



# **GUAM MEMORIAL HOSPITAL AUTHORITY CONTRACTS ANALYSIS**

**FLASH REPORT**

*January 1, 2022 through December 31, 2023*

**OPA Report No. 25-10  
October 2025**





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# OFFICE OF PUBLIC ACCOUNTABILITY

## Guam Memorial Hospital Authority Contracts Analysis

OPA Report No. 25-10

### GMHA CY 2022 and 2023 Healthcare Personnel Employment Contracts

This flash report is for informational purposes only, and augments the results of Office of Public Accountability (OPA) Report No. 25-04 – *Contracted Physician Compensation Packages and Privileges, Part I, Contracted and GG-1 Physicians*, which examined the Guam Memorial Hospital Authority's (GMHA) physician contracts from fiscal years 2020 to 2023. No audit procedures were applied to substantiate the figures in this report.

The objectives of this flash report are to determine (1) all healthcare personnel employment services contracts executed under the purview of the GMHA Human Resources (HR) department; and (2) specific GMHA Personnel Rules and Regulations or internal policies applied relative to the contracting process and contract signatories. The scope of this flash report covers January 1, 2022 to December 31, 2023 (or Calendar Years (CY) 2022 and 2023).

GMHA provided 19 healthcare personnel contracts that were executed from CYs 2022 and 2023 (see Table 1 below). The verification of the total compensation provided by GMHA for the 19 contracted personnel was not part of the scope of this flash report; however, Part 2 of the Contracted Physician Compensation Packages and Privileges performance audit series will focus on validating compensation disbursements made to contracted physicians based on contractual agreements.

**Table 1: Healthcare Personnel Contract Summary (GMHA-provided)**

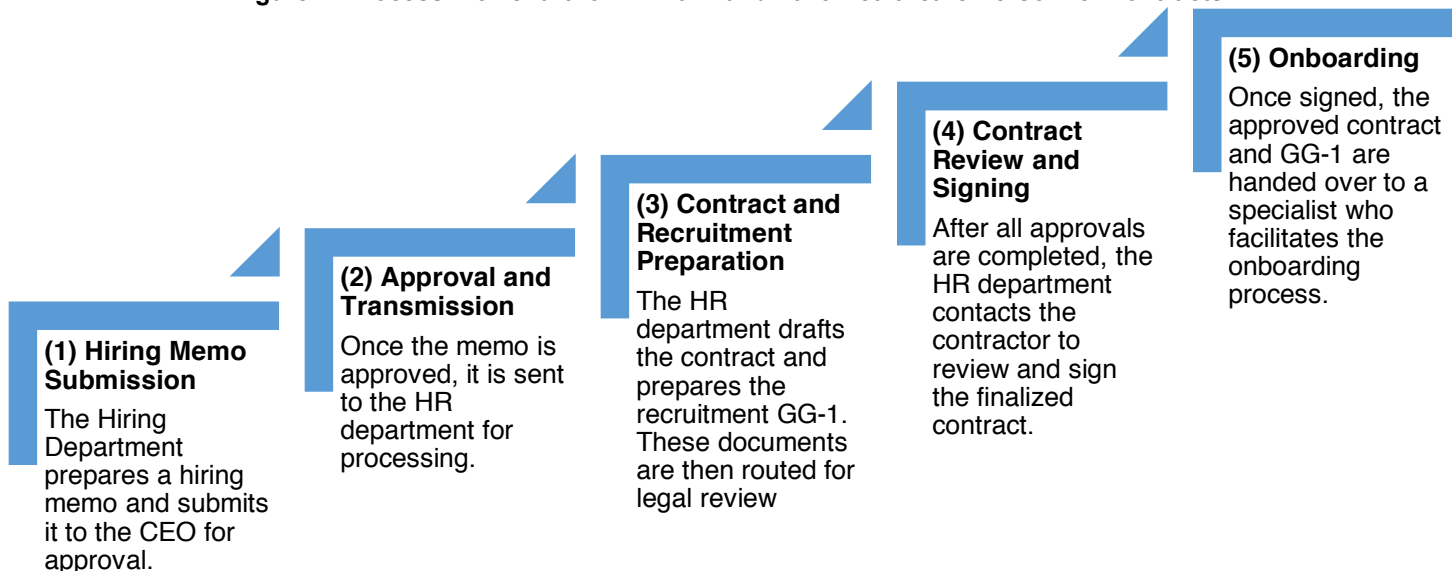
	Department – Job Title	Hire Date/Date of Original Term	Renewal or New Term	Date of Renewal or New Term	Actual Total Compensation Paid per CY		Total Earnings
					CY 2022	CY 2023	
1	NURSING-SURGICAL/MEDICAL SURGICAL – HOSPITAL STAFF NURSE II CLINICAL LEVEL II	8/28/2023	8/28/2025	NONE	\$99,615.03	\$132,990.68	\$232,605.71
2	NURSING-PROGRESSIVE CARE UNIT (PCU)/MEDICAL SURGICAL – HOSPITAL STAFF NURSE II-CLINICAL LEVEL I	2/27/2023	2/27/2025	NONE	N/A	\$96,017.17	\$96,017.17
3	NURSING-EMERGENCY ROOM/SPECIALTY – HOSPITAL STAFF NURSE II-CLINICAL LEVEL I	6/19/2023	6/19/2025	NONE	N/A	\$20,595.14	\$20,595.14
4	NURSING-ICU/CCU/SPECIALTY – HOSPITAL STAFF NURSE II CLINICAL LEVEL I	3/26/2023	3/26/2025	NONE	N/A	\$131,538.67	\$131,538.67
5	RADIOLOGY IMAGING SVCS – HOSPITAL STAFF NURSE II CLINICAL LEVEL I	3/13/2023	3/13/2025	NONE	N/A	\$13,161.56	\$13,161.56
6	PHYSICIAN	8/1/2023	8/1/2024	NONE	N/A	\$147,000.00	\$147,000.00
7	PHARMACY – HOSPITAL PHARMACIST	10/31/2022	10/31/2024	NONE	\$20,601.17	\$166,774.68	\$187,375.85
8	PHYSICIAN	10/9/2023	10/9/2025	NONE	N/A	\$37,320.00	\$37,320.00
9	NURSING-EMERGENCY ROOM/SPECIALTY – HOSPITAL STAFF NURSE II CLINICAL LEVEL I	4/24/2023	4/24/2025	4/24/2025-4/27/2027	N/A	\$33,660.17	\$33,660.17
10	PHARMACY – CLINICAL PHARMACIST	1/20/2022	1/20/2024	CONVERTED TO GG-1	\$179,619.61	\$196,366.69	\$375,986.30
11	NURSING-EMERGENCY ROOM/SPECIALTY – HOSPITAL STAFF NURSE II CLINICAL LEVEL I	9/5/2023	9/5/2025	NONE	N/A	\$37,345.74	\$37,345.74
12	PHYSICIAN	10/1/2022	10/1/2025	NONE	\$108,800.00	\$480,040.00	\$588,840.00
13	NURSING-EMERGENCY ROOM/SPECIALTY – STAFF NURSE I	1/17/2023	4/30/2023	5/1/2023-5/1/2025	\$23,715.11	\$93,794.62	\$117,509.73
14	NURSING- PROGRESSIVE CARE UNIT – HOSPITAL STAFF NURSE II CLINICAL LEVEL I	3/7/2023	3/7/2025	3/7/2025-3/7/2027	\$6,481.34	\$75,892.13	\$82,373.47
15	PHYSICIANS – NURSE PRACTITIONER	5/2/2022	5/2/2023	5/1/2023-5/2/2024	\$50,767.20	\$86,016.00	\$136,783.20
16	PHYSICIANS – HOSPITAL STAFF PHYSICIAN	4/13/2022	4/13/2025	NONE	\$484,617.60	\$707,407.08	\$1,192,024.68
17	PHARMACY – HOSPITAL PHARMACIST	2/20/2023	2/20/2025	NONE	N/A	\$77,374.61	\$77,374.61
18	RESPIRATORY CARE – RESPIRATORY THERAPIST II	4/28/2023	4/28/2025	NONE	N/A	\$77,374.61	\$77,374.61
19	PHARMACY – HOSPITAL PHARMACIST	4/13/2022	4/13/2024	CONVERTED TO GG-1	\$102,746.83	\$159,157.23	\$261,904.06
Totals (per OPA Calculations)					\$1,076,963.89	\$2,769,826.78	\$3,846,790.67

## HR Department Contract Review Process

In its May 16, 2025, response to our preliminary questions, GMHA specified Policy No. A-LD700, “Contracts Management” (effective July 2021), as relevant to the processing of healthcare personnel contracts by the HR department. Per Policy No. A-LD700, it is the policy of the GMHA to enter into contractual agreements with qualified organizations, vendors, or individuals in order to effectively recruit or procure medical, administrative, ancillary, personnel, and other services as necessary for the operation of GMHA’s facilities (namely, Guam Memorial Hospital and the Skilled Nursing Facility). GMHA Board of Trustees (BOT) Resolution No. 2025-36 (adopted April 23, 2025) stated that Policy No. A-LD700 does not apply to the physician hiring process; however, GMHA provided five (5) Unclassified Employment Agreements executed for the hiring of four (4) physicians and one (1) Nurse Practitioner under the Physician Department. The remaining 14 personnel were contracted through Employment Agreements for Professional Services of More Than 120 Days.

In addition to citing Policy No. A-LD700, GMHA detailed the following process for contracting healthcare personnel under the purview of the HR department during the scope period (see Figure 1 below); however, we could not verify from the employment agreements if all phases of this process were followed.

**Figure 1: Process Flowchart for CY 2022 and 2023 Healthcare Personnel Contracts**



## Review of Contract Signatories

Per Policy No. A-LD700, contracts are to be signed by the Hospital Administrator/Chief Executive Officer (HA/CEO) for validating negotiated terms and conditions as a result of completing the personnel recruitment process; the offeror/bidder/contractor/independent practitioner; the certifying officer (the Chief Financial Officer (CFO) in the 19 contracts) for certifying the availability of funds; Chairperson of the BOT; and GMHA Legal Counsel. It was observed in our review that the Associate Administrator for Medical Services also served as an additional signatory on the Unclassified Employment Agreements.

GMHA stated that HR personnel are not directly responsible for hiring, approving, or executing contracts, but rather on processing personnel actions based on approved contracts and Government of Guam Form 1s (GG-1s); however, Policy No. A-LD700 requires the HR department to transmit personnel contracts for review, clearance, and signature by (1) the Attorney General’s Office as to form and compliance with local laws, and (2) the Governor’s Office as the final approving authority for the contract to be valid and enforceable. We observed that all 19 contracts appeared to have not been reviewed/approved by the Attorney General’s Office and the Governor’s Office as required by the policy (see Table 2 on the next page).

**Table 2: Signatories for and Routing of CY 2022 and 2023 Healthcare Personnel Contracts**

Department – Job Title	Date of Signature of GMHA Officials & Employees				Routing (per A-LD700 (July 2021))	
	HA/CEO	Associate Administrator (Medical or Clinical Services)	Employee	CFO	Attorney General's Office	Governor's Office
Employment Agreement of Professional Services of More Than 120 Days						
NURSING-SURGICAL/MEDICAL SURGICAL – HOSPITAL STAFF NURSE II CLINICAL LEVEL II	08/23/2023		08/28/2023	08/30/2023	X	X
NURSING-PROGRESSIVE CARE UNIT (PCU)/MEDICAL SURGICAL – HOSPITAL STAFF NURSE II-CLINICAL LEVEL I	02/22/2023		02/23/2023	03/02/2023	X	X
NURSING-EMERGENCY ROOM/SPECIALTY – HOSPITAL STAFF NURSE II-CLINICAL LEVEL I	06/08/2023		06/14/2023	06/23/2023	X	X
NURSING-ICU/CCU/SPECIALTY – HOSPITAL STAFF NURSE II CLINICAL LEVEL I	03/22/2023		03/23/2023	03/30/2023	X	X
RADIOLOGY IMAGING SVCS – HOSPITAL STAFF NURSE II CLINICAL LEVEL I	03/13/2023		03/13/2023	03/14/2023	X	X
PHARMACY – HOSPITAL PHARMACIST	10/18/2022		10/23/2022	10/21/2022	X	X
NURSING-EMERGENCY ROOM/SPECIALTY – HOSPITAL STAFF NURSE II CLINICAL LEVEL I	03/08/2023		04/17/2023	04/20/2023	X	X
PHARMACY – CLINICAL PHARMACIST	09/10/2021		09/13/2021	10/02/2021	X	X
NURSING-EMERGENCY ROOM/SPECIALTY – HOSPITAL STAFF NURSE II CLINICAL LEVEL I	08/14/2023		08/16/2023	09/21/2023	X	X
NURSING-EMERGENCY ROOM/SPECIALTY – STAFF NURSE I	03/23/2023		04/11/2023	04/14/2023	X	X
NURSING- PROGRSSIVE CARE UNIT – HOSPITAL STAFF NURSE II CLINICAL LEVEL I	02/24/2023		02/27/2023	03/02/2023	X	X
PHARMACY – HOSPITAL PHARMACIST	02/01/2023		02/06/2023	02/01/2023	X	X
RESPIRATORY CARE – RESPIRATORY THERAPIST II	04/25/2023		04/20/2023	04/25/2023	X	X
PHARMACY – HOSPITAL PHARMACIST	04/05/2022		04/06/2022	04/18/2022	X	X
Unclassified Employment Agreement						
PHYSICIAN	07/31/2023	NOT INDICATED	04/10/2023	08/10/2023	X	X
PHYSICIAN	10/03/2023	08/16/2023	08/23/2023	10/04/2023	X	X
PHYSICIAN	09/19/2022	NOT INDICATED	09/21/2022	09/20/2022	X	X
PHYSICIANS – NURSE PRACTITIONER	04/28/2022	04/27/2022	05/02/2022	05/06/2022	X	X
PHYSICIANS – HOSPITAL STAFF PHYSICIAN	04/12/2022	04/01/2022	04/14/2022	04/11/2022	X	X

Other deficiencies that were observed in the executed employment agreements are as follows:

1. Certification of Funds for three (3) contracts did not specify the time period (i.e. fiscal years) to be covered;
2. No certification of available funds was indicated for three (3) contracts;
3. Effective date of the contract not defined for thirteen (13) contracts; and
4. Position titles in agreement differed from the position title listed by GMHA for two (2) individuals

#### Subsequent Changes to HR Department Contract Review Process

In preparing the information for this flash report, GMHA noted that their HR leadership team uncovered “numerous deficiencies and inconsistencies with non-physician employee contracts executed under the previous Personnel Services Administrator (PSA).” A new PSA was hired in February 2025, and was tasked by the HA/CEO to address and correct the issues including necessary updates to policies or amendments to impacted contracts.

On July 23, 2025, GMHA provided a copy of Policy No. A-HR900, *Contracted Staff (Off-Island/Local)* (made effective June 3, 2025, which rescinds Policy No. 8650-1.207 (made effective August 29, 2018); however, we observed that Policy No. A-HR900 did not appear to undergo review and receive approval from the GMHA BOT, for which we inquired with GMHA on July 29, 2025. The GMHA BOT rendered approval of Policy No. A-HR900 in its August 27, 2025 BOT meeting – almost a month after our July 29, 2025 inquiry to GMHA. We noted that there were two BOT meetings (June 25, 2025 and July 30, 2025) held after Policy No. A-HR900's issuance in June 2025 without any reference to approval of this new policy. Furthermore, GMHA management responded to our July 29<sup>th</sup> inquiry on August 28, 2025, or shortly after the August 27<sup>th</sup> BOT meeting.

Notable changes to the contract review process from the rescinded Policy No. 8650-1.207 that were instituted as a result of Policy No. A-HR900 include:

1. Prior to routing, all employment agreement/contracts are to be presented by the PSA and/or any Division Head to the HA/CEO as designated by the BOT General Board. Such contracts/agreements were previously required to be presented to the HR-BOT Subcommittee for review and justification to seek recommendation for approval by the HR-BOT General Board.



2. Contracts are now to be reviewed “annually or upon expiration to ensure continued compliance with qualifications, performance standards, and legal requirements.” The HR Department is to “notify departments 60 days prior to contract expiration to initiate renewals or terminations.”
3. Removes the requirement for employment contracts to be transmitted by the PSA to the Bureau of Budget and Management Research, the Office of the Attorney General of Guam, and the Governor’s office for final approval.

See Table 3 below for the change comparison between Policy 8650-1.207 and A-HR900.

**Table 3: Changes Between GMHA Policy Nos. A-HR900 and 8650-1.207**

Policy Section	A-HR900 (Effective June 3, 2025)	8650-1.207 (Effective August 29, 2018)
Policy No. 1	It is the policy of the Guam Memorial Hospital (GMHA) that all Employment Agreement/Contracts shall be presented by the Personnel Services Administrator and/or any Division Head to the Hospital Administrator/CEO for concurrence/approval as designated by the Board of Trustees General Board prior to routing any Employment Agreement.	It is the policy of the Guam Memorial Hospital Authority (GMHA) that all Employment Agreement/Contracts shall be presented by the Personnel Services Administrator and/or any Division Head to the HR-Board of Trustees Subcommittee for review and justification for all Employment Agreement/Contracts to seek recommendation for approval by the HR-Board of Trustees General Board for concurrence/approval prior to routing any Employment Agreement.
Policy No. 3	Contracted staff qualifications shall be consistent with his/her job responsibilities to his/her education, training, licensure and competence, as defined in GMHA's Administrative Policy #8650-1.207 and verified through primary source verification.	Contracted staff qualifications shall be consistent with his/her job responsibilities to his/her education, training, licensure and competence, as defined in GMHA's Administrative Policy #8650-1.207.
Policy No. 6	Contracts shall be reviewed annually or upon expiration to ensure continued compliance with qualifications, performance standards, and legal requirements. The Human Resources Department shall notify departments 60 days prior to contract expiration to initiate renewals or terminations.	N/A
Procedure No. 1	The Personnel Services Administrator shall coordinate with requesting departments the initiation of off-island recruitment, within 5 business days of a department's request, prioritizing roles essential to public health, safety, or welfare.	The Personnel Services Administrator shall coordinate with requesting departments the initiation of off-island recruitment.
Procedure No. 2	The Personnel Services Administrator shall provide biweekly reports to department managers advising status of each step of this procedure.	The Personnel Services Administrator shall provide timely reports to department managers advising of status of each step of this procedure.
Procedure No. 6	The Personnel Services Administrator shall expedite the certification of funding for the off-island travel benefits to the Chief Financial Officer and then forward to the Hospital Administrator/CEO as designated by the Board of Trustees, for approval.	The Personnel Services Administrator shall expedite the certification of funding for the off-island travel benefits to the Chief Financial Officer and then forwarded to the Board of Trustees for approval.
Procedure No. 7	Removed requirement	The Personnel Services Administrator shall prepare a transmittal letter which shall accompany the Employment Contract to the following agencies for clearances and signatures: * Bureau of Budget and Management Research (BBMR) * Attorney General's Office * Governor's Office - for final approval
Procedure No. 8	Removed requirement	The Personnel Services Administrator shall be responsible for monitoring the status of the Employment Contract throughout the signature stages to its return to the Hospital. The Personnel Services Administrator or designee informed of the status.
Procedure No. 9	Removed requirement	The Personnel Services Administrator shall inform the applicant when the contract is signed by the Governor of Guam.
Rescission	8650-1.207 Contract Staff (Off-Island/Local) of the Human Resources, Administrative Manual Made Effective 08/29/2018	N/A

In response to our July 29<sup>th</sup> inquiry, GMHA management also indicated that Policy No. A-HR900 (made effective June 2025) is the policy that governs healthcare personnel contracts processed by HR. GMHA management further noted in its September 19, 2025 management response that the updates to its policies renders the application of the “now-outdated/prior” policies in this report as moot; however, we believe that the applicability of Policy No. A-LD700 towards the 19 contracts executed during the scope period is unaffected by Policy No. A-HR900 because Policy No. A-HR900 (1) specifically notes the rescission of Policy No. 8650-1.207, which was not originally noted by GMHA as relevant to the 19 contracts; and (2) does not note the retroactive application of the policy towards existing contracts. Therefore, Policy No. A-HR900 is presumed to apply to future contracts based on the June 2025 effective date.

We subsequently found that GMHA revised Policy No. A-LD700 in August 2025, with the most notable change being the removal of the requirements for signature for the Attorney General and Governors’ Offices for final contracts. Changes to Policy No. A-LD700 were approved and made effective in the August 27, 2025 GMHA BOT meeting. See Table 4 on the next page for the change comparison between the August 2025 and July 2021 revisions to Policy No. A-LD700.

**Table 4: Changes to GMHA Policy No. A-LD700 (August 2025 and July 2021)**

Policy Section	A-LD700 Contracts Management	
	Effective August 27, 2025	Effective July 23, 2021
Procedure II (D)	The requisition procurement package or the appropriate personnel negotiation package (e.g., Contract, GG1 Request) shall be forwarded from the requesting Department Head, via their respective Division Head, to the Budget Office to determine whether funds are available to fund the services contract.	The requisition procurement package or the appropriate personnel negotiation package (e.g., Contract, GG1 Request) shall be forwarded from the requesting Department Head, via their respective Division Head, to the Budget Office to determine whether funds are available to fund the services contract and whether the proposed contract is consistent with the department's budget for the proposed fiscal year(s). 1. Comments and suggestions by the Chief Financial Officer (CFO) shall be considered for incorporation into the draft contract; 2. When revisions suggested by the CFO have been fully incorporated, the revised draft shall be resubmitted to the CFO for approval; and 3. The CFO shall initial the draft contract as validation of such review.
Procedure II (I)	Materials Management, Human Resources or Medical Staff Office (as applicable) shall prepare transmittal letters as appropriate to secure the following signatures: 1. Hospital Administrator/CEO; 2. Certifying Officer;	Materials Management, Human Resources or Medical Staff Office (as applicable) shall prepare transmittal letters as appropriate to secure the following signatures: 1. Hospital Administrator/CEO; 2. Certifying Officer; 3. Chairperson of the Board of Trustees; and 4. Hospital Legal Counsel.
Procedure II (J)	The final signed contract shall be forwarded to the Hospital Materials Management Administrator (for procurement contracts) or the Human Resources Office and/or Medical Staff Office (for personnel contracts) who will: 1. Maintain Master Contract Listing and Calendar containing all contracts, their status (active or inactive), start date of the contract, and the termination date. 2. Provide departmental contract owners and the Administration Office a copy of the final contract to have on file.	The final signed contract shall be forwarded to the Hospital Materials Management Administrator (for procurement contracts) or the Human Resources Office and/or Medical Staff Office (for personnel contracts) who will: 1. Prepare a transmittal letter to accompany the draft contract for review, clearance, and signature by: a. Attorney General's Office – as to form and compliance with local laws; b. Governor's Office – final approving authority; signature required for the contract to be valid and enforceable; and c. Monitor the status of contracts forwarded to the AG's Office and Governor's Office. 2. Maintain Master Contract Listing and Calendar containing all contracts, their status (active or inactive), start date of the contract, and the termination date. 3. Provide departmental contract owners and the Administration Office a copy of the final contract to have on file.
Procedure III (H)	It shall be the responsibility of the respective Department and Division Heads to work collaboratively with the Materials Management Department, Human Resources Department and/ or the Medical Staff Office (as applicable) relative to maintaining and providing contractor monitoring, reporting and evaluation documentation in support of this process.	The termination of the contract, prior to its anticipated termination date, must be fully substantiated with completed contract evaluations and other supporting documentation.
Procedure III (I)	Removed. (Note: The previous Procedure III (I) became new Procedure III (H) above as the previous Procedure III (H) was removed.)	It shall be the responsibility of the respective Department and Division Heads to work collaboratively with the Materials Management Department, Human Resources Department and/ or the Medical Staff Office (as applicable) relative to maintaining and providing contractor monitoring, reporting and evaluation documentation in support of this process.
Attachments I-VII	Removed	I. Contract Review Checklist II. Business Associated Agreement III. Off-Island Recruitment Agreement Template IV. Special Employment Agreement for Professional Services V. Work Visa Applicant Employment Agreement VI. Contract Listing VII. Contract Evaluation Form

### Conclusion

We maintain that the July 2021 revision of Policy No. A-LD700 remains relevant to the 19 contracts analyzed in this report because (1) similar to Policy No. A-HR900, there is no note of retroactive application of the policy to existing contracts; and (2) the effective date of August 2025 presumes relevancy to contracts created on or after this date. Furthermore, we observed that the changes to and applicability of Policy No. A-LD700 and other contract-related policies were only instituted after the OPA's initial findings in OPA Report No. 25-04 (which noted the lack of signatures by the Attorney General and Governors' Offices for physician contracts executed by the Medical Staff Office), and during the course of this analysis for contracts executed by the HR department. GMHA provided an additional management response to the flash report on October 2, 2025. Copies of GMHA's management responses dated September 19, 2025 and October 2, 2025 can be found at [www.opaguam.org](http://www.opaguam.org).

# **GUAM MEMORIAL HOSPITAL AUTHORITY**

## **Contracts Analysis Flash Report**

### **Report No. 25-10, October 2025**

#### **ACKNOWLEDGEMENTS**

***Key contributions to this report were made by:***

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