

MINA' TRENTAI TRES NA LIHESLATURAN GUAHAN
2015 (FIRST) Regular Session

Bill No. 13-33 (COR)

Introduced by:

D.G. RODRIGUEZ, JR. *WR*

AN ACT TO ADD A REPRESENTATIVE FROM THE GUAM MEMORIAL HOSPITAL AUTHORITY AND THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES TO THE GOVERNMENT OF GUAM GROUP HEALTH INSURANCE NEGOTIATING TEAM, TO DELETE THE REQUIREMENT FOR THE SOLICITATION OF AN EXCLUSIVE GROUP HEALTH INSURANCE CONTRACT AND REQUIRE ONLY THE SOLICITATION OF THREE (3) NON-EXCLUSIVE CONTRACTS FOR A CONTRACT TERM OF TWO (2) YEARS, BY AMENDING §4302 (c) AND §4302 (e) OF ARTICLE 3, CHAPTER 4, 4 GCA.

2015 JAN -5 PM 2:27 *✓*

1 **Be it enacted by the People of Guam:**

2 **Section 1. Legislative Finding and Intent.** : *I Liheslaturan Guåhan* finds
3 that the government of Guam Group Health Insurance Negotiating Team (the
4 Team) should include representation from the two (2) leading public healthcare
5 providers, the Guam Memorial Hospital Authority and the Department of Public
6 Health and Social Services. These are the government of Guam's two leading
7 agencies in the provision of health care services.

8 It is the intent of *I Liheslaturan Guåhan* to add two (2) additional voting
9 members who shall be the Chief Administrator of the Division of Public Welfare
10 of the Department of Public Health and Social Services, or his or her designee;

1 and the Chief Financial Officer of the Guam Memorial Hospital Authority, or his
2 or her designee.

3 *I Liheslaturan Guåhan* further finds that the request for proposal (RFP)
4 should be *solely* for the solicitation of non-exclusive proposals for a term of two
5 (2) years. This would ensure choices for government employees, retirees and their
6 dependents, and would be more efficient and provide a stable scope of benefit
7 coverage with the RFP solicitations for contracts of two (2) year terms.

8 **Section 2.** . :Subsection (c) of §4302 of Article 3, Chapter 4, Title 4, Guam
9 Code Annotated, is hereby AMENDED, to read:

10 “(c) The Government of Guam Health Insurance Negotiating Team shall
11 consist of the Director of Administration, who shall be the Chairperson; the
12 Administrator of the Department of Integrated Services for Individuals with
13 Disabilities (DISID), or his or her designee; the Director of the Bureau of Budget
14 and Management Research, or his or her designee; the Chief Administrator of the
15 Division of Public Welfare of the Department of Public Health and Social
16 Services, or his or her designee; the Chief Financial Officer of the Guam
17 Memorial Hospital Authority, or his or her designee; an employee representative
18 from the Judicial Branch to be appointed by the Chief Justice of the Supreme Court
19 of Guam; an employee representative of the Legislative Branch to be appointed by
20 the Speaker of I Liheslaturan Guåhan; the Superintendent of the Department of
21 Education, or his or her designee; the Director of the Government of Guam
22 Retirement Fund, or his or her designee; a retiree who is a member of the
23 Government of Guam Retirement Fund to be appointed by the Board of Trustees of
24 the Government of Guam Retirement Fund; one (1) member of the general public,

1 appointed by I Maga'lâhen Guåhan, who is not an employee of the government of
2 Guam, not an employee of a health insurance company, hospital, or medical
3 provider, or not an appointee by I Maga'lâhi (the Governor) to any government
4 agency, board or commission, and who shall affirm by affidavit that he or she
5 agrees to comply with all provisions in Chapter 15 of Title 4 of the Guam Code
6 Annotated, also known as the Standard of Conduct for Elected Officers, Appointed
7 Officers, and Public Employees of the government of Guam; the Chairperson of
8 the Committee on Health or the successor committee of I Liheslaturan Guåhan, or
9 his or her designee, who shall sit as an ex-officio non-voting member; and the
10 Chairperson of the Committee on Appropriations, or the successor committee of I
11 Liheslaturan Guåhan, or his or her designee, who shall sit as an ex-officio non-
12 voting member. The Negotiating Team shall examine the financial information of
13 the prepaid health insurance companies, health care providers or other legal entities
14 for the purpose of developing the most economical and beneficial health plan for
15 the government of Guam employees and retirees, and foster children. The
16 Negotiating Team may obtain technical support from other financial and health-
17 related agencies. The Negotiating Team shall develop its rules of procedure in
18 accordance with the Administrative Adjudication Law. The Negotiating Team
19 shall develop minimum qualification for proposals to be submitted for health
20 insurance coverage. The Negotiating Team shall also develop a ranking system to
21 rank the proposals. The Negotiating Team, with the approval of I Maga'lâhi, is
22 authorized to contract an actuary competent to develop proposed health insurance
23 rates or other recognized expert to train and/or advise the Negotiating Team.
24 Notwithstanding any other provision of law, every second ~~each~~ fiscal year, the
25 Negotiating Team shall solely solicit for ~~both exclusive and~~ nonexclusive

1 proposals from each Health Insurance Provider and enter into negotiations with the
2 top three (3) ranked Health Insurance Providers submitting qualified proposals for
3 health insurance coverage for qualified active employees and qualified retirees, and
4 foster children, of the government of Guam for a contract term of two (2) years.”

5 **Section 3.** Clarification of Applicability of Amendment Pursuant to Section
6 2 of this Act. The amendment provided pursuant to Section 2 of this Act shall only
7 apply to the first paragraph of Subsection (c), and shall not affect or change the
8 existing accompanying Parts 1, 2, and 3 and the last paragraph of Subsection (c) of
9 §4302 of Article 3, Chapter 4, Title 4, Guam Code Annotated, which shall remain
10 unchanged and in full force and effect.

11 **Section 4.** Subsection (e) of §4301.1 of Article 3, Chapter 4, Title 4, Guam
12 Code Annotated, is REPEALED, and the succeeding subsections shall be
13 renumbered accordingly by the Compiler of Laws:

14 ~~“(e) Exclusive proposal means a proposal based upon the assumption that
15 the government will contract with only one (1) health insurance provider that is
16 selected by the negotiating team from up to three (3) different health insurance
17 providers that all negotiate best and final offers with the negotiating team.”~~

18 **Section 5.** Subsection (e) of § 4302 of Article 3, Chapter 4, Title 4, Guam
19 Code Annotated, is *amended*, to read:

20 ~~“(e) Effective October 1, 2015 1986, the contract period for health insurance
21 or provision of health care shall coincide with the fiscal year of the government of
22 Guam, and shall be for a term of two (2) fiscal years. To that end, the contract
23 period preceding the one for FY 1987 may be for less than twelve (12) months.”~~

1 **Section 6. Severability.** If any provision of this Act or its application to
2 any person or circumstance is found to be invalid or contrary to law, such
3 invalidity shall not affect other provisions or applications of this Act which can be
4 given effect without the invalid provisions or application, and to this end the
5 provisions of this Act are severable.

6 **Section 7. Effective Date.** This Act shall become immediately effective
7 upon enactment.