

I MINA'TRENTAI SINGKO NA I LIHESLATURAN GUÅHAN
2019 (FIRST) REGULAR SESSION

Bill No. 255-35(COR)

As amended by the Committee on Public Accountability,
Human Resources, and the Guam Buildup.

Introduced By:

Jose "Pedo" Terlaje
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**AN ACT TO AMEND REPEAL AND REENACT §§ 4301(a) AND
§4302(c)(29), ~~BOTH OF~~ ARTICLE 3, CHAPTER 4, TITLE 4,
GUAM CODE ANNOTATED, RELATIVE TO ALLOWING
CHOICE FOR SUBSCRIBERS THAT PARTICIPATE IN THE
GOVERNMENT OF GUAM HEALTH INSURANCE
CONTRACT.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

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

4 “(a) ~~*I Maga’lahi*~~ *I Maga’Håga* (the Governor) is authorized to enter contracts
5 and reject proposals, with the written concurrence of the Speaker of *I Liheslaturan*
6 *Guåhan* (the Guam Legislature) or the Chief Justice of the Supreme Court of Guam
7 whose consents may be withheld in their sole discretion, with ~~one~~ (1) The top two
8 (2) ~~or more~~ insurance companies, authorized to do business in Guam, for group
9 insurance, including, but *not* limited to, hospitalization, medical care, life, and
10 accident, for all employees or separate groups of employees, and foster children, of
11 the government of Guam. If the Legislative or Judicial Branches of government elect
12 to enter into separate contracts for their employees as authorized in § 4301(c), ~~*I*~~
13 ~~*Maga’lahi*~~ *I Maga’Håga* shall obtain the written concurrence of the Branch electing

1 to remain with the Executive Branch before March 1 of each year ~~the group~~
2 ~~insurance contract is entered into or a proposal rejected.~~ Notwithstanding any
3 authority granted in each entity's enabling legislation to procure separate health
4 insurance coverage, all entities in the Executive Branch, including autonomous and
5 semi-autonomous agencies, public corporations and authorities, shall participate in
6 the Government of Guam Group Health Insurance Program. The government *shall*
7 *not* be construed as an agent of any insurance company in negotiating or
8 administering this group insurance program. Health benefits provided under this
9 authority may be self-funded and administered by a third party if it is determined to
10 be cost-effective. ~~No government funds shall be authorized or expended and no~~
11 ~~contract shall be executed with any healthcare respondent/provider for group~~
12 ~~insurance for all employees or separate groups of employees, and foster children, of~~
13 ~~the government of Guam, whose proposal does not represent the most economical~~
14 ~~and beneficial healthcare insurance proposal plan, as defined in § 4302(c)(2) of this~~
15 ~~Article, as determined by the negotiating team, as defined in § 4302(c) of this~~
16 ~~Article.”~~

17 **Section 2.** ~~Subsection § 4302(c)(29)~~ of Article 3, Chapter 4, Title 4, Guam
18 Code Annotated, is hereby *amended* to read:

19 “(29) The negotiating team upon selection and review of the ~~single~~ best
20 available proposals by participating healthcare respondent(s)/provider(s), which
21 reflect shall be the most economical and beneficial healthcare insurance proposal
22 plans for government of Guam employees and retirees, and foster children, *shall*
23 forward said the two best all qualified proposals to *I Maga'lahi I Maga' Hågan*
24 *Guåhan* for consideration and selection of the most economical and beneficial health
25 insurance plan, and to *I Liheslaturan Guåhan* for its review ~~final approval~~ no later
26 than July 31, and prior to the annual legislative sessions wherein the upcoming fiscal
27 year budget for the government of Guam is before *I Liheslaturan Guåhan* for

1 consideration. Of the remaining qualifying plans, the employee or retiree may
2 notwithstanding any other provision of law, rule, or regulation, choose one of the
3 remaining qualified plans, any difference in premiums shall be paid by the employee
4 or retiree at their own cost. ~~Notwithstanding any other provision of law, rule, or~~
5 ~~regulation, the most economical and beneficial healthcare insurance proposal plan~~
6 ~~for government of Guam employees and retirees, and foster children, shall be~~
7 ~~defined as the lowest cost option of either the exclusive or non-exclusive proposal.~~

8 ~~The negotiating team shall forward only the single most economical and~~
9 ~~beneficial healthcare insurance proposal plan for government of Guam employees~~
10 ~~and retirees, and foster children, to *I Maga'låhen Guåhan*, and shall not forward~~
11 ~~both an exclusive and a non-exclusive proposal to *I Maga'låhen Guåhan*.”~~

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

13 **Section 4. Severability.** *If* any provision of this Act or its application to any
14 person or circumstance is found to be held invalid or contrary to law, the such
15 invalidity shall not affect other provisions or applications of this Act that can be given
16 effect without the invalid provision or application, and to this end the provisions of
17 this Act is severable.