

# Guam anticipates \$22M Medicaid funding shortfall

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Public health officials in Guam are anticipating a \$22 million funding shortfall in the territory's Medicaid program this fiscal year.

The shortfall could create problems for Guam Memorial Hospital, one of the largest care providers for patients under the Medicaid program. The Pacific Daily News reported Tuesday.

"That directly affects the hospital, our cash flow," hospital administrator Joseph Verga said.

Last year, the hospital suffered financial constraints. Administrators worried they wouldn't be able to pay staff because the Medicaid program ran out of money at the same time the federal government garnished the hospital's Medicare reimbursements.

Federal funds are available to pay for Medicaid patients, but that money can't be released until local funds are identified to pay a percentage of each claim.

Tess Archangel, director of the Public Welfare Division at Guam's Department of Public Health and Social Services, has requested \$8 million in federal funds, but those funds do not currently have local matching funds available. If enough local funds are identified, that will decrease the projected shortfall in Medicaid this fiscal year, Archangel said.

Archangel said \$3 million in local funds was identified as a match for \$4 million in federal funds to pay for current Medicaid bills. But those [funds](#) will not prevent a shortfall this fiscal year, Archangel said.

The \$22 million shortfall is based on the [federal government](#)'s obligation to pay 57 percent of Medicaid charges, as long as the local government pays for the remainder, Archangel said.

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