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## Worries Mount as DOH Owes Millions, Faces Lawsuits, and Spends Nearly \$1M Annually on Rentals

The V.I. DOH is facing lawsuits and threats from owed vendors, while Sen. Violet raised alarms about a \$240K lease wasted on an empty building and nearly \$1M spent annually to rent 19 offices, all while mental health patients remain at risk.

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VIDOH mobile units stationed at St. Croix Educational Complex High School in late May and early June 2025. By. V.I. LEGISLATURE

The successes and goals of the V.I. Department of Health included in its FY2026 budget defense were overshadowed by a glaring \$7.5 million in outstanding vendor payments owed by the department, among other worrying concerns such as legal threats, rental waste, and potential

service disruptions.

Assistant Commissioner Dr. Nicole Craigwell-Syms appeared before the Committee on Budget, Appropriations, and Finance on Thursday to discuss the Department's [overall budget request](#) of \$60,067,986 including \$29,754,129 from the general fund. A customary line of questioning from committee chair Senator Novelle Francis uncovered details of the hefty sum of owed payments. Some of the debts have been outstanding since 2023.

“What is the issue with you being able to pay your bills?” Senator Francis asked. DOH’s chief finance officer Tatia Monell-Hewitt said some payments are in process. However, there are bills that the department simply does not have “sufficient funds for.” These bills are all associated with off-island care.” That figure totals \$5,590,880. Larkin Health, alone, is owed \$2,150,680.

Sen. Francis was perturbed, and he questioned whether DOH has received “any notice of individuals that want to reduce services send back patients.” Ms. Monell-Hewitt replied in the affirmative. “We have a hearing or a suit against us, and we have gotten threats from other facilities,” she shared. DOH is attempting to “use the funding that we have currently to pay as much as we can.”



*DOH Assistant Commissioner Dr. Nicole Craigwell-Syms (Credit: V.I. Legislature)*

“We’re working along with Office of Management and Budget to get additional funding,” assured Ms. Monell-Hewitt.

Senator Kurt Vialet felt that those conversations were misplaced. He was occupied with understanding “how we got there” and wondered whether DOH was simply “underfunded” for the past years. The answer was “yes.” “We don’t have the capacity if Larkin closes shop and say they’re going to send home the mentally incarcerated,” he advised the DOH’s team.

He also cautioned Dr. Craigwell-Syms that the Office of Management and Budget has no authority to resolve the issue, emphasizing that only the Legislature has the power to allocate funding.

Compounding matters, the proposed FY2026 budget does not account for these debts. “At the very least, we need to get some minimum payment out to satisfy them to a certain degree that they don’t abandon our patients,” Sen. Vialet suggested. He has promised that the Legislature will collaborate with the relevant entities to right-fit that challenge.

While the budget request does not account for the outstanding vendor payments, it does factor in the Department of Health's massive rental bill, another area that caused pause for lawmakers. DOH is currently renting out 19 separate spaces at an approximate annual rental of \$967,000. It's a figure Sen. Vialet described as "significant." "That makes management very, very hard because you're not consolidated in one area," said the lawmaker.

While it is a goal of the DOH, Dr. Craigwell-Syms noted that "a lot of those areas that are larger, where we can consolidate, requires substantive build-out." That response prompted Sen. Vialet to question whether the DOH was not occupied with outfitting a building near the Sunny Isle Shopping Center in St. Croix. The retrofitting of that building, intended to be used for Maternal and Child Health, never occurred.

However, DOH had already paid out \$240,000 for an annual lease for the space before the agreement was terminated due to the "funding for the build-out." "You guys realize how crazy this sound, right? We paid \$240,000 for an empty building," said Senator Vialet.

Along the lines of infrastructure, the Department of Health is pressing ahead with constructing the Dr. Donna Christian Christensen building on the site of the old Charles Harwood Memorial Complex, severely damaged by the 2017 hurricanes. Senator Hubert Frederick shared misgivings. He appreciated that federal funds are paying for a "new, beautiful building" but noted that "we're going to have to turn it over to the local government at some point. How are we going to pay for that?" he asked Dr. Craigwell-Syms.

He asked whether anyone ran "projections as to what it's going to cost to maintain that beautiful, big, big building." "I see the word bankruptcy if we don't fix this problem fast," he predicted. He offered a potentially controversial solution. "We should progressively find a way to reduce our staffing until we have a building where we could staff up," he suggested to Dr. Craigwell-Syms. DOH has 40 open positions and intends to fill them all if possible. There are 332 full-time positions.

The Department of Health has already been forced to scramble to reassign 16 staff who were affected by de-obligated ARPA grants. Despite DOH's best efforts to reassign staff, 2 remain on leave. The loss of these grants significantly affected the Behavioral Health Division and immunization programs. Nonetheless, the Department is still expecting to manage a hefty grant portfolio; \$27,183,047 in federal funds in FY2026.

DOH's revenue generation is also challenged, with only \$1,505,711 collected to date in FY2025. It is a 27% reduction from the same period in FY2024, when DOH collected \$2,058,322. Total collection projections are \$2,164,490 by the end of the year.

According to Dr. Craigwell-Syms, DOH "faces a complex financial and operational landscape entering fiscal year 2026." While the general fund appropriation is an increase over FY2025, Assistant Commissioner Craigwell-Syms says DOH "must address critical staffing shortages, system inefficiencies and revenue generation challenges to maintain effective public health services."