

The Virgin Islands Consortium

Mapp Says Hospital CEOs Making Close To \$1 Million Combined, Calls For Change In Operations

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ST. CROIX -- At a press conference held on Wednesday at Government House, Governor Kenneth Mapp called for change in the manner in which the territory's two hospitals are ran, and insisted that the current model of yearly floating bonds to keep them open is unsustainable.

Attempting to demonstrate how operations at the hospitals have changed, the governor said the facilities were originally built to house 500 beds between St. Croix and St. Thomas, and there was one chief executive paid a salary of \$60,000 yearly, who managed both the Juan F. Luis Hospital (JFL) and the Roy Lester Schneider Regional Medical Center (RLSH).

However, in the territory's quest to see the hospitals become more profitable, "we decided to go and do some level of independence but we didn't really deal with the real issue," Mapp said. "The real issue with the hospitals is uncompensated care. So we create all kinds of structures and systems and don't get to the issue of someone must pay for services that are being provided to those who are unable to pay for them."

Compensation for the hospitals' officials, including the CEOs, COOs and CFOs, along with what the governor referred to as "fringe benefits," carry a price tag of over \$2 million dollars, he said. "So you've got literally \$2 million that you're paying six people to run what's now available, which is 167 beds. Not the 500 that the hospitals were originally built to accommodate," Mapp argued.

To change the system, the governor [has tapped Dr. Phyllis L. Wallace as Commissioner-designee](#) of the Department of Health. He said if Wallace is approved by the senate, she will become "the chief health officer in the territory." The governor, along with Lieutenant Governor Osbert Potter, have charged Wallace to "first and foremost lead our proposed reformation of the hospital systems in the Virgin Islands."

Mapp also expressed frustration with what he described as a hospital system that lags behind modern technology, and labeled the current reality of the islands' medical facilities as archaic.

"The hospitals must change," the governor said forcefully with Potter at his side. "They must rebrand. They must restructure and create a strategy for modern medicine because the consequence of that is that everyone who can pay, and everyone who has health insurance decides, 'I'm not going to be bothered with that. I'll just go to the airport, get on a flight, go to Puerto Rico [and] go to the Cleveland Clinic.'"

"And I stand to be corrected but if you go to the Division of Banking and Insurance under my partner's office, and you look at what the amount of claims that were paid for medical services for residents in the territory, outside the territory, I can safely tell you that number was more than \$200,000 million. And that's money out of our economy. So the hospitals must reconfigure to be a part of a new and changing landscape in healthcare and in the healthcare industry."

To drive home his point further, the governor revealed that at one of the hospitals an entire floor is lined with only administrative offices; "not a single room to generate revenue," he said. Mapp then pointed out the continued advances in medical technology around the world, highlighting progress being made in the U.S. at breakneck speeds. Yet, he said, "we've seen no restructuring, no rebranding, no repositioning of the hospitals to accommodate this fast pace changing landscape in the medical field."

"And so this lumbering belief that we must still use the operating rooms for procedures and we must drive revenues into the hospitals and that somehow they're going to be able to survive is mythical," Mapp said.

A Broken System

The hospitals have three boards: one for JFL and another for the RLSH. On top of that, there's a territorial board that governs the two. Mapp said such a system is broken. He also rejected the idea that the path to success is to pay doctors who come from the

mainland the same amount that they were being paid in the U.S., because "that strategy has never worked in the Virgin Islands before. We've paid them at one point in excess of \$100,000, we paid their malpractice insurance, they get a provisional license and they go in the private sector and the hospitals still have no revenue."

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