I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN 2011 (FIRST) REGULAR SESSION

Bill No. <u>288</u>-31(COR) Introduced by:

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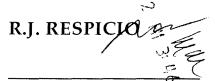
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AN ACT TO AMEND TITLE 11 GUAM CODE ANNOTATED CHAPTER 26 § 26216 SUBITEM (a), RELATIVE TO PROVIDING FOR ASSIGNABILITY OF OFFSETS AGAINST BUSINESS PRIVILEGE TAXES FOR PAST DUE MEDICALLY INDIGENT PROGRAM BILLINGS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

- 2 Section 1. Title 11 Guam Code Annotated Chapter 26 § 26216 is
- 3 amended by adding a new subitem (a) (6) to read:
- 4 "§ 26216. Health Care Service Provider.
- (a) Offset Against Business Privilege Taxes for Past Due
 Medically Indigent Program Billings.
 - (1) If the Medically Indigent Program (MIP) fails to pay a claim for services and products for more than ninety (90) days after receiving an invoice, the health care provider, unless he has a qualifying certificate, that provided said services or products *shall* be entitled to an offset equal to the value of unpaid for MIP services it provides against the Business Privilege Taxes it owes for any given month. The value of said services and products *shall* be the MIP rates for the provider's

claims that are approved by the MIP.

- (2) Any unused offset authorized by this Section against Business Privilege Taxes owed for any given month may be carried over into subsequent months until said offset is exhausted.
- (3) The government *shall not* pay health care providers for services *if* an offset against total Business Privilege Taxes has been exercised.
- (4) Any health care service provider that claims an offset against Business Privilege Taxes pursuant hereto must "participate" and continuously provide services to MIP recipients to qualify for said offsets for any given month. The term "participate" in this subsection means that ten percent (10%) of the patients *or* clients serviced by the provider in a given month must be recipients of the Medically Indigent Program.
- (5) "Health Care Service Provider", in this subsection means a properly licensed business that provides medical equipment or supplies; pharmaceutical health care services and products; medical health care services; dental health care services; behavioral health care services; and allied health care services, including a clinic, hospital, specialized health care facility,

licensed practitioner, hospital or health care providers to recipients of the Medically Indigent Program.

- (6) Assignment of offsets. A healthcare service provider may assign any offsets authorized by subitem (a)(1), *supra*.
- **(b) Reimbursements**. The Director of Administration *shall* reduce the amount of a provider's MIP payables by the amount of Business Privilege Taxes offset it exercises. Tax offsets exercised by a provider *shall* constitute final payment of MIP obligations. The appropriations for MIP for a fiscal year *shall* be automatically reduced by the amount of any tax offsets taken in that year.
- **(c) Coordination.** To avoid double payment to providers, the Director of Revenue and Taxation *shall* immediately notify the Director of Administration and the appropriate department *or* agency when a health care service provider claims an offset pursuant to this section.
- (d) Administrative Rules and Regulations. The Director of Revenue and Taxation *shall*, pursuant to the Administrative Adjudication Law, enact rules and regulations to implement this Section within ninety (90) days after enactment hereof."