

I MINA'TRENTAI SINGKO NA I LIHESLATURAN GUÅHAN
2020 (SECOND) REGULAR SESSION

Bill No. 366-35 (LS)

As Substituted on the Floor

Introduced By:

Jose "Pedo" Terlaje
Tina Rose Muña Barne

AN ACT TO AMEND §§ 4301(a) AND 4302(c)(9), 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.** § 4301(a) of Article 3, Chapter 4, Title 4, Guam Code Annotated,
3 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) or more~~
8 insurance companies, authorized to do business in Guam, for group insurance,
9 including, but *not* limited to, hospitalization, medical care, life, and accident, for all
10 employees or separate groups of employees, and foster children, of the government
11 of Guam. If the Legislative or Judicial Branches of government elect to enter into
12 separate contracts for their employees as authorized in § 4301(c), ~~*I Maga’lahi*~~
13 *Maga’Håga* shall obtain the written concurrence of the Branch electing to remain

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

17 (1) ~~If the Legislative or Judicial Branches of government elect to enter~~
18 ~~into separate contracts for their employees as authorized in § 4301(c), I~~
19 ~~Magå'lahi shall obtain the written concurrence of the Branch electing to~~
20 ~~remain with the Executive Branch before the group insurance contract is~~
21 ~~entered into or a proposal rejected.~~

22 (2) ~~The government shall not be construed as an agent of any insurance~~
23 ~~company in negotiating or administering this group insurance program.~~

24 (3) ~~Health benefits provided under this authority may be self funded~~
25 ~~and administered by a third party if it is determined to be cost effective.~~

26 (4) ~~No government funds shall be authorized or expended, and no~~
27 ~~contract shall be executed with any healthcare respondent/provider for group~~

1 ~~insurance for all employees, or separate groups of employees, and foster~~
2 ~~children, of the government of Guam, whose proposal does not represent the~~
3 ~~most economical and beneficial healthcare insurance proposal plan, as defined~~
4 ~~in § 4302(c)(2) of this Article, and as determined by the Negotiating Team in~~
5 ~~§ 4302(c) of this Article.”~~

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

8 “(9) The Negotiating Team upon selection and review of the ~~single~~ best
9 available proposals by participating healthcare respondent(s)/provider(s), which
10 reflect shall be the most economical and beneficial healthcare insurance proposal
11 plans for government of Guam employees and retirees, and foster children, *shall*
12 forward said all qualified proposals to *I Maga’lahi I Maga’Hågan Guåhan* for
13 consideration and selection of the most economical and beneficial health insurance
14 plan, and transmit to *I Liheslaturan Guåhan* for its review no later than July 31, and
15 prior to the annual legislative sessions wherein the upcoming fiscal year budget for
16 the government of Guam is before *I Liheslaturan Guåhan* for consideration. Of the
17 remaining qualifying plans, the employee or retiree may notwithstanding any other
18 provision of law, rule, or regulation, choose one of the remaining qualified plans,
19 any difference in premiums shall be paid by the employee or retiree at their own
20 cost. Notwithstanding any other provision of law, rule, or regulation, the most
21 economical and beneficial healthcare insurance proposal plan for government of
22 Guam employees and retirees, and foster children, *shall* be defined as the lowest cost
23 option of either the exclusive or non-exclusive proposal.

24 ~~The negotiating team shall forward only the single most economical and~~
25 ~~beneficial healthcare insurance proposal plan for government of Guam employees~~
26 ~~and retirees, and foster children, to I Maga’låhen Guåhan, and shall not forward~~
27 ~~both an exclusive and a non-exclusive proposal to I Maga’låhen Guåhan.”~~

1 **Section 3. Effective Date.** This Act *shall* become effective upon enactment,
2 and shall not apply to solicitations, negotiations, or contracts for government of Guam
3 group health insurance for FY 2021.

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