because the Territory lacks adequate placement options.

Without sufficient capacity across this continuum, hospitals are forced to function as de facto long-term care providers — a costly and clinically inefficient outcome that also places emotional strain on patients who deserve placement in environments designed for long-term living rather than acute intervention. While the Department of Human Services does not operate acute care hospitals, we recognize that discharge bottlenecks disproportionately impact elderly and medically vulnerable residents. Addressing this challenge requires coordinated investment in bed utilization, staffing stabilization, facility readiness, and regulatory compliance.

At **Herbert Grigg Home for the Aged** on St. Croix, the facility is currently operating with twenty residents and five available beds within its total 40-bed capacity. We currently have 5 applications pending.



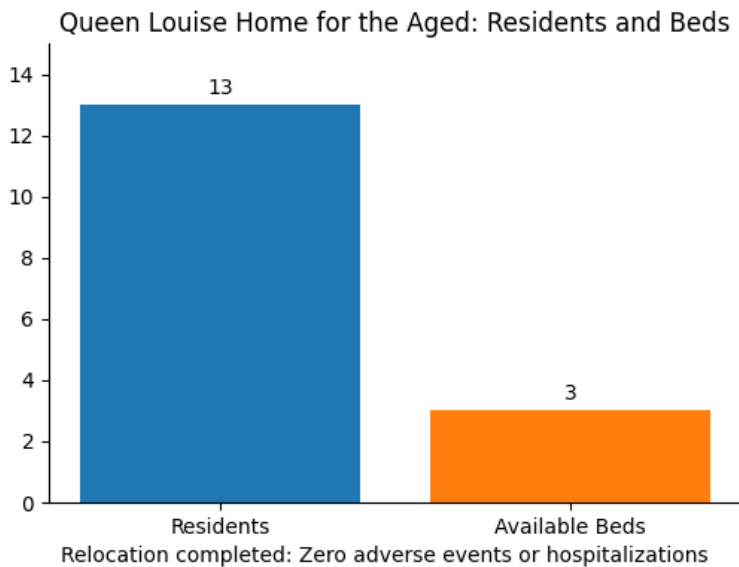
The Department

continues to prioritize the use of existing capacity, recognizing that vacant beds represent both a fiscal inefficiency and a missed opportunity to help relieve hospital discharge congestion. However, the limited availability of five beds is directly tied to current staffing levels rather than physical space constraints.

While the infrastructure can accommodate significantly higher occupancy, safe operations and regulatory standards require appropriate clinical coverage and direct care staffing ratios. With adequate staffing support, the Home could make up to 20 beds available for placement.

In Fiscal Year 2025, the Legislature appropriated dedicated funding to support operational capacity expansion. This appropriation is being directed toward staffing stabilization and bed activation to expand placement options for medically stable individuals awaiting long-term care.

The Department has begun deploying these funds to strengthen clinical coverage and direct care staffing levels necessary to safely increase occupancy. Recent hires of two Licensed Practical Nurses and three Certified Nursing Assistants represent the first phase of this expansion effort, with additional recruitment actions underway. Because long-term care facilities must operate within strict clinical staffing ratios and regulatory standards, bed activation occurs in deliberate phases aligned with workforce onboarding.



At **Queen Louise Home for the Aged**-on St. Thomas, the relocation of residents to temporary accommodations at Palms Court Harborview was executed successfully on January 22nd, with resident safety as the primary consideration. The decision to relocate was not taken lightly. For elderly residents, stability of the environment is deeply important, and every logistical decision was evaluated through the lens of safety, continuity, and the emotional well-being of our clients, their families, and our community.

QLH currently has **13 residents and 3 available beds with three applications pending**. Operational continuity has been maintained, and admission packages are being finalized in coordination with Adult Protective Services to ensure that available beds can be allocated appropriately to both hospital-based and community-based applicants.

The Department’s approach to addressing hospital boarders is twofold. In the short term, efforts are focused on maximizing existing bed capacity, stabilizing staffing, completing pending social studies, and improving placement coordination. In the long term, the Department is embedding CMS certification requirements into facility design, operational planning, and workforce development. CMS certification cannot be **retrofitted**; it must be **planned and funded** from the outset. That reality requires us to move deliberately, responsibly, and with long-term sustainability in mind.

III. Federal Child Care Funding and Head Start Updates

Just as we work to protect the dignity and safety of our seniors, we are equally committed to investing in the earliest years of life. The Virgin Islands Department of Human Services (VIDHS) Office of Head Start (OHS) has been the Head Start grantee for the United States Virgin Islands for more than fifty (50) years. As the long-standing grantee, DHS administers the Head Start Program through consecutive, competitive federal grants. The agency must re-compete for these grants every five (5) years and must apply annually for continuation of funding. Head Start’s mission is to promote the school readiness of children from low-income families who are three years old by December 31st up to five years old at enrollment.

The program exclusively serves children ages three to five. For many families, Head Start represents far more than early education. It provides structured learning, nutritional support, developmental screening, and family engagement services that help stabilize households and prepare children for long-term academic

success.

To clarify the early childhood continuum within the Territory:

- Private childcare facilities (licensed by VIDHS) serve infants to prekindergarten
- **Early Head Start** (operated by Lutheran Social Services of the Virgin Islands) serves pregnant women and children from birth to age 3;
- **Head Start** (operated by VIDHS) serves children ages 3 to 5
- Granny Preschools (operated by VIDE) serve children ages 3 to 5
- Children then transition into **Kindergarten** at age 5. It is noteworthy that OCCRS, Head Start and VIDE host a PreK to Kindergarten Transition Conference annually for parents and guardians of children transitioning to kindergarten.

Head Start provides high-quality early childhood education for eligible children who might otherwise remain at home and unengaged, and it serves as a family empowerment model that encourages parent participation in all aspects of the program, including governance.

Parents serve on the Head Start Policy Council; a federally mandated and influential body comprised primarily of parent representatives. For working parents, Head Start provides safe, comprehensive early learning services; for parents seeking to enter the workforce. The program offers volunteer pathways and training opportunities that often lead to gainful employment. Children enrolled in Head Start benefit from a holistic focus on early learning, health, family well-being, and wrap-around support.

The VIDHS Head Start Program's federally funded enrollment is 794 students. Distribution was established based on community needs assessments and facility capacity available at the time of the grant application:

- **St. Croix:** 500 children in 25 classrooms
- **St. Thomas:** 274 children in 13 classrooms
- **St. John:** 20 children in 1 classroom

Current enrollment is 587 students, reflecting:

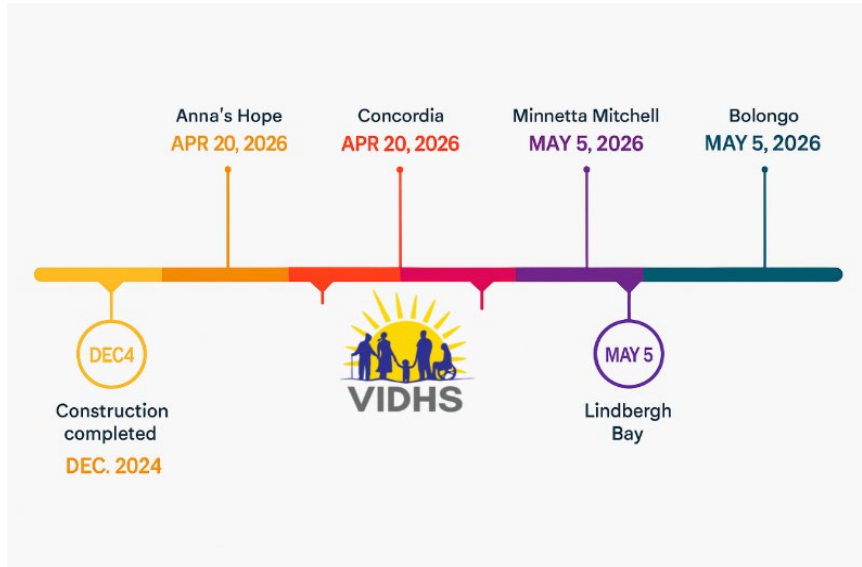
- **St. Croix:** 338 children | 19 classrooms
- **St. Thomas:** 236 children | 12 classrooms
- **St. John:** 20 13 children | 1 classroom

The enrollment variance reflects the temporary closure of six classrooms due to staffing shortages and a limited wait list in the St. Croix district. Recruitment efforts remain ongoing to restore full classroom capacity.

Head Start regulations require that 10% of enrollment serve children with special needs. Currently, 67 enrolled children qualify through either an Individualized Family Service Plan (IFSP) (14 children) or an Individualized Education Plan (IEP) (53 children). An additional 41 children are suspected of having special needs and are pending evaluation by the Virgin Islands Department of Education.

These children receive services including Speech Therapy, Occupational Therapy, and Resource Support from providers who serve Head Start Centers directly.

DHS secured \$42 million in federal funding to rebuild six facilities damaged by Hurricanes Irma and Maria. Each site is being reconstructed to modern, resilient standards, ensuring safe, durable, and developmentally appropriate learning environments for children and families.



Construction Progress & Timeline:

- Cruz Bay (St. John)
 - o Construction completed: December 2024
 - o Educational services resumed: September 2025

Projected Completion Dates:

- Anna’s Hope – April 20, 2026
- Concordia – April 20, 2026
- Minnetta Mitchell – May 5, 2026
- Bolongo – May 5, 2026
- Lindbergh Bay – May 5, 2026

In addition, **six Community Electrical Innovations (CEI)** grant applications were submitted for **Anna’s Hope, Frederiksted, Cruz Bay, Richmond, Savan, and Sugar Estate**. All sites advanced past eligibility review and completed site visits. If awarded, the grants will support installation of solar panels and battery backup systems to reduce outages, harden infrastructure, and strengthen energy resilience at Head Start facilities.

IV. Child Care and Quality Investments

Supporting Working Families While Strengthening Provider Sustainability

The **Office of Childcare and Regulatory Services (OCCRS)** administers the Territory’s Child Care Development Fund (CCDF) subsidy program commonly referred to as “Block Grant.” This program provides child care subsidies to eligible applicants that are working, volunteering or are enrolled in training or school for a minimum of 30 hours per week. The subsidies represent a core support for seasoned working families as well as those entering the workforce, while simultaneously strengthening provider quality and early childhood education workforce development across both districts.

At present, the OCCRS is serving 727 children across the Territory, supporting 602 families who rely on childcare assistance to

CHILD CARE SUBSIDY PROGRAM STATISTICS

Total Number of Children Served Currently:

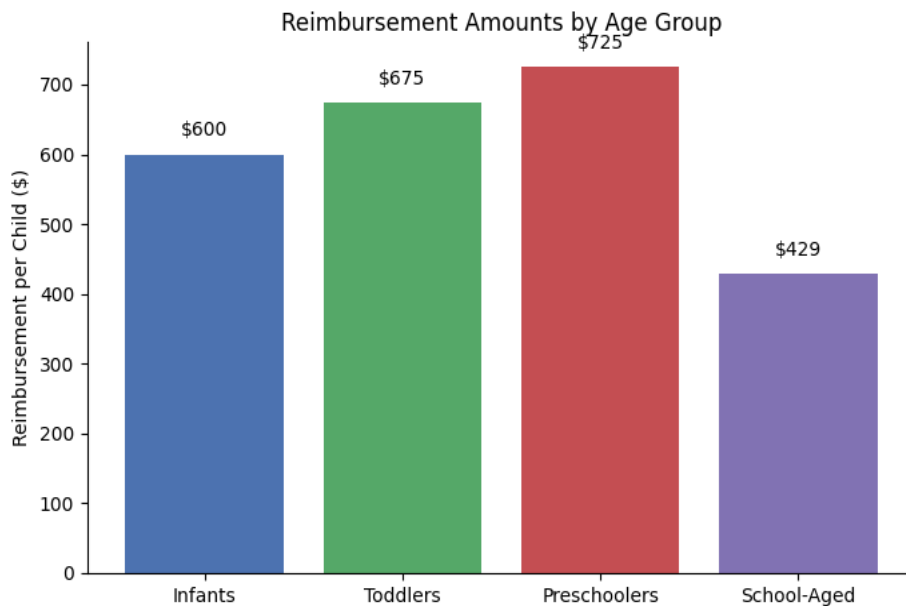
727

Number of Families Served:

602

maintain employment, pursue education, or participate in workforce training. Each of these children represents a working parent striving for stability — parents who depend on reliable childcare in order to maintain employment, pursue education, or participate in workforce training.

The current reimbursement rates are structured to reflect age-based care costs. The Territory currently pays childcare subsidies in the 100th percentile of childcare costs based upon the 2022 Market Rate Survey and Narrow Cost Analysis of data provided by local childcare providers.



- **Infants: \$600 per child**
- **Toddlers: \$675 per child**
- **Preschoolers: \$725 per child**
- **After School care: \$429 per child**

On average, participating providers receive between **\$18,000 and \$20,000** per month in subsidy payments, depending on enrollment levels and age distribution.

Within the Territory there are currently 105 licensed child care providers:

- **56 licensed childcare providers** on St. Croix
- **49 licensed childcare providers** on St. Thomas

Of those licensed providers, **48** are actively participating in the subsidy program:

- **24 providers on St. Thomas** receiving subsidies
- **24 providers on St. Croix** receiving subsidies

In addition to the licensed formal childcare providers, OCCRS supports Informal childcare providers. These are participants in our Family, Friends and Neighbors (FFNs) program which allows for subsidy support for childcare provided by nonprofessional providers such as family, friends, and neighbors.

Quality and workforce initiatives include the launch of **the Infant-Toddler Micro Badge Credential Program**, the **Annual Infant-Toddler Conference**, the Annual Pre-K to Kindergarten Transition Conference in partnership with Head Start and the Department of Education and the relaunch of the **Quality Recognition and Improvement System (QIS)**.

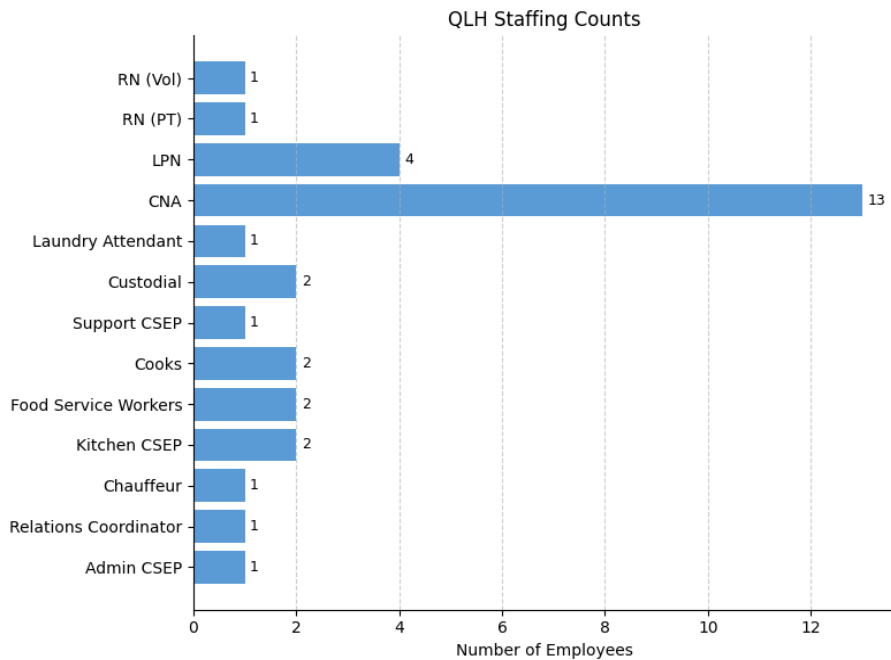
Homes for the Aged

The Department of Human Services is executing a dual-track strategy for both the Queen Louise Home for the Aged-on St. Thomas and the Herbert Grigg Home for the Aged-on St. Croix: stabilizing current operations while advancing long-term redevelopment designed to restore CMS-certified nursing facility capacity in the Territory.

Queen Louise Home

On January 22, 2026, residents of the Queen Louise Home were safely relocated to the Palms Court Harborview Hotel to allow for necessary structural and environmental repairs to the existing facility.

The relocation was carefully coordinated to ensure continuity of care, with residents immediately resuming meals, medication management, and daily supervision under the same Queen Louise nursing and support staff. Senior Citizen Affairs leadership remains actively engaged in daily oversight at the temporary site.



QLH is currently staffed by one Registered Nurse serving in a volunteer capacity and one part-time Registered Nurse, four Licensed Practical Nurses, and thirteen Certified Nursing Assistants, supported by one laundry attendant, two custodial staff, and one SCSEP worker in institutional support; two cooks, two food service workers, and two SCSEP workers in the kitchen; and administratively by one chauffeur, one relations coordinator, and one SCSEP employee.



The **Palms Court Harborview Hotel** location was selected based on its ability to meet residential care requirements, including ADA-compliant accommodations, secured access controls, generator backup power, adequate dietary capacity, communal space for visitation, and telecommunications infrastructure.



Residents are expected to remain temporarily housed for approximately nine months, pending completion of repairs and final regulatory clearance. The 4TA Predesign Assessment identified significant structural, mechanical, electrical, plumbing, and life-safety deficiencies and confirmed that while

portions of the facility remain serviceable, major building systems have reached or exceeded their useful life. Identified priorities include comprehensive upgrades to HVAC systems, electrical distribution infrastructure, fire alarm and suppression systems, roof assemblies, and plumbing lines. In addition, the report highlights the need to reconfigure resident rooms, improve ADA accessibility, enhance infection control layouts, and modernize nurse stations and clinical support spaces to align with contemporary long-term care standards. Beyond immediate infrastructure stabilization, the Department is advancing a long-term redevelopment strategy. The planned rebuild on the newly acquired parcel of land near the Roy L. Schneider Hospital has entered the 30 percent schematic design phase in coordination with the Office of Disaster Recovery and the Super Project Management Office. The redevelopment strategy is structured around layered federal recovery funding streams:

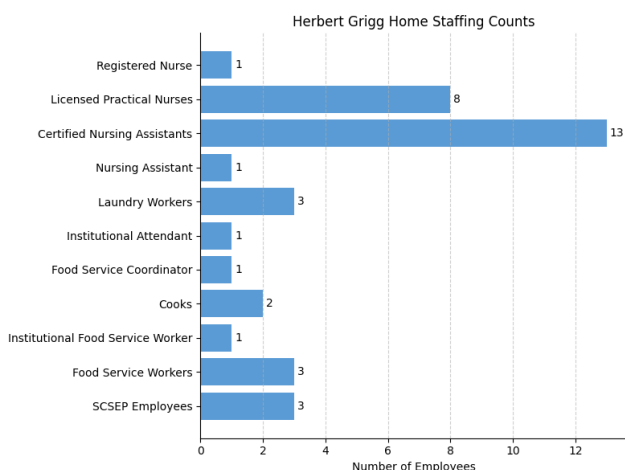
- FEMA Public Assistance (PA) funding has been secured for eligible temporary repairs and stabilization work.
- A FEMA PA amendment for temporary relocation support was approved on October 3, 2024, ensuring financial coverage should phase transition become necessary.

These coordinated funding mechanisms ensure compliance with federal recovery and procurement requirements. The rebuild is not a renovation of the existing structure; it represents a foundational expansion of long-term care infrastructure. The new facility is being designed to meet federal CMS Conditions of Participation for nursing facilities, positioning the Territory to reestablish Medicare and Medicaid certification. This will allow for sustainable reimbursement of participation and bring the Territory back into alignment with national standards for long-term residential care.

Herbert Grigg Home

The Herbert Grigg Home continues to operate as a 24-hour residential skilled nursing facility.

Clinical services are overseen by one Registered Nurse and supported by eight Licensed Practical Nurses, who manage medication administration and daily medical needs, while thirteen Certified Nursing Assistants and one Nursing Assistant provide hands-on support with activities of daily living and routine monitoring. Operations are further supported by three Laundry Workers and one Institutional Attendant who maintain sanitation and upkeep, along with a Food Service



Coordinator, two cooks, one Institutional Food Service Worker, and three Food Service Workers who manage meal preparation and service. Three SCSEP employees also assist across operational areas.

DHS is actively advancing plans to construct a modern, CMS-certified long-term care facility on the south side of the Herbert Grigg property.

A federally funded pre-design and feasibility assessment was completed to evaluate structural integrity, code compliance, floodplain considerations, and long-term operational sustainability. The assessment confirmed that full redevelopment, rather than piecemeal renovation, is the most viable path toward ensuring a resilient, code-compliant, and potentially CMS-certifiable long-term care facility.

The redevelopment of Herbert Grigg Home is supported through a layered disaster recovery funding structure, including:

- FEMA Public Assistance (PA) funding for eligible repair and replacement components
- Approved FEMA amendments supporting temporary protective measures and stabilization
- Coordination with the Office of Disaster Recovery (ODR) and the Super Project Management Office (SPMO) for capital project oversight



Vicinity Map: Herbert Grigg Home for the Aged

These funding mechanisms collectively position the Territory to transition from temporary repair efforts to a long-term, purpose-built facility designed to meet modern standards of safety, infection control, accessibility, and operational efficiency.

The Department's objective is not merely to restore pre-storm conditions, but to construct a facility capable of meeting enhanced regulatory requirements, addressing future long-term care demand, and supporting improved clinical and residential outcomes for elderly residents.

The redevelopment plan also incorporates design considerations



necessary should the Territory pursue CMS certification in the future.

HGH's reconstruction is therefore being approached not as a repair project, but as a strategic long-term care infrastructure investment for St. Croix.

Knud Hansen Permanent Redevelopment

The permanent reconstruction of the Knud Hansen Complex is progressing under the leadership of the Super PMO and Springline Architects, the selected design-build contractor, with architectural and engineering plans currently in development as part of the Rebuild USVI portfolio. The project is a full-ground replacement of the former facility, with architectural and engineering plans now in development for a new four-story, purpose-built complex that will house both Department of Human Services and Department of Health operations. The design incorporates a modern DOH operated Community Health clinic on the second level, along with consolidated DHS administrative and client service spaces to support an integrated approach to public health and human services.



1. AXONOMETRIC - NORTHEAST



2. AXONOMETRIC - NORTHWEST



Procured as part of a bundled design build package, the project structure is intended to maximize delivery efficiency and align long-term infrastructure investments across government programs. The 30 percent design milestone is anticipated in late March 2026, a key checkpoint for finalizing program scope, validating cost models, and confirming construction sequencing.

Once completed, the rebuilt Knud Hansen Complex will centralize critical DHS programs currently spread across multiple temporary sites, allowing for improved client access, streamlined service delivery, and

enhanced disaster resilient operations. The redevelopment reflects the Territory's long-term commitment to modernizing public service infrastructure and ensuring continuity of care for the community.

Knud Hansen Temporary Leased Facilities

As design and planning advance for the permanent Knud Hansen facility, the Department has secured temporary leased locations to maintain seamless service delivery. All leases have been fully approved and executed.

Two temporary sites are being utilized: **Tutu Park** (old VIYA Building) and **Havensight**. The Havensight location is being executed in phases and is designated for non-client facing divisions. **Phase 1** is complete, and the site now houses the Medicaid **Program Integrity Unit, Human Resources, and Operations Divisions**.

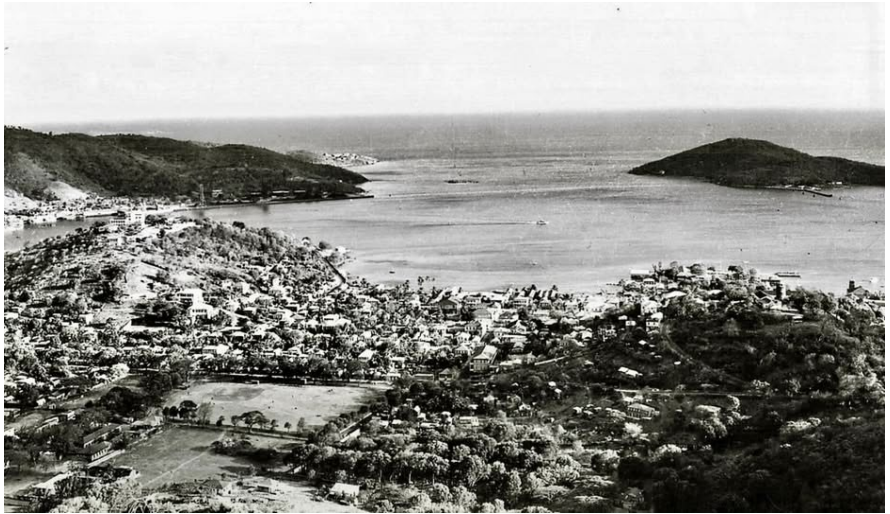
At **Tutu Park**, the Department is awaiting completion of the interior buildout to allow staff to transition into a centralized, client accessible location. This site is particularly advantageous due to its proximity to public transportation and its accessibility for clients requiring in-person support.

To put things in perspective, **The Knud-Hansen Memorial Hospital building** in St. Thomas began construction in the 1940's and opened in 1953.

That was **seventy-three years ago**.

It was built for a different era, under different standards, and for a completely different purpose.

It was constructed as a hospital in the 1950s—long before modern building codes, long before ADA standards, long before the technological infrastructure required to administer federal programs, and long before the health and safety compliance environment that governs human services today.



Taken in the late 1940's. Construction of The Knud-Hansen Memorial Hospital, built in 1952 adjacent to Lionel Roberts Stadium. RDF Community under Construction

It was *never* designed to house the administrative backbone of a **21st-century Department of Human Services**. And yet, for decades, our employees have shown up to work **every single day** and delivered services from that facility. Not yesterday. Not two years ago. For decades. We know it is old. Our employees know it is old. The public knows it is old. At this point, even the building knows it is old.

We have seen Facebook Lives. We have seen the videos circulating that highlight portions of the surrounding property—some of which are not even under the jurisdiction of the Department of Human Services—framed

as though the conditions developed overnight. Let us be clear: this structure did not deteriorate last week. It did not become outdated this year. It has been aging for generations.

But here is what is different now. For the first time in a very long time, this is not simply a talking point. It is an active redevelopment effort. Interim leases have been secured. Planning and design coordination are underway. Funding alignment is in motion. Permanent redevelopment is advancing through formal procurement and project management channels.

Our staff deserve better than a 1953 building. Our clients deserve better than a 1953 building. And we are no longer managing the limitations of that facility—we are moving to replace it.

We are here. And we are moving forward.

Closing

Chairman Fonseca and members of the Committee, the Department of Human Services operates at the intersection of policy, vulnerability, and public trust. Every program discussed today — Medicaid, long-term care, childcare subsidies, Head Start, facility redevelopment — represents more than a line item or a construction timeline. It represents a mother in Campo Rico waiting for childcare to be able to go to work. A senior in Schnieder Regional waiting for dignified long-term care. A child on St. John waiting for early education. A provider on our network waiting to be paid. An employee in Charlotte Amalie who shows up to work every day in a building that has long exceeded its useful life.

We are managing inherited structural challenges, yes. But we are not managing them passively. We are stabilizing Medicaid. We are expanding and modernizing long-term care capacity. We are rebuilding Head Start centers with resilience and sustainability in mind. We are strengthening childcare systems. We are consolidating and redeveloping facilities that have been outdated for generations. These are not cosmetic adjustments — they are structural corrections.

The work is complex. The funding layers are intricate. The regulatory environment is unforgiving. But the direction is clear. This Department is not standing still. We are building systems that can withstand storms — literal and fiscal — and that can serve this Territory not just this year, but for decades to come.

Oversight matters. Partnership matters. Accountability matters. And we welcome all three, because the mission is larger than any hearing, fiscal year, or administration.

At the end of the day, the question is simple: Are we leaving the system stronger than we found it?

That is the standard we are working toward.

We thank you for the opportunity to address this body and are prepared to answer your questions.