



CARL T.C. GUTIERREZ  
GOVERNOR OF GUAM

MAR 21 1997

The Honorable Antonio R. Unpingco  
Speaker  
Twenty-Fourth Guam Legislature  
Guam Legislature Temporary Building  
155 Hesler Street  
Agana, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY  
ACKNOWLEDGMENT RECEIPT

Received By D. J. P. [Signature]

Time 10:47 am

Date 3/24/97

Dear Speaker Unpingco:

Enclosed please find a copy of Bill No. 137 (COR), "AN ACT TO AUTHORIZE THE GUAM MEMORIAL HOSPITAL AUTHORITY TO SET ROOM RATE ADJUSTMENTS THROUGH THE ADMINISTRATIVE ADJUDICATION LAW, AND TO CITE THE ACT AS THE GUAM MEMORIAL HOSPITAL ROOM RATE ADJUSTMENT ACT.", which I have signed into law today as **Public Law No. 24-10**.

This legislation will allow the Guam Memorial Hospital Authority to adjust room rates according to the procedures of the Administrative Adjudication Law. This will allow some changes in the charges for room rates, but will probably not greatly increase the revenues of the Guam Memorial Hospital Authority.

The hospital room rates were increased about 10% recently, and although they could be further adjusted upwards, the Administrative Adjudication Law requires a procedure which includes published notice to the public, a public hearing, preparation of proposed new rates in bill form, approval by the Governor, and finally transmittal to the Legislature where the new rates must wait 45 days plus 7 legislative days before they are put into effect.

The legislation is beneficial to the hospital's cash flow, and therefore I have signed it into law.

Very truly yours,

Carl T. C. Gutierrez

Attachment  
00111

Office of the Speaker  
ANTONIO R. UNPINGCO  
Date: 3/21/97  
Time: 3:20 pm  
Rec'd by: [Signature]  
Print Name: Monique

TWENTY-FOURTH GUAM LEGISLATURE  
1997 (FIRST) Regular Session


CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill No. 137 (COR), "AN ACT TO AUTHORIZE THE GUAM MEMORIAL HOSPITAL AUTHORITY TO SET ROOM RATE ADJUSTMENTS THROUGH THE ADMINISTRATIVE ADJUDICATION LAW, AND TO CITE THE ACT AS THE GUAM MEMORIAL HOSPITAL ROOM RATE ADJUSTMENT ACT," was on the 8th day of March, 1997, duly and regularly passed.




ANTONIO R. UNPINGCO  
Speaker


Attested:

  
JOANNE M.S. BROWN  
Senator and Legislative Secretary

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This Act was received by the Governor this 12th day of March,  
1997, at 8:40 o'clock 9 .M.

  
Assistant Staff Officer  
Governor's Office

APPROVED:

  
CARL T. C. GUTIERREZ  
Governor of Guam

Date: 3-21-97

Public Law No. 24-10

**TWENTY-FOURTH GUAM LEGISLATURE  
1997 (FIRST) Regular Session**

**Bill No. 137 (COR)**  
As amended by the Author.

Introduced by:

E. J. Cruz  
J. C. Salas  
L. F. Kasperbauer  
T. C. Ada  
F. B. Aguon, Jr.  
E. Barrett-Anderson  
A. C. Blaz  
J. M.S. Brown  
Felix P. Camacho  
Francisco P. Camacho  
M. C. Charfauros  
W. B.S.M. Flores  
Mark Forbes  
A. C. Lamorena V  
C. M. Leon Guerrero  
L. Leon Guerrero  
V. C. Pangelinan  
A. L.G. Santos  
F. E. Santos  
A. R. Unpingco  
J. WonPat-Borja

**AN ACT TO AUTHORIZE THE GUAM MEMORIAL  
HOSPITAL AUTHORITY TO SET ROOM RATE  
ADJUSTMENTS THROUGH THE ADMINISTRATIVE  
ADJUDICATION LAW, AND TO CITE THE ACT AS  
THE GUAM MEMORIAL HOSPITAL ROOM RATE  
ADJUSTMENT ACT.**

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

1       **Section 1. Legislative Intent.**       The Guam Memorial Hospital Authority  
2 is a semi-autonomous agency that had its ability to generate its own revenue source  
3 through its services revoked by P.L. 18-26, and restored by P.L. 23-22, by using a  
4 “Pricing Model.” Although the Authority has been given a fifteen percent (15%)  
5 rate increase across the board by P.L. 23-20, the Authority is again seeking  
6 legislative subsidy through the General Fund, and the amount of subsidy required is  
7 increasing with each legislative request. This subsidy is an additional burden to the  
8 taxpayers that are not using the hospital patient services when it should be the  
9 patients or their health insurance provider(s) paying the Authority for these services.  
10 It is also well documented that the Authority has difficulty in producing easily  
11 certifiably, correct billing documents and in following the mandate of Title 10 Guam  
12 Code Annotated §80105.

13       Recognizing that room rates are an easily certifiable, and generally, an  
14 undisputed service, amounting to appropriately twenty percent (20%) of the  
15 Authority's revenue source, it is therefore the intent of this legislation to allow the  
16 Guam Memorial Hospital Authority the rate setting authority for room rate  
17 adjustments through the Administrative Adjudication Law process, without  
18 complicating the present billing procedure of the hospital; and further to reduce  
19 subsequent hospital subsidy requests by providing an additional revenue source, and  
20 exempting room rate adjustments from the mandate of the GMHA Pricing Model,  
21 10 GCA §80105.1.

22       **Section 2. Brief Title.** This Act may be cited or referred to as, “The  
23 Guam Memorial Hospital Room Rate Adjustment Act.”

24       **Section 3. Authorization to Implement Room Rate Adjustments.** The  
25 Guam Memorial Hospital Authority is hereby authorized to implement room rate  
26 adjustments through the Administrative Adjudication Law.