



COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

Eloy S. Inos
Governor

Jude U. Hofschneider
Lieutenant Governor

EXECUTIVE ORDER No. 2013-15

DECLARATION OF HEALTH EMERGENCY

WHEREAS, the Commonwealth Healthcare Corporation ("CHC") provides the bulk of necessary healthcare in the Commonwealth, as well as providing all emergency medical services; and

WHEREAS, the disruption of the provision of medical services by the CHC poses a direct threat to the health and safety of the people of the Northern Mariana Islands; and

WHEREAS, the CHC is currently in arrears for payments to certain vendors providing vital services, equipment and supplies including critical medical supplies; and is in arrears in regards to utility payments; and

WHEREAS, although CHC's financial condition is improving, it is still in such a state that it is jeopardizing CHC's federal funding because it affects CHC's ability to maintain adequate infrastructure, equipment and personnel; and

WHEREAS, CHC, in 2012, had been notified by federal authorities that due to deficiencies in CHC operations and infrastructure, CHC will cease to be eligible for Medicare/Medicaid payments, along with other penalties, if the deficiencies are not promptly remediated.

WHEREAS, CHC was given a temporary reprieve by the federal authorities, a final decision on CHC eligibility for Medicare/Medicaid payments has not been rendered and steps still need to be taken to meet the federal requirements or Medicare/Medicaid funding will be ended.

WHEREAS, the termination of Medicare/Medicaid funding will lead to the termination or reduction of many of the medical programs and services provided by CHC leading to an increase in otherwise preventable deaths, illness and injury.

WHEREAS, management of CHC has improved, it is still incomplete and unstable as no permanent Chief Executive Officer has been appointed which may thwart CHC's ability to meet federal requirements.

WHEREAS, Article III §10 of the Constitution of the Commonwealth and PL 18-4, § 104 of the Homeland Security and Emergency Management Act of 2013 provide that the Governor has the authority and duty to take necessary steps to respond to impending disasters:

NOW THEREFORE, I, ELOY S. INOS, pursuant to the authority vested in me as Governor of the Commonwealth of the Northern Mariana Islands by Article III, § 10 of the Commonwealth Constitution and PL 18-4, do hereby declare a State of Significant Emergency for the Commonwealth of the Northern Mariana Islands due to the imminent threat of the disruption of critical medical services in the Commonwealth and the danger that such a condition poses to the public because of the great increase in otherwise preventable deaths, illness and injury that would result.

WHEREAS, BY THIS DECLARATION OF A STATE OF SIGNIFICANT EMERGENCY, I intend to enable CHC to continue to provide necessary services to the people of the Commonwealth. This Declaration is necessary to protect the health and safety of all CNMI residents and visitors.

NOW, THEREFORE, I hereby invoke my authority under Article III, § 10 of the Commonwealth Constitution and PL 18-4 § 104(c), to take all necessary measures to address the threats facing the Commonwealth of the Northern Mariana Islands and CHC including, but not limited to, the authority to:

1. Suspend all statutory or regulatory provisions as required; and
2. Utilize all available resources of the Commonwealth government and its political subdivisions as reasonably necessary to respond to the emergency.

It is hereby **ORDERED** that:

This Declaration of a State of Significant Emergency shall take effect immediately and all memoranda, directives, and other measures taken in accordance with this Declaration shall remain in effect for thirty (30) days from the date of this Executive Order unless I, prior to the end of the thirty (30) day period, terminate the declaration of a state of significant emergency. See PL 18-4, § 104(g).

Under the authority of this Declaration and with the goal of mitigating or ameliorating the above described crises, I immediately direct the following:

Directive 1: All of the executive power of the CHC shall be exercised either by me or by my designated Chief Executive Officer.

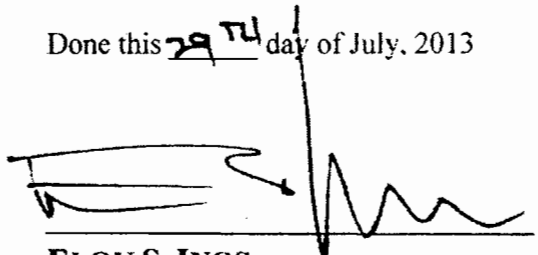
Directive 2: Authority is granted to suspend applicable procurement regulations as authorized by me so as to ensure timely compliance with Center for Medicare and Medicaid Certification.

Directive 3: To ensure that the suspension of regulatory provisions does not lead to financial abuse, this emergency declaration incorporates the March 19, 2012 Memorandum of Understanding (MOU) between CHC and the Department of Finance, Office Management and Budget, and Office of the Attorney General. In addition, any financial reports submitted by the

CHC pursuant to the MOU must be submitted with a certification of the person submitting them stating that the reports are a full and accurate under penalty of perjury.

The above described Directives are in no way meant as the limits of actions or authority under this Declaration. Accordingly, I reserve the right under this Declaration to issue any and all directives necessary to prevent, mitigate or ameliorate the adverse effects of the emergency.

Done this 29th day of July, 2013

A handwritten signature in black ink, appearing to read 'ELOY S. INOS', is written over a horizontal line. The signature is stylized and somewhat cursive.

ELOY S. INOS
Governor