

COMMITTEE ON FINANCE

**BILL NO. 31-0496**

**Thirty-First Legislature of the Virgin Islands**

**December 12, 2016**

An Act re-allocating \$1,000,000 to the Governor Juan F. Luis Hospital and Medical Center from funds previously allocated to the Hospital in section 2 of Act No. 7453 and amending Act No. 7897 to reduce the funding of the new Herbert Grigg Home for the Aged and to appropriate the savings to fund the Hospital's heating, ventilation and cooling system

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**PROPOSED BY:** SenatorS Nereida Rivera-O'Reilly, Kenneth L. Gittens,  
Neville James, Sammuel Sanes and Kurt Violet

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1       **WHEREAS**, the Centers for Medicare and Medicaid Services (“CMS”) conducted a  
2       survey of the Governor Juan F. Luis Hospital and Medical Center “(the Hospital)” on November  
3       9-10, 2016; and

4       **WHEREAS**, on November 29, 2016, and as a result of that survey, CMS issued to the  
5       Hospital a Statement of Deficiencies and an initial Notice of Termination based on the finding that  
6       the Hospital was not in substantial compliance with the physical environment condition of  
7       participation for hospitals; and

8       **WHEREAS**, CMS’s Statement of Deficiencies alleged that the Hospital failed to properly  
9       budget for capital expenditures and to address facility maintenance and building improvements  
10      directly impacting the quality of care and patient safety, including failing to ensure the proper  
11      operation and maintenance of the Hospital's heating, ventilation and cooling system through the  
12      high-volume air conditioner (“HVAC”) system; and

1       **WHEREAS**, the Hospital has been unable to remediate the physical environment issues  
2     caused by the HVAC system, including leaks, soiled and wet ceiling tiles, as well as saturated  
3     ventilation systems, due to unavailability of funds in its operating budget necessary to repair the  
4     HVAC system; and

5       **WHEREAS**, the Hospital has taken limited steps in the past, consistent with its available  
6     funds, to address these facility issues in a piecemeal fashion; and

7       **WHEREAS**, CMS has now issued an initial Notice of Termination warning the Hospital  
8     that if it does not submit an acceptable Plan of Correction addressing the issues identified in CMS's  
9     Statement of Deficiencies by December 9, 2016, the Hospital's certification will be terminated  
10    effective February 27, 2017; and

11      **WHEREAS**, CMS's termination of the Hospital's certification would result in a rapid  
12    decline of patient care and safety and an extreme financial burden on the Virgin Islands  
13    government; and

14      **WHEREAS**, the Hospital requires at least \$13,000,000 in additional funding to address  
15    the significant issues identified in the Statement of Deficiencies, including specifically replacing  
16    the HVAC system, which will entail buying new air handlers, installing new duct work,  
17    implementing hot water improvements, among other actions (collectively, the "HVAC Project");  
18    and

19      **WHEREAS**, the Hospital has identified \$1,000,000 in funding already allocated to the  
20    Hospital for other purposes that could be re-allocated to cover a portion of the costs associated  
21    with the HVAC Project; Now, Therefore,

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1 ***Be it enacted by the Legislature of the Virgin Islands:***

2       **SECTION 1.** Of the \$4,000,000 authorized for general improvements, deferred  
3 maintenance and equipment for the Governor Juan F. Luis Hospital and Medical Center (“the  
4 Hospital”) in section 2, paragraph (A) of Act No. 7453, the sum of \$1,000,000 must be used to  
5 fund the replacement of the heating, cooling and ventilation system, to include the purchase of  
6 new air handlers, installing new duct work, implementing hot water improvements, and other  
7 associated repairs.

8       **SECTION 2.** Act No. 7897 is amended in section 14 by striking “\$2,000,000” and  
9 inserting, “\$1,000,000”.

10       **SECTION 3.** From the saving resulting from the appropriation reduction in section 2, the  
11 sum of \$1,000,000 is appropriated from the St. Croix Capital Improvement Fund in the fiscal year  
12 ending September 30, 2017, to the Governor Juan F. Luis Hospital and Medical Center to fund the  
13 replacement of the heating, cooling and ventilation system, to include the purchase of new air  
14 handlers, installing new duct work, implementing hot water improvements, and other associated  
15 repairs.

16       **SECTION 4.** The sums appropriated in this act remain available until expended.

17                                   **BILL SUMMARY**

18       Section 1 provides for the re-allocation of \$1,000,000 to fund the replacement of the  
19 heating, cooling and ventilation system, to include the purchase of new air handlers, installing new  
20 duct work, implementing hot water improvements, and other associated repairs from the  
21 \$4,000,000 authorized for the Governor Juan F. Luis Hospital and Medical Center for general  
22 improvements deferred maintenance and equipment.

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1           Section 2 amends Act No. 7897 by reducing the amount appropriated for the new Herbert  
2 Grigg Home for the Aged from \$2,000,000 to \$1,000,000.

3           Section 3 provides for the re-allocation of \$1,000,000 to the Governor Juan F. Luis Hospital  
4 and Medical Center to fund the replacement of the heating, cooling and ventilation system, to  
5 include the purchase of new air handlers, installing new duct work, implementing hot water  
6 improvements, and other associated repairs from \$2,000,000 appropriated for the construction of  
7 a new Herbert Grigg Home for the Aged.

8           Section 4 provides that the sums appropriated remain available until expended.

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13 **BR16-1559/December 13, 2016/SLR**  
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