

*I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN*  
2016 (SECOND) Regular Session

Bill No. ~~395-33~~ (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'LÅHEN GUÅHAN* FOR CONSIDERATION; AND TO DIVESTING THE LEGISLATURE OF FINAL APPROVAL AUTHORITY OVER ANY CONTRACT ENTERED INTO BY *I MAGA'LÅHEN GUÅHAN* FOR THE SAME.

2016 MAY -3 09:41:17 

**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 Guåhan* (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 contract shall be executed with any  
7 healthcare respondent/provider for group insurance for all employees or separate  
8 groups of employees, and foster children, of the government of Guam, whose  
9 proposal does not represent the most economical and beneficial healthcare  
10 insurance proposal plan, as defined in § 4302(c)(2) of this Article, as determined  
11 by the negotiating team, as defined in § 4302(c) of this Article.”

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

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

26 The negotiating team shall forward only the single most economical and  
27 beneficial healthcare insurance proposal plan for government of Guam employees

1 and retirees, and foster children, to *I Maga'låhen Guåhan*, and *shall not forward*  
2 both an exclusive and a non-exclusive proposal to *I Maga'låhen Guåhan*.”

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

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