




I MINA' BENTE NUEBI NA LIHESLATURAN GUÅHAN
2007 (FIRST) Regular Session

2007 JUN 16 AM 10:11

Bill No. 28 (EC)

Introduced by:

R.J. Respicio 
T.R. Muña Barnes 
J.P. Guthertz 

AN ACT TO PROVIDE IMMEDIATE RELIEF TO GOVERNMENT OF GUAM EMPLOYEES, RETIREES, AND SURVIVORS FOR THE HIGH COSTS OF HEALTH INSURANCE BY ASSUMING RESPONSIBILITY FOR THE PAYMENT OF ALL DEDUCTIBLE EXPENSES UNDER THE GOVERNMENT OF GUAM GROUP HEALTH INSURANCE CONTRACT AND TO AUTHORIZE THE PAYMENT OF PREMIUMS FOR MEDICARE PLAN A (HOSPITAL INSURANCE COVERAGE), MEDICARE PLAN B (SUPPLEMENTAL MEDICAL INSURANCE), AND MEDICARE PLAN A & B, FROM THE GOVERNMENT'S AND EMPLOYEES' CONTRIBUTIONS FOR HEALTH INSURANCE RATES FOR RETIRED EMPLOYEES AND THEIR SURVIVORS BY AMENDING §4301 OF ARTICLE 3, TITLE 4 OF THE GUAM CODE ANNOTATED

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 **Section 1. Legislative Intent.** *I Liheslatura* finds that the health
3 insurance rates for government of Guam employees, retirees, and survivors
4 have increased dramatically over the course of the last few years to levels
5 that are unaffordable for coverage in health insurance plans without
6 deductibles. *I Liheslatura* further finds that providing immediate relief to
7 employees, retirees, and survivors of the government is necessary while
8 long term solutions are developed to make healthcare more affordable.

1 Passage of this act will provide employees, retirees, and survivors
2 enrolled in the Government of Guam Group Health Insurance Plans with
3 immediate relief as the government will bear the costs of all deductibles for
4 employees, retirees, survivors and their dependents.

5 Section 3 of this Act provides a permanent solution relative to the
6 large group of retirees and survivors age 65 and over, who are currently
7 ineligible for enrollment in Medicare Part A and Medicare Part B as a result
8 of past policies of the government of Guam. *I Liheslatura* finds that
9 expanded coverage and reduced costs for such retirees would be
10 accomplished if the government contributions for health insurance
11 premiums for such retirees and survivors were instead used to pay for the
12 premiums necessary to qualify with the Social Security Administration for
13 Medicare Part A & Part B coverage. This would not result in any additional
14 costs borne by the government or by the retiree or survivor.

15 This movement of elder retirees and survivors from the group health
16 insurance program will also positively impact the insurance pool for which
17 the group health insurance premiums are based, resulting in the continued
18 reduction of health care costs being borne by the active employees of the
19 government.

1 **Section 2. Government of Guam Group Health Insurance**

2 **Deductibles To Be Paid.** A new paragraph (h) is added to §4301 of Article
3 3, Chapter 4, of Title 4 of the Guam Code Annotated as follows:

4 “(h) The amount of deductible for each class of an employee, retiree,
5 and survivor, and their dependents shall be borne by the government
6 which shall pay the insurance company or health maintenance
7 organization offering group health coverage under this section.”

8 **Section 3. Payments Authorized for Medicare Part A and Part B**

9 **Premiums.** Paragraph (b) of Section 4301 of Article 3, Chapter 4, Title 4 of
10 the Guam Code Annotated is hereby *amended* as follows:

11 “(b) All participation by employees in such contracts of insurance
12 shall be on a voluntary basis. Effective in the next contract following
13 the enactment of this subparagraph, the government's contribution
14 for health and dental insurance shall be uniform within each class
15 (including separate classes and rates for retired employees and their
16 survivors) for all competing plans and shall not be less than fifty
17 percent (50%) of the lowest premium for a single employee, except
18 that the government shall increase the contributions it makes on
19 behalf of a retired employee or survivor of a retired employee so that
20 the retired employee or the survivor of a retired employee

1 contributes no more than an active employee who is otherwise in the
2 same class. However, at the request of retired employees or the
3 survivors of retired employees who are receiving annuity benefits,
4 the government's contributions made on behalf of such retired
5 employees or survivors of retired employees and the employee
6 contributions of such retired employees or survivors of retired
7 employees shall be paid for premiums for Medicare Plan A -
8 Hospital Insurance Coverage, Medicare Plan B - Supplemental
9 Medical Insurance, and Medicare Plan A & B."

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