


I MINA'TRENTAI KUÁTRO NA LIHESLATURAN GUÁHAN
2017 (FIRST) Regular Session

Bill No. 3-34 (COR)

Introduced by:

B. J. F. Cruz 

AN ACT TO *AMEND* §§ 4301(a) AND 4302(c)(2), BOTH OF ARTICLE 3, CHAPTER 4, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO ENSURING THAT *ONLY* THE MOST ECONOMICAL AND BENEFICIAL HEALTHCARE INSURANCE PROPOSAL PLAN FOR GOVERNMENT OF GUAM EMPLOYEES AND RETIREES AND FOSTER CHILDREN IS FORWARDED BY THE GOVERNMENT OF GUAM HEALTH INSURANCE NEGOTIATING TEAM TO *I MAGA'LÁHEN GUÁHAN* FOR CONSIDERATION; AND TO DIVESTING THE LEGISLATURE OF FINAL APPROVAL AUTHORITY OVER ANY CONTRACT ENTERED INTO BY *I MAGA'LÁHEN GUÁHAN* FOR THE SAME.

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BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Subsection 4301(a) of Article 3, Chapter 4, Title 4, Guam Code Annotated, is hereby *amended* to read:

“(a) *I Maga'lahi* (the Governor) is authorized to enter contracts and reject proposals, with the written concurrence of the Speaker of *I Liheslaturan Guáhan* (the Guam Legislature) or the Chief Justice of the Supreme Court of Guam whose consents may be withheld in their sole discretion, with one (1) or more insurance companies, authorized to do business in Guam, for group insurance, including, but *not* limited to, hospitalization, medical care, life, and accident, for all employees or separate groups of employees, and foster children, of the government of Guam. If the Legislative or Judicial Branches of government elect to enter into separate contracts for their employees as authorized in § 4301(c), *I Maga'lahi shall* obtain

1 the written concurrence of the Branch electing to remain with the Executive
2 Branch before the group insurance contract is entered into or a proposal rejected.
3 The government *shall not* be construed as an agent of any insurance company in
4 negotiating or administering this group insurance program. Health benefits
5 provided under this authority may be self-funded and administered by a third party
6 if it is determined to be cost-effective. No government funds shall be authorized or
7 expended and no contract shall be executed with any healthcare
8 respondent/provider for group insurance for all employees or separate groups of
9 employees, and foster children, of the government of Guam, whose proposal does
10 not represent the most economical and beneficial healthcare insurance proposal
11 plan, as defined in § 4302(c)(2) of this Article, as determined by the negotiating
12 team, as defined in § 4302(c) of this Article.”

13 **Section 2.** Subsection 4302(c)(2) of Article 3, Chapter 4, Title 4, Guam
14 Code Annotated, is hereby *amended* to read:

15 “(2) The negotiating team upon selection and review of the single best
16 available proposals by participating healthcare respondent(s)/provider(s), which
17 ~~reflect~~ shall be the most economical and beneficial healthcare insurance proposal
18 plan for government of Guam employees and retirees, and foster children, *shall*
19 forward said ~~the accepted~~ proposals to *I Maga’låhen Guåhan* for consideration,
20 and to *I Liheslaturan Guåhan* for its review ~~final approval~~ no later than July 31,
21 and prior to the annual legislative sessions wherein the upcoming fiscal year
22 budget for the government of Guam is before *I Liheslaturan Guåhan* for
23 consideration. Notwithstanding any other provision of law, rule, or regulation, the
24 most economical and beneficial healthcare insurance proposal plan for government
25 of Guam employees and retirees, and foster children, shall be defined as the lowest
26 cost option of either the exclusive or non-exclusive proposal.

1 The negotiating team shall forward only the single most economical and
2 beneficial healthcare insurance proposal plan for government of Guam employees
3 and retirees, and foster children, to I Maga'låhen Guåhan, and shall not forward
4 both an exclusive and a non-exclusive proposal to I Maga'låhen Guåhan."

5 **Section 3. Effective Date.** This Act shall become effective upon enactment.

6 **Section 4. Severability.** *If* any provision of this Act or its application to any
7 person or circumstance is held invalid, the invalidity shall not affect other provisions
8 or applications of this Act that can be given effect without the invalid provision or
9 application and to this end the provisions of this Act is severable.