



Office of the Governor of Guam

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Felix P. Camacho
Governor

Michael W. Cruz, M.D.
Lieutenant Governor

71-11-009
Office of the Speaker
Judith T. Won Pat, Ed.D.
Date: 12/3/10
Time: 9:42 AM
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JWN

The Honorable Judith T. Won Pat, Ed.D.
Speaker
Mina' Trenta Na Liheslaturan Guåhan
155 Hessler Street
Hagåtña, Guam 96910

Dear Speaker Won Pat:

Transmitted herewith is Bill No. 482-30 (COR) "AN ACT TO AMEND §4302(C), AND TO ADD NEW SUBSECTIONS (1), (2) AND (3), OR ARTICLE 3, CHAPTER 4 OF TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING AN OPEN PROCESS IN HEALTHCARE INSURANCE NEGOTIATIONS FOR EMPLOYEES AND RETIREES OF THE GOVERNMENT OF GUAM, AND TO BE KNOWN AS THE "HEALTHCARE INSURANCE TRANSPARENCY ACT OF 2010"", which I signed into law on December 30, 2010 as **Public Law 30-227**.

Sinseru yan Magåhet,

FELIX P. CAMACHO
I Maga'låhen Guahan
Governor of Guahan

Attachment: copy of Bill

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2010 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that Bill No. 482-30 (COR), "AN ACT TO AMEND §4302(c), AND TO ADD NEW SUBSECTIONS (1), (2) AND (3), OF ARTICLE 3, CHAPTER 4 OF TITLE 4, GUAM CODE ANNOTATED; AND TO AMEND §15102 OF ARTICLE 1, CHAPTER 15, TITLE 22, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING AN OPEN PROCESS IN HEALTHCARE INSURANCE NEGOTIATIONS FOR EMPLOYEES AND RETIREES OF THE GOVERNMENT OF GUAM, AND TO BE KNOWN AS THE 'HEALTHCARE INSURANCE TRANSPARENCY ACT OF 2010'," was on the 22nd day of December, 2010, duly and regularly passed.



Judith T. Won Pat, Ed. D.
Speaker

Attested:

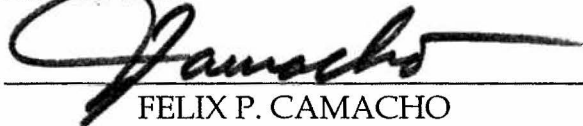


Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahaen Guåhan* this _____ day of _____, 2010, at
_____ o'clock _____.M.

Assistant Staff Officer
Maga'lahaen's Office

APPROVED:



FELIX P. CAMACHO
I Maga'lahaen Guåhan

Date:

12/30/2010
Public Law No. 30-227

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2010 (SECOND) Regular Session

Bill No. 482-30 (COR)

As amended on the Floor.

Introduced by:

Judith P. Guthertz, DPA

T. C. Ada

V. Anthony Ada

F. B. Aguon, Jr.

F. F. Blas, Jr.

E. J.B. Calvo

B. J.F. Cruz

J. V. Espaldon

T. R. Muña Barnes

Adolpho B. Palacios, Sr.

v. c. pangelinan

R. J. Respicio

Telo Taitague

Ray Tenorio

Judith T. Won Pat, Ed.D.

AN ACT TO *AMEND* §4302(c), AND TO *ADD* NEW SUBSECTIONS (1), (2) AND (3), OF ARTICLE 3, CHAPTER 4 OF TITLE 4, GUAM CODE ANNOTATED; AND TO *AMEND* §15102 OF ARTICLE 1, CHAPTER 15, TITLE 22, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING AN OPEN PROCESS IN HEALTHCARE INSURANCE NEGOTIATIONS FOR EMPLOYEES AND RETIREES OF THE GOVERNMENT OF GUAM, AND TO BE KNOWN AS THE “HEALTHCARE INSURANCE TRANSPARENCY ACT OF 2010.”

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

1 **Section 1. Legislative Findings and Intent.** *Liheslatura Guåhan* finds
2 that annually, healthcare rates in Guam continue to rise. Over the course of the past
3 three (3) years, negotiations for health insurance services have been met by a
4 single provider. As a result of what has essentially become a “sole source” process,
5 public perception reflects a constituency that is suspect of their insurance rates and
6 coverage options. Aiding in this perception is the fact that for Fiscal Year 2010-
7 2011, the expected Government of Guam contribution will increase in the amount
8 of sixty percent (60%) when compared to the 2009-2010 coverage year, while the
9 individual consumer rates for qualified active Government of Guam employees
10 and retirees and their families will increase in some cases to an estimated two
11 hundred eighty percent (280%).

12 In order to promote a more competitive market for health insurance
13 providers, administrators, and/or health maintenance organizations, foster vigorous
14 competition in the health arena, and allay concerns of the general public that the
15 Government of Guam failed to negotiate judiciously with providers for a fair rate
16 and adequate services, *I Liheslatura Guåhan* finds it necessary to institute
17 additional policies listed in subsequent sections of this measure which shall be
18 known as the “HealthCare Insurance Transparency Act of 2010.” Additionally,
19 health insurance benefits for the 2010-2011 Government of Guam (GovGuam)
20 fiscal year will cost the government an estimated \$46 Million Dollars. Roughly
21 \$29 Million Dollars had been budgeted for such purposes. The Government of
22 Guam will be burdened with expending monies, as much as \$17 Million Dollars,
23 for an underfunded obligation, which is in direct contravention of accepted
24 program budgeting and financial management standards for GovGuam.

25 It is the intent of *I Liheslaturan Guåhan*, through the “HealthCare Insurance
26 Transparency Act of 2010”, to ensure that healthcare insurance negotiations reflect
27 the most economical and beneficial health plan that provide the requisite medical

1 care needs and services for Government of Guam employees, retirees and their
2 families. As well, through this Act, the obligation of the approved health care
3 insurance benefit *shall* be known prior to the annual “Open Enrollment” period as
4 the process is brought into the standards of conformance with the annual Budget
5 Act process of the island. Finally, this Act *shall* authorize a feasibility study
6 relative to the probability of providing a non-profit public option for Guam.

7 **Section 2. Expanded Request for Proposals, Negotiations and**
8 **Processes.**

9 §4302(c) of Article 3, Chapter 4 of Title 4, Guam Code Annotated, is hereby
10 *amended*, and new subsections (1), (2) and (3) are hereby *added* to read.

11 “(c) A Negotiating Team consisting of the Director of
12 Administration, who shall be Chairperson, the Administrator of the
13 Department of Integrated Services for Individuals with Disabilities
14 (‘DISID’), or his or her designee; the Director of the Bureau of Budget and
15 Management Research, or his or her designee; an employee representative
16 from the Judicial Branch to be appointed by the Chief Justice of the Supreme
17 Court of Guam; an employee representative from the Legislative Branch to
18 be appointed by the Speaker of *I Liheslaturan Guåhan*; the Superintendent
19 of the Department of Education, or his or her designee; the Director of the
20 Government of Guam Retirement Fund, or his or her designee; and a retiree
21 who is a member of the Government of Guam Retirement Fund to be
22 appointed by the Board of Trustees of the Government of Guam Retirement
23 Fund, and one (1) member of the general public, appointed by *I Maga’lahen*
24 *Guåhan*, shall examine the financial information of the prepaid health
25 insurance companies, health care providers or other legal entities for the
26 purpose of developing the most economical and beneficial health proposal
27 plan for Government of Guam employees and retirees. The Negotiating

1 Team may obtain technical support from other financial and health-related
2 agencies. The Negotiating Team shall develop its rules of procedure in
3 accordance with the Administrative Adjudication Law. The Negotiating
4 Team with the approval of *I Maga'lahi* is authorized to contract an actuary
5 competent to develop proposed health insurance rates or other recognized
6 expert to train and/or advise the Negotiating Team.

7 (1) The Director of the Department of Administration shall plan,
8 and implement prior to discussions for the 2011-2012 Fiscal Year, an
9 expanded competitive Request for Proposal process. The Director
10 shall announce in publications of general circulation in Guam, in top
11 publications nationally and in leading publications internationally, a
12 Request for Proposal from Health Care Insurance Providers for health
13 insurance coverage for qualified active employees and qualified
14 retirees of the government of Guam.

15 (A) Health Care Insurance Providers that respond and express
16 interest in providing coverage to qualified active employees and
17 retirees shall, if selected, maintain a bona-fide office and
18 operations base in Guam and possess a business privilege
19 license to do business in Guam.

20 (2) The negotiating team upon selection and review of the best
21 available proposals by participating healthcare respondents/providers which
22 reflect the most economical and beneficial healthcare insurance proposal
23 plan for Government of Guam employees and retirees, shall forward the
24 accepted proposals to *I Maga'lahaen Guåhan* for consideration, and to *I*
25 *Lihselaturan Guåhan* for final approval no later than July 31, and prior to
26 the annual Legislative Sessions wherein the upcoming Fiscal Year Budget

1 for the Government of Guam is before *I Liheslaturan Guåhan* for
2 consideration;

3 (3) Within one hundred eighty (180) days of this Act, the Director
4 of the Department of Administration shall issue a Request For Proposal from
5 qualified individuals or firms to conduct a feasibility study for a non-profit
6 public healthcare care insurance option for Guam. The RFP shall call for a
7 plan that provides for a level playing field with current and future private
8 insurers, and the non-profit public healthcare care insurance option which
9 pays for care from individual premiums and copayments not of the General
10 Fund of the Government of Guam.”

11 **Section 3.** §15102 of Article 1, Chapter 15, Title 22, Guam Code
12 Annotated, is hereby *amended* to read:

13 “§15102. **Certificate of Authority.** Legitimate, bonafide on-
14 island, national or international insurance companies or reinsurance
15 companies shall not be arbitrarily excluded from participating, partnering, or
16 from being licensed to do business in Guam. Admission is secured by
17 procuring a Certificate of Authority from the Commissioner. Such certificate
18 shall not be granted until the applicant conforms to the applicable
19 requirements of this Title, and of the other laws of Guam prerequisite to its
20 issue. After a certificate is granted, the insurer shall continue to comply with
21 the requirements pertaining to it as set forth in this Title and in the other
22 laws of Guam. The issuance of the Certificate of Authority shall be
23 accomplished in a transparent fashion and shall be published in accordance
24 with applicable provisions of the Open Government Law.

25 (a) The Insurance Commissioner shall revisit annually, the
26 requirements for a Certificate of Authority for providers of Healthcare
27 Insurance Coverage, to ensure that the processes remain transparent,

1 fair and open to eligible on-island, national and international
2 Healthcare Insurance providers in order to foster vigorous competition
3 and shall amend its requirements when necessary or recommend to *I*
4 *Lihsaturan Guåhan*, changes to General Regulations and laws
5 relative to Certificates of Authority.”

6 **Section 4. Effective Date.** Notwithstanding any other provisions of law,
7 the provisions of this Act shall be effective upon enactment into law.
8

6

I MINA' TRENTA NA LIHESLATURAN GUÅHAN

2010 (SECOND) Regular Session

Date: 12/22/10

VOTING SHEET

Bill No. 482-30(COR)

Resolution No. _____

Question: _____

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT
ADA, Thomas C.	✓				
ADA, V. Anthony	✓				
AGUON, Frank B., Jr.					EA
BLAS, Frank F., Jr. ///		*			
CALVO, Edward J.B.	✓				
CRUZ, Benjamin J. F.	✓				
ESPALDON, James V. //	✓				
GUTHERTZ, Judith Paulette	✓				
MUNA-BARNES, Tina Rose /	✓				
PALACIOS, Adolpho Borja, Sr.	✓				
PANGELINAN, vicente (ben) cabrera	✓				
RESPICIO, Rory J.	✓				
TAITAGUE, Telo ///		*			
TENORIO, Ray	✓				
WON PAT, Judith T.	✓				

TOTAL

12
2

1

CERTIFIED TRUE AND CORRECT:


 Clerk of the Legislature

* 3 Passes = No vote
 EA = Excused Absence



**COMMITTEE ON ECONOMIC DEVELOPMENT,
HEALTH & HUMAN SERVICES, AND JUDICIARY**

I Mina' Trenta na Liheslaturan Guåhan • 30th Guam Legislature

238 Archbishop F.C. Flores St., DNA Bldg., Suite 701A, Hagatña, Guam 96910

Tel: (671) 969-1495/6 • Fax: (671) 969-1497 • Email: aguon4guam@gmail.com

December 16, 2010

Honorable Thomas C. Ada
Acting Speaker
I Mina' Trenta na Liheslaturan Guåhan
155 Hesler Place
Hagatña, Guam 96910

VIA: The Honorable Rory J. Respicio
Chairperson, Committee on Rules

RE: Committee Report - Bill No. 482-30 (COR)

Dear Speaker Ada:

Transmitted herewith is the Committee Report on **Bill No. 482-30 (COR)** – “**AN ACT TO ADD SUB ITEMS (1)(aa)(2)(3) AMEND SUB SECTION 43029(C) OF ARTICLE 3, CHAPTER 4, OT TITLE 4 GUAM CODE ANNOTATED TO ESTABLISH AN OPEN GOVERNMENT PROCESS IN HEALTHCARE INSURANCE NEGOTIATIONS FOR EMPLOYEES AND RETIREES OF THE GOVERNMENT OF GUAM AND TO ADD ITEMS (a)(b) AND AMEND SUB SECTION 15102 OF ARTICLE 1, CHAPTER 15, TITLE 22 GCA. THIS ACT SHALL BE KNOWN AS THE ‘HEALTHCARE INSURANCE TRANSPARENCY ACT OF 2010’.**”, sponsored by Senator Judith P. Guthertz, and referred to the Committee on Economic Development, Health & Human Services, and Judiciary. Bill No. 482-30 (COR) was publicly heard on Tuesday, November 16, 2010.

Committee votes are as follows:

<u>5</u>	TO PASS
_____	NOT TO PASS
_____	ABSTAIN
<u>1</u>	TO REPORT OUT ONLY
_____	TO PLACE IN INACTIVE FILE

Respectfully,

SENATOR FRANK B. AGUON, JR.
Chairman

Attachment

2010 DEC 20 PM 12:10

FRANK B. AGUON, JR.
SENATOR, CHAIRMAN

ADOLPHO B. PALACIOS, SR.
SENATOR, VICE CHAIRMAN

JUDITH T. WON PAT
SPEAKER
EX-OFFICIO MEMBER

BENJAMIN J.F. CRUZ
VICE SPEAKER

TINA ROSE MUÑA BARNES
LEGISLATIVE SECRETARY

THOMAS C. ADA
SENATOR

JUDITH P. GUTHERTZ
SENATOR

RORY J. RESPICIO
SENATOR

FRANK F. BLAS, JR.
SENATOR

TELO TAITAGUE
SENATOR

RAY TENORIO
SENATOR



**COMMITTEE ON ECONOMIC DEVELOPMENT,
HEALTH & HUMAN SERVICES, AND JUDICIARY**
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**COMMITTEE
REPORT
ON**

**BILL NO. 482-30 (COR)
as Introduced**

by Senator Judith P. Guthertz, DPA

AN ACT TO ADD SUB ITEMS (1)(aa)(2)(3) AMEND SUB SECTION 43029(C) OF ARTICLE 3, CHAPTER 4, OT TITLE 4 GUAM CODE ANNOTATED TO ESTABLISH AN OPEN GOVERNMENT PROCESS IN HEALTHCARE INSURANCE NEGOTIATIONS FOR EMPLOYEES AND RETIREES OF THE GOVERNMENT OF GUAM AND TO ADD ITEMS (a)(b) AND AMEND SUB SECTION 15102 OF ARTICLE 1, CHAPTER 15, TITLE 22 GCA. THIS ACT SHALL BE KNOWN AS THE 'HEALTHCARE INSURANCE TRANSPARENCY ACT OF 2010'.



**COMMITTEE ON ECONOMIC DEVELOPMENT,
HEALTH & HUMAN SERVICES, AND JUDICIARY**

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December 16, 2010

MEMORANDUM

TO: ALL MEMBERS
Committee on Economic Development,
Health & Human Services, and Judiciary

FROM: SENATOR FRANK B. AGUON, JR.
Committee Chairman

SUBJECT: Committee Report on Bill No. 482-30 (COR)

Transmitted herewith for your consideration is the Committee Report on Bill No. 482-30 (COR) – “AN ACT TO ADD SUB ITEMS (1)(aa)(2)(3) AMEND SUB SECTION 43029(C) OF ARTICLE 3, CHAPTER 4, OT TITLE 4 GUAM CODE ANNOTATED TO ESTABLISH AN OPEN GOVERNMENT PROCESS IN HEALTHCARE INSURANCE NEGOTIATIONS FOR EMPLOYEES AND RETIREES OF THE GOVERNMENT OF GUAM AND TO ADD ITEMS (a)(b) AND AMEND SUB SECTION 15102 OF ARTICLE 1, CHAPTER 15, TITLE 22 GCA. THIS ACT SHALL BE KNOWN AS THE ‘HEALTHCARE INSURANCE TRANSPARENCY ACT OF 2010’.”, as Introduced by Senator Judith P. Guthertz, DPA.

This report includes the following:

- Committee Report Voting Sheet
- Committee Report Digest
- Copy of Bill No. 482-30 (COR)
- Public Hearing Sign-In Sheet
- Submitted Testimonies & Supporting Documents
- Copy of Fiscal Note
- Copy of COR Referral of Bill No. 482-30 (COR)
- Notices of Public Hearing
- Copy of Public Hearing Agenda

Please take the appropriate action on the attached voting sheet. Your attention and cooperation on this matter is greatly appreciated. If you have any questions or concerns, please don't hesitate to contact me.

Un dangkulo' na Si Yu'us Ma'ase'.

Attachment

FRANK B. AGUON, JR.
SENATOR, CHAIRMAN

ADOLPHO B. PALACIOS, SR.
SENATOR, VICE CHAIRMAN

JUDITH T. WON PAT
SPEAKER
EX-OFFICIO MEMBER

BENJAMIN J.F. CRUZ
VICE SPEAKER

TINA ROSE MUÑA BARNES
LEGISLATIVE SECRETARY

THOMAS C. ADA
SENATOR

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SENATOR

RORY J. RESPICIO
SENATOR

FRANK F. BLAS, JR.
SENATOR

TELO TAITAGUE
SENATOR

RAY TENORIO
SENATOR



**COMMITTEE ON ECONOMIC DEVELOPMENT,
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COMMITTEE VOTING SHEET

BILL NO. 482-30 (COR) – “AN ACT TO ADD SUB ITEMS (1)(aa)(2)(3) AMEND SUB SECTION 43029(C) OF ARTICLE 3, CHAPTER 4, OT TITLE 4 GUAM CODE ANNOTATED TO ESTABLISH AN OPEN GOVERNMENT PROCESS IN HEALTHCARE INSURANCE NEGOTIATIONS FOR EMPLOYEES AND RETIREES OF THE GOVERNMENT OF GUAM AND TO ADD ITEMS (a)(b) AND AMEND SUB SECTION 15102 OF ARTICLE 1, CHAPTER 15, TITLE 22 GCA. THIS ACT SHALL BE KNOWN AS THE ‘HEALTHCARE INSURANCE TRANSPARENCY ACT OF 2010’.”, sponsored by Senator Judith P. Guthertz, DPA

	SIGNATURE	TO PASS	NOT TO PASS	REPORT OUT ONLY	ABSTAIN	PLACE IN INACTIVE FILE
FRANK B. AGUON, JR. Chairman		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ADOLPHO B. PALACIOS, SR. Vice Chairman		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BENJAMIN J.F. CRUZ Vice Speaker		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TINA ROSE MUÑA BARNES Legislative Secretary		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
THOMAS C. ADA		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
JUDITH P. GUTHERTZ		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RORY J. RESPICIO		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FRANK F. BLAS, JR.		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TELO TAITAGUE		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RAY TENORIO		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



COMMITTEE REPORT DIGEST

BILL NO. 482-30 (COR), as Introduced

I. OVERVIEW:

The Committee on Economic Development, Health & Human Services, and Judiciary conducted a public hearing on Tuesday, November 16, 2010 in *I Liheslatura's* Public Hearing Room. Among the items on the agenda was the consideration of **BILL NO. 482-30 (COR) – “AN ACT TO ADD SUB ITEMS (1)(aa)(2)(3) AMEND SUB SECTION 43029(C) OF ARTICLE 3, CHAPTER 4, OT TITLE 4 GUAM CODE ANNOTATED TO ESTABLISH AN OPEN GOVERNMENT PROCESS IN HEALTHCARE INSURANCE NEGOTIATIONS FOR EMPLOYEES AND RETIREES OF THE GOVERNMENT OF GUAM AND TO ADD ITEMS (a)(b) AND AMEND SUB SECTION 15102 OF ARTICLE 1, CHAPTER 15, TITLE 22 GCA. THIS ACT SHALL BE KNOWN AS THE ‘HEALTHCARE INSURANCE TRANSPARENCY ACT OF 2010’.”**; sponsored by Senator Judith P. Guthertz, DPA.

Public Notice Requirements:

Notices were disseminated via hand-delivery, fax and/or email to all Senators and to all main media outlets on November 08, 2010, and was published in Marianas Variety on November 09, 2010 (5-Day Notice), and again disseminated to all Senators and all main media outlets on November 13, 2010, and published in Marianas Variety on November 12, 2010 (48-Hours Notice).

Senators Present:

Senator Frank B. Aguon, Jr.	Chairman
Senator Adolpho B. Palacios, Sr.	Vice-Chairman
Senator Judith P. Guthertz	Committee Member

CHAIRMAN FRANK B. AGUON, JR. convened the Public Hearing on Bill No. 482-30 (COR).

II. SUMMARY OF TESTIMONY & DISCUSSION:

Senator Aguon: Ladies and Gentlemen, with Bill No. 482-30 (COR), An Act relative to establish an open process in healthcare insurance negotiation for employees and retirees of the Government of Guam, and the Act shall be known as the Healthcare Insurance Transparency Act of 2010. I like to invite the primary sponsor of the Bill to provide testimony, Senator Guthertz, for your comments, please.

Senator Guthertz: Thank you, Mr. Chairman, my colleagues, ladies and gentlemen. We are here this morning. Bill No. 482-30 (COR) which is basically known as Health Care Insurance Transparency Act 2010 would open up further the process of health care insurance participation and negotiation here on our island, for government of Guam employees and retirees. Of course, I think all of us in the community are very much aware of the concerns that were expressed over the last few months regarding the dramatic increase in costs of health insurance for our government employees and retirees this particular cycle.

And I developed this bill as an initial effort to really open up and promote more competition in the marketplace and to ensure that the health negotiation process is transparent, and the purposes to achieve more economical and beneficial results for the Government of Guam, and to those who are to be covered by a Government Health Insurance Plan; meaning our government employees and our retirees. We know that healthcare insurance rates rise every cycle. The rise of particular cycle was unbelievably high, and in the opinions of many, including me, as a member of this plan that currently is in effect, and we feel that after reviewing the current law process, that some of the processes and procedures are quite antiquated and need updating.

There are over 16,000 active Government of Guam employees, eligible retirees and their family members who are affected by the increasing costs for healthcare insurance, not to mention the whole community and all people in Guam, and particularly those even in the private sector. Many of our government employees and retirees who have visited Senators and have communicated their concerns in the media have expressed that really they cannot afford the highly deductibles and the high premiums that they are paying at this time. In addition, there has been extremely high cost to the government of Guam in this particular cycle, which will affect everyone who lives, works and calls Guam home because of the costs to our tax payers.

Basically, this legislation removed some of the perceived difficulties which the current law that guides the insurance process of GovGuam employees and retirees and it directs the Insurance Commissioner of GovGuam to facilitate the promotion of competition in this healthcare solicitation process for companies on Guam and companies on off-island who meet criteria to participate in our marketplace.

The purpose of the Bill is to encourage participation from as many companies as possible on-island, off-island, and even internationally appropriate when it comes to participating

in the solicitation for the insurance coverage for GovGuam employees and retirees. The legislation also provides for mechanism to develop a feasibility study that will look at the probability to providing a non-profit public health insurance coverage option for our island residents; and this is not just for GovGuam employees and retirees. This would be something for the whole community. Again, this would be a simple feasibility study to look into the pros and cons of the Public Health Insurance Option for Guam.

The goal of this legislation is to ensure a healthy, happy community, making Guam the best place to live, work and raise our families. That's really the overall intent of this bill. The bill, I believe would promote a more competitive market for the health insurance industry, providers, for the administration of GovGuam Health Insurance Contracts on the part of the GovGuam, and also would promote vigorous competition in the health insurance arena here.

You know, we had some concerns and that is this particular cycle did not parallel the budget cycle of the GovGuam. When negotiations were going on for the health insurance plan that was accepted by the government, the information really was not communicated to the Legislature to my knowledge and we have our Chairman of Finance Committee, and probably could clarify a little bit, but we found out the fact that after the negotiation of a \$20 million, almost a \$20 million increase in the cost to GovGuam for the plan that was negotiated for GovGuam retirees and the active GovGuam employees by the administration.

We also don't want to be in the same predicament next year, and the current process places a very large burden on GovGuam by forcing GovGuam to expend additional monies. As I said this year, more than \$17 million for under-funded obligations; that's not reflected in the current Operational Budget. As we recall what Gov. Camacho said, "Well, this will be the next problem of the next Governor to deal with." Meaning, he didn't plan to worry about it because he sees it as the problem of the next Governor.

But this is the problem for all the people of Guam. How are we going to find the \$17 million or more dollars to pay for this contract? This whole process I believe, it's in the direct intervention of accepted program budgeting, Financial Management and Planning in our government. So part of the goal of this bill is to tie the health insurance negotiation schedule to the GovGuam budgeting schedule; to make sure that they are in harmony and that the budgeting coincides with the negotiations, and that we don't end up in the same boat in the future.

Health insurance benefits for 2010 to 2011 Fiscal Year are estimated to cost the people of Guam \$46 million. The Legislature budgeted \$29 million for this purpose, but as I said, I found out that the contract negotiation was at a much, much higher level; and this created, of course, a financial dilemma for this government. At any rate, Mr. Chairman, part of the goal of this bill is to deal with this so that we can have simultaneous harmony in the negotiation scheduling and also budget scheduling. Thank you very much.

Senator Aguon: Thank you very, Senator Guthertz for that explanation. Just before we accept any comments from Dr. Shieh, I'd like to recognize the fact that there has been written testimony submitted by Frank J. Campillo who is the Health Plan Administrator of Select Care. That's for the record, I understand. I do see him in the public hearing also; hopefully you can be a part of the discussion should there be any comments and questions. Dr. Shieh, any comments?

Dr. Shieh: Thank you, Senators. I think the main key here is the Health Insurance Reform. But I think everybody talks about the future of the Obama Care and how it will affect, and that's one of the reasons why other rates are being increased because of certain provisions within that. Really, when you take a look at the entire spectrum of the New Health Care Legislation that's coming down from the federal government, a lot of local insurance companies, there's certain provision there and may be grandfathered on the certain provision. But they have to report to the Medical Loss Ratio. So the transparency that's coming out from the pipe has to be there, unless of course 1 or 2 or even the entire insurance industry on Guam lobbies for a bill in the 31st Legislature to exempt them from any transparency aspect of the Federal Government Bill. I think that something you guys have to tackle.

But for us physicians, I can't speak on behalf of my colleagues. When we talk about insurances for patients, we really want to make sure that the third (3rd) party fare is not interfering between the doctor and the patient relationship. And I see that occurring a lot here on Guam, whereas insurance companies will tell doctors what to do. For example, if I want to order a particular exam for a particular patient, I would have to submit a personal certification and that goes under big scrutiny and certain things like that, I think, is addressed within the Federal Health Care System which is coming down which is good for patients. For us doctors, of course, we don't want the insurance companies on Guam to go bankrupt. We would want to support the best parts we can. We also need to realize that the local insurance companies also need to put the best effort forward, the best forward to support the local physicians and the healthcare providers on Guam to keep us afloat as well. What I mean by that is, for example, referrals to international destinations; the Philippines for example or other destinations. Those take funding take away from the pool of the patients here and it takes away the funding for infrastructure here.

Executive check-ups are a perfect example. When they go to the Philippines for executive check-ups, it takes away funding for the basic and primary doctors that take care of that particular patient. Certainly the cost may be lower but then again, if you look at and if you really want to support the infrastructure of the providership on Guam, you really need to make sure that those provisions within certain plans need to be scrutinized and looked at.

I don't know whether or not when they go to the Philippines, or when they do the tests there, they get personal certification. I see patients coming back, they got Co-NASCo, it's done and at the age 40, they're done with ultrasound than for no reason at all. And they get all these lab tests, MRI tests done, CT Scan done for the entire work-up. I don't

know how the insurance companies are addressing that. I don't know if there are certain double standards that are being set for local providers versus off-island providers. For certain reason we practice medicine here, we practice based on the USA jurisdiction. And you know, a lot of patients expect us, doctors, to be board certified, and we do that to the best of our abilities. Now, that said, when we have a new technology that comes out to actually save the cost and keep patients out of the hospital.

In some instances the insurance companies refuse to cover those procedures and we go back and forth on that. If we try to save cost and doctors come back on island from off-island training to bring the new technology, they try to do what's best for the patients to keep them out of the hospital. But the insurance companies refuse to cover those procedures. THAT'S NOT RIGHT. We go back and forth on those issues with those insurance companies. I know, Frank very well; me and Frank have dinner and lunch all the time. So, I don't want him to give me that BAD looking at the back of me. But Frank knows and I, we speak quite frankly and the things what is important for us, to you is to talk about the issues.

The Bill, I think is good for discussion, and there may be some modifications in this bill and I will submit a written testimony, hopefully next week or the following week. I'll try to get my colleagues to get a combine letter of testimony to be sent then as well as from the different providers, primary care, Surgery, OB, Radiology, and will submit that together.

Now if we look at the increased cost, you can't really blame the physician as well. Because if we look at the General Physician; our increase in cost to insurance companies are dictated by the Insurance Contracted Rate. For example, our physician increases their average maybe at 3% to 5% increase annually over the last maybe 6 or 7 years, if we look at that. So, if you compare that 3% to 5% increase, you would see that the physicians are not the ones jacking up the cost as far as the healthcare insurance as it goes.

The other thing that I think the Legislature has to look at is the Guam Memorial Hospital rates. The rates, and I agree with Frank, and I am sure that he's going to knock his head, is it right, Frank? The Rates are very high; very, very high. Often times the rates at GMH is about I would say, 40% to 50% higher than what we charged on the outside; and that's something that needs to be addressed, and that you need to look as well.

The other issue is you need to address the GRT DISPARITY. And we go back and forth on this. And I know the government is short on revenue. So why not remove all the GRT. Have everybody pay the GRT; everybody is a liberal playing field, and that we all contribute with our jobs. We all hire nurses; we all create jobs on our island. Why not have everybody pay the GRT. I'm not asking for my GRT or for my colleagues' GRT. But you need to look at the GRT reformat as well, and maybe changing into a sales tax, or create a level of playing field so also everybody is paying the same amount. So that's something you're going to look at.

Now I know Guam has an Insurance Commissioner and I'm sure he's very good. But if you look at the other states, Insurance Commissioners are elected positions. It's not an appointment position; there's no political ties. In fact, Insurance Commissioner in California or other states, they don't take any political contribution from insurance companies. They basically focus on advocacy for providers and advocacy for patients, and those are some things that you can address in the 31st Legislature perhaps. I and my colleagues will stand ready to help whenever we can.

My last comment is on the MEDICARE. You know that there is a tendency to DEPEND ON Medicare. They want to push a lot of retirees into Medicare. You don't qualify for Medicare until you are at least 65 or 62 years old, if I'm correct. A lot of retirees are under that age. So even if they retire they don't qualify for Medicare anyway. But even if you have Medicare Card, on an average, how many doctors out there are actually accepting patients with Medicare? That's a big question. You may be pushing them into the pool but your access to carry it is limited. So that's something for you to consider. You can't totally depend on Medicare. I think Medicare and the hospitalization aspect of it. That's about it. I don't have anything else to add. Thank you.

Senator Aguon: Thank you very much, Dr. Shieh for your testimony this morning. Also, just for the information of the public and also yourself, Dr. Shieh, if we can get your written testimony by Monday. So that's a request if should Senator Guthertz so desire to place it on the Floor. So next week's okay. Thank you, Dr. Shieh.

Also, just for information for the body, there's been a number of legislation that has been enacted and sponsored by a member who's sitting in the panel this morning, and apparently that would ensure transparency with the provision of the Utilization Rates. I know that there was one concern by the Attorney General's Office and that particular concern has been addressed to a subsequent legislation that has been reported out by the Committee on Health. So it's up to the co-sponsor. In fact, he's going to present that before on the floor because that would provide and ensure that at least the Utilization Rates within the parameters of proprietary information is available to not only to the Government of Guam but also to the community.

There being no further comments, questions or concerns from the public and senators, the Chairman adjourned the public hearing on Bill No. 482-30 (COR).

*** The following individuals also provided written testimony on Bill 482-30 (COR):**

1. Senator Judith P. Guthertz
2. Mr. Artemio B. Ilagan, Director & Mr. John P. Camacho, Banking & Insurance Commission, Dept. of Revenue & Taxation (joint testimony) – **IN OPPOSITION**
3. Mr. Francis E. Santos, StayWell – **IN OPPOSITION**
4. Mr. Frank J. Campillo, Health Plan Administrator, SelectCare – **IN OPPOSITION**
5. Ms. Lourdes M. Perez, Director, Dept. of Administration
6. Ms. Gina Y. Ramos, Chief of Staff, TakeCare


III. FINDINGS & RECOMMENDATIONS

The Committee on Economic Development, Health & Human Services, and Judiciary, hereby reports out **BILL NO. 482-30 (COR) – “AN ACT TO ADD SUB ITEMS (1)(aa)(2)(3) AMEND SUB SECTION 43029(C) OF ARTICLE 3, CHAPTER 4, OF TITLE 4 GUAM CODE ANNOTATED TO ESTABLISH AN OPEN GOVERNMENT PROCESS IN HEALTHCARE INSURANCE NEGOTIATIONS FOR EMPLOYEES AND RETIREES OF THE GOVERNMENT OF GUAM AND TO ADD ITEMS (a)(b) AND AMEND SUB SECTION 15102 OF ARTICLE 1, CHAPTER 15, TITLE 22 GCA. THIS ACT SHALL BE KNOWN AS THE ‘HEALTHCARE INSURANCE TRANSPARENCY ACT OF 2010’.”; s introduced,** with the recommendation to PACS.

2010 OCT 20 PM 4:14 EPM

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2010 (SECOND) REGULAR SESSION

Bill No. 482-31 (COR)
Introduced by:

Judith P. Guthertz, ~~DPA~~ 

An Act to add sub items (1)(aa)(2)(3) amend sub Section 43029(C) of Article 3, Chapter 4, of title 4 Guam Code Annotated to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees of the government of Guam and to add items (a)(b) and Amend Sub Section 15102 of Article 1, Chapter 15, Title 22 GCA. This Act shall be known as the 'HealthCare Insurance Transparency Act of 2010.'

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslatura Guahan* finds that
3 annually, healthcare rates in Guam continue to rise. Over the course of the past three (3)
4 years, negotiations for health insurance services have been met by a single provider. As a
5 result of what has essentially become a 'sole source' process, public perception reflects a
6 constituency that is suspect of their insurance rates and coverage options. Aiding in the
7 this perception is the fact that for the fiscal 2010-2011 fiscal year, the expected Government
8 of Guam contribution will increase in the amount of 60 percent when compared to the
9 2009-2010 coverage year, while the individual consumer rates for qualified active
10 Government of Guam employees and retirees and their families will increase in some cases
11 to an estimated 280 percent.

12 In order to promote a more competitive market for health insurance providers,
13 administrators and or health maintenance organizations, foster vigorous competition in the

1 health arena and allay concerns of the general public that the Government of Guam failed
2 to negotiate judiciously with providers for a fair rate and adequate services *I Liheslatura*
3 *Guahan* finds it necessary to institute additional policies listed in subsequent sections of this
4 measure which shall be known as the 'HealthCare Insurance Transparency Act of 2010.'
5 Additionally, health insurance benefits for the 2010-2011 Government of Guam (GovGuam)
6 fiscal year will cost the government an estimated \$46 million. Roughly \$29 million had
7 been budgeted for such purposes. The Government of Guam will be burdened with
8 expending monies – as much as \$17 million - for an underfunded obligation, which is in
9 direct contravention of accepted program budgeting and financial management standards
10 for GovGuam.

11 It is the intent of *I Liheslatura Guahan* through the 'HealthCare Insurance
12 Transparency Act of 2010,' to ensure that healthcare insurance negotiations reflect the most
13 economical and beneficial health plan that provide the requisite medical care needs and
14 services for Government of Guam employees, retirees and their families. As well, through
15 this Act, the obligation of the approved health care insurance benefit shall be known prior
16 to the annual 'Open Enrollment' period as the process is brought into the standards of
17 conformance with the annual Budget Act process of the territory. Finally, this Act shall
18 authorize a feasibility study relative to the probability of providing a non-profit public
19 option for Guam.

20 **Section 2. Expanded Request for Proposals, Negotiations and Processes.**

21 Item (c) of Sub section 4302 of Article 3, Chapter 4, of Title 4 Guam Code Annotated
22 is hereby amended and new paragraphs (1)(aa)(2)(3) are added to read.

23 "(c) A Negotiating Team consisting of the Director of Administration, who shall be
24 Chairperson, the Administrator of the Department of Integrated Services for Individuals
25 with Disabilities ('DISID'), or his or her designee; the Director of the Bureau of Budget and
26 Management Research, or his or her designee; an employee representative from the Judicial

1 Branch to be appointed by the Chief Justice of the Supreme Court of Guam; an employee
2 representative from the Legislative Branch to be appointed by the Speaker of I Liheslaturan
3 Guåhan; the Superintendent of the Department of Education, or his or her designee; the
4 Director of the Government of Guam Retirement Fund, or his or her designee; and a retiree
5 who is a member of the Government of Guam Retirement Fund to be appointed by the
6 Board of Trustees of the Government of Guam Retirement Fund, and one (1) member of the
7 general public, appointed by I Maga'Lahen Guahan, shall examine the financial information
8 of the prepaid health insurance companies, health care providers or other legal entities for
9 the purpose of developing the most economical and beneficial health proposal plan for
10 Government of Guam employees and retirees. The Negotiating Team may obtain technical
11 support from other financial and health-related agencies. The Negotiating Team shall
12 develop its rules of procedure in accordance with the Administrative Adjudication Law.
13 The Negotiating Team with the approval of I Maga'Lahi is authorized to contract an
14 actuary competent to develop proposed health insurance rates or other recognized expert
15 to train and/or advise the Negotiating Team.

16 (1) The Director of the Department of Administration shall plan, and
17 implement prior to discussions for the 2011-2012 Fiscal Year, an expanded
18 competitive Request for Proposal process. The Director shall announce in
19 publications of general circulation in Guam, in top publications nationally
20 and in leading publications internationally, a Request for Proposal from
21 Health Care Insurance Providers for health insurance coverage for qualified
22 active employees and qualified retirees of the government of Guam.

23 (aa) Health Care Insurance Providers that respond and express
24 interest in providing coverage to qualified active employees and
25 retirees shall, if selected, maintain a bona-fide office and operations

1 base in Guam and possess a business privilege license to do business in
2 Guam.

3 (2) The negotiating team upon selection and review of the best available
4 proposals by participating healthcare respondents/providers which reflect the
5 most economical and beneficial healthcare insurance proposal plan for
6 Government of Guam employees and retirees, shall forward the accepted
7 proposals to I Maga'Lahen Guahan for consideration, and to I Liheslaturan
8 Guahan for final approval no later than July 31, and prior to the annual
9 Legislative Sessions wherein the upcoming Fiscal Year Budget for the
10 Government of Guam is before I Liheslaturan Guahan for consideration;

11 (3) Within 180 days of this Act, the Director of the Department of
12 Administration shall to issue a Request For Proposal from qualified
13 individuals or firms to conduct a feasibility study for a non-profit public
14 healthcare care insurance option for Guam. The RFP shall call for a plan that
15 provides for a level playing field with current and future private insurers,
16 and the non-profit public healthcare care insurance option which pays for
17 care from individual premiums and copayments not of the General Fund of
18 the Government of Guam. "

19 **Section 3.** Items (a)(b) are hereby added to; and Sub Section 15102 of
20 Article 1, Chapter 15, Title 22 GCA is hereby amended to read:

21 "§ 15102. Certificate of Authority. Legitimate bona-fide on-island, national or
22 international insurance companies or reinsurance companies shall not be
23 arbitrarily excluded from participating, partnering or from being licensed to
24 do business in Guam. Admission is secured by procuring a Certificate of
25 Authority from the Commissioner. Such certificate shall not be granted until
26 the applicant conforms to the applicable requirements of this Title and of the

1 other laws of Guam prerequisite to its issue. After a certificate is granted, the
2 insurer shall continue to comply with the requirements pertaining to it as set
3 forth in this Title and in the other laws of Guam. The issuance of the
4 Certificate of Authority shall be accomplished in a transparent fashion and
5 shall be published in accordance with applicable provisions of the Open
6 Government Law.

7 (a) The Insurance Commissioner shall revisit annually, the
8 requirements for a Certificate of Authority for providers of Healthcare
9 Insurance Coverage, to ensure that the processes remain transparent, fair and
10 open to eligible on-island, national and international Healthcare Insurance
11 providers in order to foster vigorous competition and shall amend its
12 requirements when necessary or recommend to I Liheslaturan Guahan,
13 changes to General Regulations and laws relative to Certificates of
14 Authority;”

15 (b) the requirements of a Certificate of Authority shall not used as a
16 primary reason to exclude on-island, national or international Healthcare
17 Insurance provider firms seeking to provide Healthcare Insurance providers
18 from participating in the Guam marketplace. The Insurance Commissioner
19 shall develop a process that does not impede the application and intent of an
20 on-island, national or international Healthcare Insurance provider to do
21 business in Guam.

22 **Section 4.** Effective Date. “Notwithstanding any other provisions of law,
23 provisions of this Act shall be in effect upon enactment into law. ”



SENATOR FRANK B. AGUON, JR., Chairman
COMMITTEE ON ECONOMIC DEVELOPMENT, HEALTH & HUMAN SERVICES, AND JUDICIARY
I Mina'Trenta Na Liheslaturan Guåhan • 30th Guam Legislature

PUBLIC HEARING DATE / TIME: Tuesday, November 16, 2010 / 9:00 am

AGENDA ITEM: BILL NO. 482-30 (COR) – JUDITH P. GUTHERTZ, DPA

AN ACT TO ADD SUB ITEMS (1)(aa)(2)(3) AMEND SUB SECTION 43029(C) OF ARTICLE 3, CHAPTER 4, OF TITLE 4 GUAM CODE ANNOTATED TO ESTABLISH AN OPEN PROCESS IN HEALTHCARE INSURANCE NEGOTIATIONS FOR EMPLOYEES AND RETIREES OF THE GOVERNMENT OF GUAM AND TO ADD ITEMS (a)(b) AND AMEND SUB SECTION 15102 OF ARTICLE 1, CHAPTER 15, TITLE 22 GCA. THIS ACT SHALL BE KNOWN AS THE 'HEALTHCARE INSURANCE TRANSPARENCY ACT OF 2010'.

NAME (PLEASE PRINT)	SIGNATURE	AGENCY OR ORGANIZATION	TESTIMONY		IN FAVOR	OPPOSE	CONTACT #
			ORAL	WRITTEN			
STAFF, Tom				<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
Frank Campillo		SELECTCARE		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2010 (SECOND) REGULAR SESSION

Bill No. **482-30(COR)**

Introduced by:

2010 Oct 20 @ 4:14p.m.

Judith P. Guthertz, DPA 

An Act to add sub items (1)(aa)(2)(3) amend sub Section 43029(C) of Article 3, Chapter 4, of title 4 Guam Code Annotated to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees of the government of Guam and to add items (a)(b) and Amend Sub Section 15102 of Article 1, Chapter 15, Title 22 GCA. This Act shall be known as the 'HealthCare Insurance Transparency Act of 2010.'

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5 who is a member of the Government of Guam Retirement Fund to be appointed by the
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Senator Judith Paulette Guthertz, DPA
Assistant Majority Leader

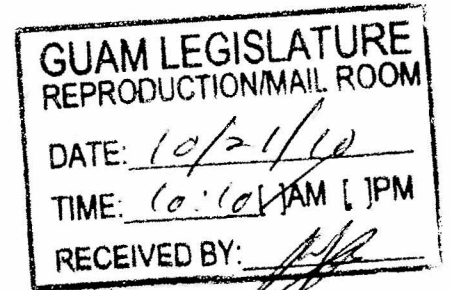


I Mina'Trenta na Liheslaturan Guåhan
Thirtieth Guam Legislature

CHAIRPERSON, COMMITTEE ON THE GUAM MILITARY BUILDUP AND HOMELAND SECURITY
155 Hesler Place, Hagåtña, Guam 96910 • Phone: (671) 472-JUDI (5834) • Fax: (671) 472-3547 • judiguthertz@pticom.com

October 21, 2010

Senator Frank B. Aguon Jr.
Chairman, Committee on Economic Development,
Health & Human Services and Judiciary
Ste. 701A, DNA Bldg.
238 Archbishop Flores St.
Hågatña, Guam 96910



Buenas Sen. Aguon:

It is expected that the attached measure, introduced on Oct. 20, 2010 as Bill No. 482-30(COR), 'The HealthCare Insurance Transparency Act of 2010,' will be referred to your committee.

I hereby respectfully request that the measure receive a public hearing at the earliest possible convenience. It's been highlighted that this year, the sole provider of GovGuam Healthcare Insurance in Guam, raised their costs - citing the provisions of the recently enacted "ObamaCare - to as high as 280 percent for subscribers while the rest of the nation averaged approximately 12 percent.

Aside from that, annually, healthcare rates in Guam, over the course of the past three years continue to rise with the same provider. Thus, I believe the current competitive process for coverage proposals is antiquated and helps to promote the impression of a monopoly.

I am also concerned that we may be in the same predicament next year. This Fiscal Year the Government of Guam will be expected to expend additional monies - as much as \$17 million - for an underfunded obligation, which is in direct contravention of accepted program budgeting and financial management standards for GovGuam. Health insurance benefits for the 2010-2011 fiscal year will cost the government an estimated \$46 million, though, just \$29 million had been budgeted for such purposes because the office of the governor failed to disclose the added costs prior to the conclusion of the current healthcare agreement and prior to the Legislature passing the 2010-2011 Fiscal Year Budget.

Over 16,000 active Government of Guam employees, eligible retirees, and their families are affected by the continued increase in costs for healthcare; many cannot afford the high deductibles. The high costs to GovGuam also affect the private sector and taxpayers. This measure is urgent. I urge you to schedule a public hearing as soon as possible.

Mr. Chairman, Bill 482-30(COR) will promote a more competitive market for health insurance providers, administrators and or health maintenance organizations, foster vigorous competition in the health arena and allay concerns of the general public that the Government of Guam seems to have failed to negotiate judiciously with providers for a fair rate and adequate services.

Senseramente,


Judi P. Guthertz, DPA

RECEIVED
10/22
NA
9:00am

Attachment: Bill 482-30



Dipáttamenton Kontribusion yan Adu'ána

DEPARTMENT OF

REVENUE AND TAXATION

GOVERNMENT OF GUAM

Gubetnamenton Guåhan

FELIX P. CAMACHO, Governor Maga'láhi
MICHAEL W. CRUZ, M.D., Lt. Governor Tifente Gubetnadot

ARTEMIO B. ILAGAN, Director
Direktot
Paul J. Pablo, Deputy Director
Segundo Direktot

Confirmation Copy

Handwritten signature: Paul J. Pablo
Date: 11/23/10

November 16, 2010

The Honorable Frank B. Aguon, Jr.
Chair, Committee on Economic Development,
Health and Human Services and Judiciary
238 Archbishop F.C. Flores St.
DNA Building, Suite 701A
Hagatna, Guam 96910

Re: Bill No. 482-30. "An Act to add sub items (1) (aa) (2) (3) amend sub Section 43029(C) of Article 3, Chapter 4, of title 4 Guam Code Annotated to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees of the government of Guam and to add items (a) (b) and Amend Sub Section 15102 of Article 1, Chapter 15, Title 22 GCA. This Act shall be known as the HealthCare Insurance Transparency Act of 2010."

Dear Senator Aguon:

Our names are Artemio B. Ilagan, the Director of the Department of Revenue & Taxation and John P. Camacho, the Banking and Insurance Commissioner. We are not in favor of Bill No. 482-30 in its current form.

We are in favor of transparency and we agree with the intent of this bill. As insurance regulators our primary mission is to protect consumers. To protect consumers, our office monitors the financial solvency of insurance companies. Financial solvency means that insurers shall have the cash to deliver the promise to pay the claims when policyholders are injured or incur a loss.

However, the proposed amendments contained in Bill No. 482-30 could greatly result to the unintended consequences of health insurance issuers not being able to pay the claims of health insurance consumers.

The proposed amendments to 22 GCA § 15102 on the issuance of certificate of authority to which we want to call your attention are as follows:

'§ 15102. Certificate of Authority. Legitimate bona-fide on-island, national or international insurance

companies or reinsurance companies shall not be arbitrarily excluded from participating, partnering, or

from being licensed to do business in Guam.

RECEIVED
Handwritten signature and date: 11/18/10

The insurers that are admitted and issued a certificate of authority on Guam are the best exhibits that the Insurance Commissioner does not exclude insurers that are adequately capitalized and financially solvent. Guam has issued certificates of authority to various classes such as: (1) domestic, those that are organized and incorporated in Guam, (2) foreign, those that are organized or incorporated in the 50 states and territories, and (3) alien, those that are incorporated in non United States jurisdiction.

Examples of domestic insurers include Island Home Insurance Company and Pacific Indemnity Insurance Company. Examples of foreign insurers include Prudential Life Insurance Company and John Hancock Life Insurance Company USA. Examples of alien insurers include, Chung Kuo Insurance Company Ltd, AIOI Insurance Company Ltd., Dongbu Insurance Company Ltd., Munich Re, Allianz Re and others.

If any applicant is denied the issuance of a certificate of authority, such applicant may request for a hearing before the Commissioner or before the Banking and Insurance Board. It is clear that there is a process in place and it is with confidence that I say no legitimate insurer that applied for a certificate of authority in Guam has been arbitrarily denied the issuance of a certificate of authority.

- (a) The Insurance Commissioner shall revisit annually, the requirements for a Certificate of Authority for providers of “Healthcare Insurance Coverage” to ensure that the processes remain transparent, fair and open to eligible on-island, national and international “Healthcare Insurance Providers” in order to foster vigorous competition and shall amend its requirements when necessary or recommend to I Liheslaturan Guahan, changes to General Regulations and laws relative to Certificates of Authority;

The words “Healthcare Insurance Coverage” and “Healthcare Insurance Providers” are capitalized. When words are capitalized they are usually defined so that there is no room to interpret what the word means or what is intended by the proponent.

For instance, it is my belief that Healthcare Insurance Providers could mean a health insurance carrier or issuer. If asked, this means an entity that is authorized with a certificate of authority to issue health insurance policies or contracts to policyholders. In the absence of a definition or a reference, the word Health Insurance Providers could mean a hospital, a clinic or a group of healthcare providers that promises to treat patients in exchange for a monthly fee at a discount.

It is suggested that the words in the Patient Protection and Affordable Care Act (PPACA) instead be used. For example, in lieu of the words Healthcare Insurance Coverage PPACA uses the words

“health insurance coverage.” Also in lieu of the words Healthcare Insurance Providers PPACA uses the words “health insurance issuer”. (Please see 42 U.S.C. § 300gg, PPACA amendments to HIPAA.)

Subsection (b) the requirements of a Certificate of Authority shall not be used as a primary reason to exclude on-island, national or international Healthcare Insurance provider firms seeking to provide Healthcare Insurance providers from seeking participating in the Guam marketplace. The Insurance Commissioner shall develop a process that does not impede the application and intent of an on-island, national or international Healthcare Insurance provider to do business in Guam.

Foremost in the requirements for the issuance of a certificate of authority is that the Commissioner ascertains that an insurer that seek to be issued a certificate of authority must have adequate capital. Second, that adequate capital must be in cash or liquid assets that can be readily converted into cash. This is the best process to make sure that insurers make good on their promises to pay claims to the policyholders.


For sure, the Guam Legislature has the authority to waive or dispense with the requirements of the issuance of a certificate of authority in the process of participating in the Guam marketplace. However, the waiver could result that a health insurance issuer may or may not have adequate capital, or may or may not have cash or liquid assets to pay claims as promised in the insurance contracts.


For an on-island insurer to be issued a certificate of authority, there are certain requirements: (i) publications, (ii) public hearing, (iii) capitalization requirements, (iv) financial solvency, (v) capability to infuse cash as needed, (vi) managerial experience in the management and underwriting of insurance, (vii) financial expertise, (viii) good character, and (ix) access to reinsurance. Foreign insurers are vetted by the Insurance Commissioners in 50 states. Alien regulators have their own set of regulations.

If an entity that has not gone through any regulatory process of obtaining a certificate of authority, is allowed to participate in the provision of healthcare insurance policies – as set forth in Subsection b – it is a great possibility that government of Guam may enter into a contract with a health insurance plan issuer that will not be able to deliver the promise to pay the health insurance claims.

For the reasons stated above, it is strongly recommended that the proposed amendments to 22 GCA §15102, Certificate of Authority be deleted from this bill.

Sincerely,


ARTEMIO B. ILAGAN
Director


JOHN P. CAMACHO
Banking and Insurance Commissioner

competition in the health insurance market in the State, and value for consumers so that premiums are used for clinical services and quality improvements.

“(3) ENFORCEMENT.—The Secretary shall promulgate regulations for enforcing the provisions of this section and may provide for appropriate penalties.

“(c) DEFINITIONS.—Not later than December 31, 2010, and subject to the certification of the Secretary, the National Association of Insurance Commissioners shall establish uniform definitions of the activities reported under subsection (a) and standardized methodologies for calculating measures of such activities, including definitions of which activities, and in what regard such activities, constitute activities described in subsection (a)(2). Such methodologies shall be designed to take into account the special circumstances of smaller plans, different types of plans, and newer plans.

“(d) ADJUSTMENTS.—The Secretary may adjust the rates described in subsection (b) if the Secretary determines appropriate on account of the volatility of the individual market due to the establishment of State Exchanges.

“(e) STANDARD HOSPITAL CHARGES.—Each hospital operating within the United States shall for each year establish (and update) and make public (in accordance with guidelines developed by the Secretary) a list of the hospital’s standard charges for items and services provided by the hospital, including for diagnosis-related groups established under section 1886(d)(4) of the Social Security Act.

“SEC. 2719 [42 U.S.C. 300gg-19]. APPEALS PROCESS.

[Replaced by section 10101(g)]

“(a) INTERNAL CLAIMS APPEALS.—

“(1) IN GENERAL.—A group health plan and a health insurance issuer offering group or individual health insurance coverage shall implement an effective appeals process for appeals of coverage determinations and claims, under which the plan or issuer shall, at a minimum—

“(A) have in effect an internal claims appeal process;

“(B) provide notice to enrollees, in a culturally and linguistically appropriate manner, of available internal and external appeals processes, and the availability of any applicable office of health insurance consumer assistance or ombudsman established under section 2793 to assist such enrollees with the appeals processes; and

“(C) allow an enrollee to review their file, to present evidence and testimony as part of the appeals process, and to receive continued coverage pending the outcome of the appeals process.

“(2) ESTABLISHED PROCESSES.—To comply with paragraph

(1)—

“(A) a group health plan and a health insurance issuer offering group health coverage shall provide an internal claims and appeals process that initially incorporates the claims and appeals procedures (including urgent claims) set forth at section 2560.503-1 of title 29, Code of Federal Regulations, as published on November 21, 2000 (65 Fed.



November 16, 2010

Honorable Frank B. Aguon, Jr.
Senator, 30th Guam Legislature
Committee on Economic Development,
Health and Human Services, and Judiciary

Re: Bill 482-30

Dear Senator Aguon:

Thank you for the opportunity to submit testimony on Bill 482-30, titled the Health Care Insurance Transparency Act of 2010.

For more than twenty years, StayWell provided affordable and comprehensive medical and dental benefits to the employees, retirees and families of the Government of Guam. We left the GovGuam market in 2007 because of a business decision by our insurance carrier. For the past three years, we have attempted to re-enter the GovGuam market. However, because of the lack of utilization claims data we have been unable to properly project premiums for this unique group.

We thank you, Senator Ben Pangelinan and the members of the 30th Guam Legislature for the passage of PL 30-93 and PL 30-187. These two public laws will require the insurance provider underwriting the GovGuam group health insurance plan to make available claims utilization and cost information. We look forward to the opportunity to analyze the claims utilization and cost information and submit a proposal.

We have reviewed Bill 482-30 and do not support this bill. We understand and appreciate the efforts of Senator Judi Guthertz to find a solution or solutions to the GovGuam health insurance program, but this propose legislation is not the answer.

Our association is ready and willing to help the GovGuam team responsible for preparing the annual "request for proposal" and "invitation to bid" for the upcoming fiscal year, should they need our help. Should you have questions or need more information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Francis E. Santos". The signature is fluid and cursive, with a large initial "F" and "S".

Francis E. Santos



115 Chalan Santo Papa Hagåtña • P.O. Box FJ Hagåtña, Guam 96932 • Phone: (671) 477-9808 • Fax: (671) 477-4141

November 16, 2010

Senator Frank B. Aguon.
Chairman Committee on Economic Development,
Health & Human Services and Judiciary
I MINA TRENTA NA LIHESLATURAN GUAHAN
238 Archbishop F.C. Flores St.
DNA Bldg., Suite 701A
Hagatna, Guam 96910

HAND DELIVERED

Re: **BILL 482-30**

Dear Senator Aguon:

Thank you for inviting our testimony on the aforementioned bill. We believe the bill is unnecessary and we oppose it for the following reasons:

1. The Government of Guam currently has in place a system for procuring health insurance service for its employees and retirees, which is extremely transparent and it engages the most participation and representation of GovGuam agencies and individuals representing fellow employees and retirees
2. GovGuam should not spend money on a feasibility study that will most likely point out that a non-profit public option is a fruitless experiment for the Government, as this option was unsuccessfully tried by the Government of Guam in past years
3. Despite the recent various advertisements on GovGuam rates, the fact remains that rates for GovGuam employees and retirees are significantly lower than comparable entities such as Hawaii State Employees and the Federal Health Benefit Plans for Federal Employees. Please reference the attached exhibits
4. GovGuam should rather spend money on studies to find alternative means to implement programs that may serve as cost savers such as enrolling all eligible retirees in Medicare, seek allowance from the Federal Government to allow GovGuam to participate in the Early Retiree Reinsurance Program, and other such programs that may facilitate cost containment
5. GovGuam should rather empanel a group to conduct a feasibility study on the cost and consequences of implementing the Federal Healthcare Reform
6. The function of the Guam legislature is to legislate not to implement, and the suggested bill seems to take the role of the administration

I would like to reiterate the process currently in place to validate that the above bill is unnecessary and support our opposition to the bill:

- The Government of Guam through the Department of Administration issues annually a request for proposal (RFP) and requires interested qualified offerors to submit proposals
- The RFP outlines the requirements that a qualified offeror must follow

- The RFP details the type of documentation, claims and medical utilization data required
- The RFP provides the Health Insurance Rules and Regulations applicable to this process
- The RFP sets forth the process of negotiating the benefits
- The insurance rules and regulations are clear and details what is required from the qualified offeror
- The negotiating committee, composed of numerous individuals representing GovGuam, obtains enough information and is supported by a nationally recognized actuarial firm
- The committee, if needed, seeks and obtains additional data during the negotiations
- The committee recommends and the Governor ultimately makes the decision to approve or disapprove the negotiations

I also would like to quote sections of the insurance rules and regulations to further corroborate the transparency of the current process:

Section 200.3:

“The Director of Administration and the negotiating team are committed to the concept of providing Government of Guam enrollees with a comprehensive health benefit plan(s) and ensuring that such benefits are delivered **efficiently and economically** for all participants in the plan”.

Section 200.6:

“The negotiating team shall require sufficient data from each carrier making a bid to be satisfied that the Government of Guam and its enrollees shall **receive good value for their premium payments**. In addition each carrier that submits a proposal which has previously provided coverage to the Government of Guam enrollees shall provide reports of its financial experience of the plan” .

Section 400.1D:

“Each carrier shall submit to the Director of Administration statistical report(s) showing **utilization and claims data** on the Government of Guam enrollees covered thereunder. Each carrier shall provide specific information about the portion of cost due to specific benefits. These benefits shall include, but are not limited to, hospitalization, physical examinations, and mental care in and outside the hospital. Each carrier shall provide enrollment information by age and sex of member, separately for enrollees”.

In addition to the Government of Guam Insurance Rules and Regulations, each carrier must comply and agree with the administrative and marketing procedures outlined in the RFP. Said procedures include some of the following requirements:

- A. Good faith negotiations
- B. Confidentiality
- C. Media/ex Parte Communications

I outlined the above to reemphasize that the Government of Guam negotiating team headed by the Department of Administration and composed of members from Bureau of Budget and Management Research, Department of Education, GovGuam Retirement Fund, Department of Integrated Services for Individuals with Disabilities (DISID), Judicial & Legislative Branch Representatives and a Retiree representative are provided with extensive and detailed information to allow them to make sound decisions and successfully negotiate health benefits for GovGuam. This process is the most transparent and includes the most representation than any other procurement process of GovGuam.

The exodus of insurance carriers from the GovGuam pool began over a decade ago, and I am afraid that the most recent overzealous attacks on the only and current carrier serves to support the unattractiveness of this program due to its political volatility. A fact missed in the recent rate discussions was that the FY2010 rates were decreased as much as 25% in some areas when compared to the FY2009 rates and benefits were significantly improved, however, the net result of these improvements was a massive increase in claim utilization and the required increase in rates for the FY2011 program. GovGuam has made several attempts to attract other carriers to bid and as recently as 2009 Guardian Life attempted to provide dental services, but this company withdrew soon after open enrollment ended.

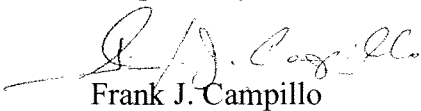
In regards to cost, I would like to provide a couple of thoughts that could perhaps help in shaping real cost saving legislation that will help not only contain cost for GovGuam employees and retirees but for the entire Island as a whole:

- A fundamental predicament of our healthcare system is that health care becomes almost an unlimited entitlement, where the provider of services defines how much services to provide and how much to charge for it, and this becomes a huge challenge to contain cost
- Insurance companies themselves are not the core medical cost drivers but rather other medical providers, such as the pharmaceutical industry and hospitals drive cost up
- Addressing the medical cost driver challenges should be a priority of the Guam Legislature
- The Legislature should increase contributions towards health insurance benefits for GovGuam employees as it remains as one of the lowest in the nation

In closing, we oppose this bill as it is completely unnecessary as it will not provide any better value to the procurement of health benefits for the GovGuam employees and retirees.

Please let me know of any questions that you may have.

Respectfully,



Frank J. Campillo
Health Plan Administrator

Enclosures: Copies of Rates for Hawaii State Employees and Federal Employees

2011 Rate Information for the Blue Cross and Blue Shield Service Benefit Plan

Non-Postal rates apply to most non-Postal employees. If you are in a special enrollment category, refer to the *Guide to Federal Benefits* for that category or contact the agency that maintains your health benefits enrollment.

Postal rates apply to career Postal Service employees. Most employees should refer to the *Guide to Benefits for Career United States Postal Service Employees*, RI 70-2, and to the rates shown below.

The rates shown below do not apply to Postal Service Inspectors, Office of Inspector General (OIG) employees, and Postal Service Nurses. Rates for members of these groups are published in special Guides. Postal Service Inspectors and OIG employees should refer to the *Guide to Benefits for United States Postal Inspectors and Office of Inspector General Employees* (RI 70-2IN). Postal Service Nurses should refer to the *Guide to Benefits for United States Postal Nurses* (RI 70-2NU).

Postal rates do not apply to non-career postal employees, postal retirees, or associate members of any postal employee organization who are not career postal employees. Refer to the applicable *Guide to Federal Benefits*.

Type of Enrollment	Enrollment Code	Non-Postal Premium				Postal Premium	
		Biweekly		Monthly		Biweekly	
		Gov't Share	Your Share	Gov't Share	Your Share	USPS Share	Your Share
Standard Option Self Only	104	\$180.66	\$86.39	\$391.43	\$187.18	\$203.24	\$63.81
Standard Option Self and Family	105	\$403.98	\$199.20	\$875.29	\$431.60	\$454.48	\$148.70
Basic Option Self Only	111	\$156.98	\$52.32	\$340.11	\$113.37	\$176.86	\$32.44
Basic Option Self and Family	112	\$367.61	\$122.53	\$796.48	\$265.49	\$414.17	\$75.97

Hawaii State Employees

Total Monthly Premiums¹ (All Bargaining Units except BU 12²)

Carrier or Administrator	Type of Plan	Coverage	Total Contributions Effective 1/1/2010	7/1/09 - 12/31/09 Premium		Difference	
				HMSA	HMA	HMSA	HMA
EUTF PPO (HMA) RSN Chiropractic	90/10 PPO Medical and Chiropractic	Self	\$283.36	\$283.36	\$276.46	\$0.00	\$6.90*
		Two Party	\$687.70	\$687.70	\$670.96	\$0.00	\$16.74*
		Family	\$877.04	\$877.04	\$855.66	\$0.00	\$21.38*
EUTF PPO (HMSA) RSN Chiropractic	80/20 PPO Medical and Chiropractic	Self	\$274.16		N/A		N/A
		Two-Party	\$665.34		N/A		N/A
		Family	\$848.52		N/A		N/A
EUTF Prescription Drugs Only (informedRx)	Prescription Drugs Only	Self-only	\$63.86		\$63.86		\$0.00
		Two-Party	\$155.06		\$155.06		\$0.00
		Family	\$197.96		\$197.96		\$0.00
EUTF HMO (HMSA) Prescription Drug RSN Chiropractic	HMO Medical, Drugs, and Chiropractic	Self	\$384.32		\$384.32		\$0.00
		Two-Party	\$932.84		\$932.84		\$0.00
		Family	\$1,189.90		\$1,189.90		\$0.00
Kaiser Comprehensive Prescription Drug RSN Chiropractic	HMO Medical, Drugs, and Chiropractic	Self	\$311.94		\$307.66		\$4.28
		Two-Party	\$756.44		\$746.08		\$10.36
		Family	\$965.44		\$952.24		\$13.20
Kaiser Basic Prescription Drug RSN Chiropractic	HMO Medical, Drugs, and Chiropractic	Self	\$276.26		\$272.50		\$3.76
		Two-Party	\$669.80		\$660.64		\$9.16
		Family	\$854.92		\$843.24		\$11.68
EUTF Supplemental (HMSA) Prescription Drug RSN Chiropractic	Supplemental Medical, Drugs and Chiropractic	Self	\$203.00		\$203.00		\$0.00
		Two-Party	\$492.80		\$492.80		\$0.00
		Family	\$628.56		\$628.56		\$0.00
Royal State Supplemental RSN Drug RSN Chiropractic	Supplemental Medical, Drugs, and Chiropractic	Self	\$56.62		\$56.62		\$0.00
		Two-Party	\$139.74		\$139.74		\$0.00
		Family	\$157.40		\$157.40		\$0.00
EUTF High Deductible Health Plan (HMSA) Prescription Drug	PPO Medical and Drugs	Self	\$260.32		\$260.32		\$0.00
		Two-Party	\$632.56		\$632.56		\$0.00
		Family	\$807.42		\$807.42		\$0.00
HDS	Dental	Self	\$30.78		\$30.78		\$0.00
		Two-Party	\$61.58		\$61.58		\$0.00
		Family	\$101.34		\$101.34		\$0.00
VSP	Vision	Self	\$6.04		\$6.04		\$0.00
		Two-Party	\$11.18		\$11.18		\$0.00
		Family	\$14.62		\$14.62		\$0.00
Standard Insurance	Life Insurance	Employee	\$4.16		\$4.16		\$0.00

¹Employer and Employee contributions are subject to Collective Bargaining.

²BU 12 employees should contact their employer or go to the EUTF website (www.eutf.hawaii.gov) for information regarding their premiums and contributions.

*Those employees currently in the PPO plan with HMSA are already at the higher rates and will not have an increase if they stay in the 90/10 plan with HMA.

Reference:

http://www.eutf.hawaii.gov/OE_2010/OE_2010.htm

Guam Federal Employees (Non-Postal)

Non-Postal Premium Rates for the Federal Employees Health Benefits Program												
Health Management Organizations (HMO)			2009 Total Biweekly Premium	2010 Biweekly premium rates				2009 Total Monthly Premium	2010 Monthly premium rates			
Plan - Option - Enrollment Code				Total Premium	Gov't Pays	Empl. Pays	Change in empl. payment		Total Premium	Gov't Pays	Empl. Pays	Change in empl. payment
	High Family	DG2	438.48	448.05	338.04	112.01	2.90	945.86	970.78	728.09	242.69	6.28
	Standard Self	DG4	172.50	181.13	135.65	45.28	2.16	373.75	392.45	294.34	98.11	4.87
	Standard Family	DG5	396.77	407.53	305.65	101.88	2.69	859.67	892.98	662.24	220.74	5.92
Georgia Humana Employers Health of Georgia, Inc.												
	High Self	DN1	New Plan	212.94	159.71	53.23	New Plan	New Plan	481.37	348.03	115.34	New Plan
	High Family	DN2	New Plan	479.12	359.34	119.78	New Plan	New Plan	1038.09	778.57	259.52	New Plan
	Standard Self	DN4	New Plan	191.65	143.74	47.91	New Plan	New Plan	415.24	311.43	103.81	New Plan
	Standard Family	DN5	New Plan	431.20	323.40	107.80	New Plan	New Plan	934.27	700.70	233.57	New Plan
Georgia Kaiser Foundation Health Plan of Georgia Inc. HDHP												
	HDHP Self	GW1	151.84	151.84	113.88	37.96	.00	328.99	328.99	248.74	82.25	.00
	HDHP Family	GW2	341.35	341.35	258.01	85.34	.00	739.59	739.59	554.69	184.90	.00
Georgia Kaiser Foundation Health Plan of Georgia, Inc.												
	High Self	F81	197.92	219.12	184.34	54.78	5.30	428.83	474.76	356.07	118.69	11.48
	High Family	F82	453.24	501.80	378.04	126.76	12.45	982.02	1097.23	814.75	272.48	28.98
	Standard Self	F84	136.31	149.80	112.35	37.45	3.62	293.17	324.57	243.43	81.14	7.85
	Standard Family	F85	309.87	343.05	257.29	85.76	8.29	671.39	743.28	557.46	185.82	17.97
Georgia UnitedHealthcare Insurance Company, Inc.												
	HDHP Self	E91	140.91	151.17	113.39	37.79	2.68	305.31	327.54	245.86	81.68	5.55
	HDHP Family	E92	314.80	337.72	253.29	84.43	5.73	682.07	731.73	548.90	182.93	12.41
	CDHP Self	E94	164.79	180.80	135.45	45.15	3.95	357.05	391.30	293.48	97.82	8.58
	CDHP Family	E95	364.78	399.79	299.84	99.94	8.75	790.38	866.19	649.84	216.55	19.96
Georgia UnitedHealthcare Insurance Company, Inc.												
	HDHP Self	E91	140.91	151.17	113.39	37.79	2.68	305.31	327.54	245.86	81.68	5.55
	HDHP Family	E92	314.80	337.72	253.29	84.43	5.73	682.07	731.73	548.90	182.93	12.41
	CDHP Self	E94	164.79	180.80	135.45	45.15	3.95	357.05	391.30	293.48	97.82	8.58
	CDHP Family	E95	364.78	399.79	299.84	99.94	8.75	790.38	866.19	649.84	216.55	19.96
Guam TakeCare												
	High Self	JK1	247.51	229.79	197.81	92.18	-29.67	536.27	497.88	363.16	134.72	-94.29
	High Family	JK2	650.45	603.88	378.04	227.92	-70.07	1409.31	1308.36	914.75	493.61	-151.82
	Standard Self	JK4	195.24	207.89	155.62	51.97	3.18	423.02	450.43	337.92	112.61	8.98

Reference:

<http://www.opm.gov/insure/health/rates/index.asp>

2011 Rate Information for - TakeCare Health Plans

Non-Postal rates apply to most non-Postal employees. If you are in a special enrollment category, refer to the Guide to Federal Benefits for that category or contact the agency that maintains your health benefits enrollment.

Postal rates apply to career Postal Service employees. Most employees should refer to the Guide to Benefits *for Career United States Postal Service Employees*, RI 70-2, and to the rates shown below.

The rates shown below do not apply to Postal Service Inspectors, Office of Inspector General (OIG) employees and Postal Service Nurses. Rates for members of these groups are published in special Guides. Postal Service Inspectors and OIG employees should refer to the *Guide to Benefits for United States Postal Inspectors and Office of Inspector General Employees* (RI 70-2IN). Postal Service Nurses should refer to the *Guide to Benefits for United States Postal Nurses* (RI 70-2NU).

Postal rates do not apply to non-career postal employees, postal retirees, or associate members of any postal employee organization who are not career postal employees. Refer to the applicable Guide to Federal Benefits.

Type of Enrollment	Enrollment Code	Non-Postal Premium				Postal Premium	
		Biweekly		Monthly		Biweekly	
		Gov't Share	Your Share	Gov't Share	Your Share	USPS Share	Your Share
High Option Self Only	JK1	172.34	57.45	373.41	124.47	194.17	35.62
High Option Self and Family	JK2	403.98	199.88	875.29	433.07	454.48	149.38
Standard Option Self Only	JK4	152.90	50.97	331.29	110.43	172.27	31.60
Standard Option Self and Family	JK5	403.78	134.59	874.85	291.62	454.48	83.89
HDHP Option Self Only	KX1	112.68	37.56	244.14	81.38	126.95	23.29
HDHP Option Self and Family	KX2	296.57	98.85	642.57	214.18	334.13	61.29



GOVERNMENT OF GUÅHAN
(GUBETNAMENTON GUÅHAN)

DEPARTMENT OF ADMINISTRATION
(DIPATTAMENTON ATMENESTRASION)



Felix P. Camacho
Governor
Michael W. Cruz, M.D.
Lieutenant Governor

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TEL: (671) 475-1101/1250 * FAX: (671) 471-8788

Lourdes M. Perez
Director
Joseph C. Manibusan
Deputy Director

HRD No.: OG-11-0157

18 NOV 2010

Francisco
Bill 482
12/2/10

Senator Frank B. Aguon
Chairman, Committee on Economic Development,
Health & Human Services, Judiciary
238 Archbishop F. C. Flores St.
DNA Bldg., Suite 701A
Hagatna, Guam 96910



Dear Senator Aguon:

Thank you for the opportunity to comment on Bill 482-30 regarding the HealthCare Insurance Transparency Act of 2010.

The legislative intent of Bill 482-30 is number 1) to allow for a more competitive market and number 2) to address the funding obligation.

We agree with the intent of Bill 482-30 in promoting a more competitive market for health insurance providers but unsure that the lone introduction of this bill will totally resolve this issue. This bill calls for expanded publications locally, nationally and internationally. Our department will be prepared to advertise as such and will explore all options to meet this requirement. Our Consultants, Aon Consulting, Denver Office has also assisted the government in soliciting insurance carriers by meeting with mainland carriers such as Guardian Dental and Aetna Global. Aetna Global, did express interest with the government, however, with the lack of much needed utilization claims data, they have declined to submit proposals. This same concern has been expressed by another local insurance carrier, that without utilization claims data, they were unable to convince their reinsurers to submit proposals. Senator Pangelinan introduced PL 30-93, requiring that health insurance carriers contracting with the government of Guam (GovGuam) provide specific utilization data. We believe the intent of this law was to have this information publicly available. However, the provisions of PL 30-93 made it clear that claims utilization information must be given to the Negotiating Team (Team), and did not state that the team may divulge the information. We have been advised by the Attorney General's Office that such information be kept private and confidential. As such, the latest FY2011 Request for Proposal (RFP) was issued without the claims data. Senator Pangelinan has drafted Bill 431-30 (COR) to emphasize that this information be made public. We support Bill 431-30 and believe with the claims data being public, it will promote more competition, as in the intent of Bill 482-30.

Furthermore, while more advertising may alert other carriers of the GovGuam market, we must also look at the historical experience of GovGuam's market. We have seen other carriers such as Pacificare, Guam Health Shield and Staywell withdraw themselves from the GovGuam market. This may be attributed to high utilization as well as that the vast majority of our retirees are not eligible for Medicare.

Bill 482-30 further mentions that it is necessary to institute additional policies for transparency. In its proposed format, Bill 482-30 requires that the Team forward the accepted proposals to *I Maga'Lahen Guahan* for consideration and to *I Legislaturan Guahan* for final approval no later than July 31. We interpret this proposed language to remove the Governor as the final authority to contract with health insurance providers, thus, stripping one of the functions of the Executive Branch to enter into contracts, pursuant to Title 4, Section 4301 (a), which states "The Governor is authorized to enter contracts and reject proposals...". We understand the Legislature's concern of ensuring that there is adequate funding to support the negotiated premiums. However, please note that this is not the first time that the government has seen a rate increase. The expansion of benefits, as required by the Patient Protection and Affordable Care Act (PPACA), were contributing factors. The requirements of PPACA


will also have an impact on future increases, such as no annual dollar limits on essential benefits. Additionally, the FY2010 benefits resulted in higher loss ratios than what was originally projected, and therefore, had a significant impact on the FY2011 rates. Therefore, we respectfully ask that the process not be changed due to this recent experience. We are especially concerned that there is no timeframe indicated in this bill for the Senators to approve the proposals. The timeline for negotiations is already on a tight basis and concerned that this change may constrict the process even more. We are willing to make any necessary arrangements to ensure that the Legislature is informed of the results of the negotiations. Perhaps, some of the Legislature's concerns can be addressed by clarifying who the Legislature's representative shall be in the Team, and his or her role as a member of the Team.

Bill 482-30 also states that the Team shall forward the accepted proposals prior to the annual Legislative Sessions for consideration of the upcoming Fiscal Year Budget for the Government of Guam. Please note that the annual health negotiations occur in June and July. The Governor is required to submit the budget by January 31, 2011, before the negotiations proceedings. Upon conclusion of the negotiations, and considering that there may be rate increase due to PPACA requirements, etc., we are inquiring whether the Legislature will view this matter as a supplemental funding request?

Bill 482-30 also calls for the issuance of an RFP for a non-profit public healthcare insurance for Guam. This type of healthcare insurance will essentially be available to the entire Guam population. We recommend that this project be assigned to the Director of the Department of Public Health and Social Services. Public Health has access to more comprehensive data on the island's healthcare and employs healthcare professionals. Ideally, the Department of Public Health would be the best department to head this project. We also recommend that for this process to proceed, that there is funding appropriated for the responsible department handling the project.

We do not fully support the passage of Bill 482-30 and request that the above recommendations be considered.

Should you have any questions, please contact the Human Resources Division at 475-1288. Si Yu'us Ma'ase.


LOURDES M. PEREZ, DIRECTOR
Department of Administration



P.O. Box 6578 Tamuning, Guam 96931
Telephone: (671) 646-6956 Fax (671) 647-3520

Frances,
Bill 482
8 11/30/10

November 22, 2010

VIA HAND DELIVERY

Senator Frank B. Aguon, Jr.
Chairman, Committee on Economic Development
Health and Human Services, and Judiciary
Thirtieth Guam Legislature
238 Archbishop F.C. Flores Street
Suite 701 DNA Building
Hagatna, Guam 96910

Re: Bill No. 482-30

Dear Senator Aguon:

This letter is submitted for the consideration of the Committee on Economic Development Health and Human Services, and Judiciary (the "Committee") as written comment on Bill No. 482-30, "An Act to add sub items (1){aa}(2)(3) amend sub Section 43029(C) of Article 3, Chapter 4, of title R Guam Code Annotated to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees of the government of Guam and to add items (a)(b) and Amend Sub Section 15102 of Article 1, Chapter 15, Title 22 GCA. This Act shall be known as the 'HealthCare Insurance Transparency Act of 2010.'" (hereinafter referred to as "the Bill"). For the reasons stated herein, TakeCare Insurance Company, Inc. ("TakeCare") respectfully supports the passage of parts of the Bill and opposes the passage of other parts of the Bill.

Bill No. 482 is divided into 4 sections. Each Section is discussed below.

SECTION 1.

Section 1 is Legislative Findings and Intent. Ostensibly it is the reason the sponsor of the Bill has introduced the proposed legislation. TakeCare has no comment on the Legislative Findings and Intent.

SECTION 2.

Section 2 amends Subsection (c) of 4 G.C.A. § 4302 regarding the makeup of the Negotiating Team for the Government of Guam's Group Health Insurance Program (the "Program") in three (3) respects. The Subsection currently lists the various agency heads and other individuals that make up the Negotiating Team. **The first change** proposed by Section 2 is to add one member of the general public appointed by the Governor to the Negotiating Team for the Program. TakeCare supports the addition of a member of the general public to the Negotiating Team.

The second change proposed by Section 2 is to remove the authority from the Negotiating Team and the Governor to make the final selection of the insurers for the Program. The Negotiating Team is given specific instructions on how to solicit proposals for each fiscal year. These instructions include publishing the RFP in Guam and "in top publications nationally and in leading publications internationally."

RECEIVED

Once the Negotiating Team has selected the best proposals, it is then instructed to forward such proposals to the Governor and the Legislature. The proposals are sent to the Governor for consideration only, and not for the purpose of a final approval and execution of a contract. Instead, the proposals are sent to the Legislature which is identified as the body to make a "final approval" on the selection of proposals by July 31 on an annual basis.¹ The July 31 deadline is so that the Legislature may take the proposals into account during its budgeting process.

TakeCare supports an expanded procurement process to solicit a larger number of proposals so long as all prospective responders are treated equally under Guam Law. However, there is no legitimate reason for alien and/or foreign companies to receive preferential treatment in the procurement process for insurance contracts under the Program. While it may be true that only one insurer has responded to the RFPs issued by the Department of Administration for the Government of Guam Group Health Insurance Program in the past several years, the reasons other insurers have not responded has nothing to do with whether the insurers are domestic, foreign or alien. The reasons that local insurers are not responding to the RFPs are the same reasons that alien and foreign insurers have not responded. The challenge for any prospective insurer in considering the Program is the Program itself.

The problems with the Program have been known for years. Public Law 27-125 established a Government of Guam Health Insurance Review Committee to conduct a study regarding the costs of health care for Government of Guam active employees and retirees with instructions to provide both the Legislature and the Governor with a written report of its findings. Section 78 of Public Law 29-113 authorized the Retirement Fund Board of Trustees to conduct a study to develop "an economical and beneficial health plan for members of government of Guam Retirement Fund." Although the focus of the study was on retirees, the resulting study issued by Milliman, Inc. reviewed the Program in its entirety, including interviews of all of the local health insurance companies.² The Milliman report documented in detail the problems with the Program, and made recommendations to address them. Until the problems with the Program are addressed insurers will not be interested in participating in the Program.

Based on the above, while TakeCare supports any procurement process that is fair and nondiscriminatory, it opposes the passage of the Bill to the extent that any preferential treatment is to be provided to alien and/or foreign insurers in an expanded RFP process.

The third change proposed by Section 2 of the Bill is that within 180 days of the passage of Bill No. 482, DOA is to issue an RFP for a feasibility study for a non-profit public healthcare option for Guam. While not entirely clear in meaning, such option is to insure a level playing field with private insurers and which provides coverage without any "copayment" from the Government of Guam. As mentioned above, examinations of the Program has already been conducted and problems have not been addressed. Even though the focus of the studies was not the feasibility of a non-profit plan, the underlying concerns about the Program remain the same when considered by a non-profit insurer. Unless and until the fundamental problems with the Program are addressed, it is unlikely a non-profit plan would succeed.

¹ TakeCare notes that the provision allowing the Legislature to have final approval on the proposals to be selected by the Negotiating Team may be a violation of the separation of powers between the Executive and Legislative branches of the Government of Guam as set forth in the Organic Act of Guam, and could be subject to legal challenge by various avenues, including a procurement dispute.

² *Report on Health Insurance for Members of Government of Guam Retirement Fund*, Milliman, Inc. August 11, 2009. A copy of the Milliman Report dated August 11, 2009, is attached for your reference.

The money which would be used to procure a feasibility study would be better used to address known problems with the Program.

SECTION 3.

Section 3 of the Bill amends 22 G.C.A. § 15102 of the Insurance Law (Title 22, Division 2 of the Guam Code Annotated). Section 15102 currently is the code section which requires insurers to obtain a Certificate of Authority ("COA") from the Banking and Insurance Commissioner (the "Commissioner") before transacting insurance in Guam.³ It adds the following provisions:

"Legitimate bona-fide on-island, national or international insurance companies or reinsurance companies shall not be arbitrarily excluded from participating, partnering or from being licensed to do business in Guam."

"The issuance of the Certificate of Authority shall be accomplished in a transparent fashion and shall be published in accordance with applicable provisions of the Open Government Law."

The language proposed to be added to Section 15102 is completely unnecessary and will not do anything to change existing law for the better. The process of the issuance of COAs by the Commissioner is already appropriately governed not only by the Open Government Law, but also by provisions under the Insurance Law which are more specific than the Open Government Law. Before the Commissioner can issue a COA to an insurer, he must first hold a public hearing on the application. What is likely to happen if the additional language proposed by the Bill is added is that prospective responders to the RFP may raise issues of what is meant by an arbitrary exclusion from licensing or a "[l]egitimate bona-fide" insurance company and thereby encourage procurement disputes. The ambiguity surrounding these terms and the increased risk of procurement disputes may actually discourage insurers, including the current carrier, from seeking COAs in order to participate in the Program.

The application process for COAs already provides for the same type of public input as provided for under the Open Government Law. Section 15304 of the Insurance Law requires domestic insurers applying for a COA to publish notice of such application once a week for three (3) consecutive weeks in a daily newspaper of general circulation in Guam, the first of such notices to be published within ten (10) days of the date of filing of the application. Section 15305 requires the Commissioner to not only conduct a rigorous investigation of the applicant, but to also hold a public hearing to hear any objections from the public to the applicant being issued a COA. Although Sections 15304 and 15305 are applicable to domestic insurers, Sections 15401 and 15402 which are applicable to foreign and alien insurers respectively, incorporate the provisions of Sections 15304 and 15305 and make them also applicable to foreign and alien insurance companies.

In addition to unnecessarily invoking the Open Government Law, Section 3 adds two new subsections, namely (a) and (b). New Subsection (a) to Section 15102 requires the Commissioner to "revisit annually" the requirements for a Certificate of Authority for "Healthcare Insurance Coverage" and "to ensure that the processes remain transparent, fair and open to eligible on-island, national and

³ It is important to note that the requirement for insurance companies to obtain a COA under Section 15102 is applicable not only to insurers marketing health insurance in Guam, but to insurers of all types of insurance transacting business in Guam. The proposed changes to Section 15102 by Bill 482-30 will affect the issuance of COAs to insurers of all classes of insurance in Guam.

international Healthcare Insurance providers” and shall amend its requirements or recommend to the Legislature changes to the law on COAs. Subsection (a) is also unnecessary because Section 15105 of the Insurance Law already provides that COAs must be renewed on an annual basis, which renewal application requires detailed financial reporting governed by the standards of the National Association of Insurance Commissioners.

Proposed new Subsection (b) to Section 15102 is not clear in its meaning would have to be rewritten to clarify its meaning. However, it is troubling because it may imply that the Commissioner may use his discretion to exempt an insurance company from obtaining a COA to transact the health insurance business in Guam. As written it states:

“(b) the requirements of a Certificate of Authority shall not [sic] used as a primary reason to exclude on-island, national or international Healthcare Insurance provider firms seeking to provide Healthcare Insurance providers [sic] from participating in the Guam marketplace. The Insurance Commissioner shall develop a process that does not impede the application and intent of an on-island, national or international Healthcare Insurance provider to do business in Guam.

Although proposed Subsection (b) could be rewritten to clarify its meaning, TakeCare opposes the passage of any rewrite or version of the Subsection which would effectively exempt any insurance company from undergoing financial and other types of examination required to obtain a COA to transact the insurance business in Guam. The process to obtain a COA is necessarily stringent for the protection of the public. Therefore, the requirement to first obtain a COA before transacting business should remain a requirement to transact insurance business on Guam not only for health insurers, but for insurers of all classes of insurance.

SECTION 4.

Section 4 provides for the effective date of the proposed Bill upon its enactment into law. TakeCare has no comment on the effective date other than to oppose the provisions of the law identified above from passage as law.

RECAP

To summarize the main points of this letter:

1. TakeCare supports the addition of a member of the general public to the Negotiating Team for the Program.
2. TakeCare supports an expanded procurement process to solicit a larger number of proposals so long as all prospective responders are treated equally under Guam Law.
3. TakeCare opposes the passage of the Bill to the extent that any preferential treatment is to be provided to alien and/or foreign insurers in an expanded procurement process or in any licensing.
4. The money which would be used to procure a feasibility study for a non-profit plan would be better used to address documented and known problems with the Government of Guam’s Group Health Insurance Program. If the known problems are addressed, more insurers will be inclined to participate.

5. TakeCare opposes the passage of the Bill to the extent that it would exempt any insurance company from undergoing the financial and other types of examination now required to obtain a COA to transact the insurance business in Guam. The process to obtain a COA is necessarily stringent for the protection of the public. Therefore, the requirement to first obtain a COA before transacting business should remain a requirement to transact insurance business on Guam not only for health insurers, but for insurers of all classes of insurance.

We thank you in advance for your consideration of this letter. Should you have any questions or concerns about it, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gina Y. Ramos', with a long horizontal stroke extending to the right.

Gina Y. Ramos
Chief of Staff

cc: Joseph Hussein
June Mair



COMMITTEE ON RULES

I Mina'Trenta na Libeslaturan Guåhan • 30th Guam Legislature

155 Hesler Place, Hagatña, Guam 96910 • tel: (671)472-7679 • fax: (671)472-3547 • roryforguam@gmail.com

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Judith P. Guthertz
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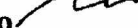
**Frank F. Blas, Jr.
SENATOR**

**James V. Espaldon
SENATOR**

November 19, 2010

Memorandum

To: Pat C. Santos
Clerk of the Legislature

From: Senator Rory J. Respicio 
Chairperson, Committee on Rules

Subject: Fiscal Notes

Hafa Adai!


Attached please find the fiscal notes for the bills number listed below. Please note that the fiscal notes, or waivers, are issued on the bills as introduced.

Bills No.:

- 488-30 (COR)
- 482-30 (COR)
- 486-30 (COR)
- 491-30 (COR)

Please forward the same to MIS for posting on our website. Please contact me, should you have any questions regarding this matter.

Si Yu'os ma'åse'!

2010 NOV 19 PM 3:10


Bureau of Budget & Management Research
Fiscal Note of Bill No. 482-30

An Act to add subitems (1)(aa)(2)(3) and amend Subsection 4302(c) of Article 3, Chapter 4 of Title 4 GCA to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees for the government of Guam and to add items (a)(b) and Amend Sub Section 15102 of Article 1, Chapter 15, Title 22 GCA. This Act shall be known as the 'HealthCare Insurance Transparency Act of 2010.'

Department/Agency Appropriation Information	
Dept./Agency Affected: DOA	Dept./Agency Head: Lourdes M. Perez, Director
Department's General Fund (GF) appropriation(s) to date:	41,332,473
Department's Other Fund (Specify) appropriation(s) to date:	8,145,575
Total Department/Agency Appropriation(s) to date:	549,478,048

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2010 Unreserved Fund Balance		\$0	\$0
FY 2011 Adopted Revenues	\$535,231,228	\$0	\$535,231,228
FY 2011 Appro. (P.L. 30-196)	(\$538,812,874)	\$0	(\$538,812,874)
Sub-total:	(\$3,581,646)	\$0	(\$3,581,646)
Less appropriation in Bill	\$0	\$0	\$0
Total:	(\$3,581,646)	\$0	(\$3,581,646)

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2011 (if applicable)	FY 2012	FY 2013	FY 2014	FY 2015
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
(Specify Special Fund)	\$0	\$0	\$0	\$0	\$0	\$0
Total 1/	\$0	\$0	\$0	\$0	\$0	\$0

- 1. Does the bill contain "revenue generating" provisions? / / Yes /X/ No
 If Yes, see attachment
- 2. Is amount appropriated adequate to fund the intent of the appropriation? /X/ N/A / / Yes / / No
 If no, what is the additional amount required? \$ _____ /X/ N/A
- 3. Does the Bill establish a new program/agency? / / Yes /X/ No
 If yes, will the program duplicate existing programs/agencies? /X/ N/A / / Yes / / No
 Is there a federal mandate to establish the program/agency? / / Yes /X/ No
- 4. Will the enactment of this Bill require new physical facilities? / / Yes /X/ No
- 5. Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: /X/ Yes / / No
 / / Requested agency comments not received by due date /X/ Other: Sec. 4302 (c), Art. 3, Chap. 4, of Title 4 GCA

11/12/10
 Analyst: *[Signature]* Date: 11-12-10 Director: *[Signature]* Date: **NOV 12 2010**
 Bertha M. Duenas, Director

Footnotes: 1/ Enactment of the proposed legislation as the "Health Insurance Transparency Act of 2010" is related to expanded administrative changes for the Department of Administration and Insurance Commissioner for Healthcare Insurance negotiation and process of proposed Plaas (Article 3 Chapter 4 Title 4 of GCA and Article 1 Chapter 15 Title 22 GCA). The proposal has the potential for additional funding impact, however in its present form, that impact cannot be determined at this time.



COMMITTEE ON RULES

I Mina' Trenta na Liheslaturan Guåhan • 30th Guam Legislature

155 Hesler Place, Hagatña, Guam 96910 • tel: (671)472-7679 • fax: (671)472-3547 • roryforguam@gmail.com

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SENATOR**

**James V. Espaldon
SENATOR**

October 21, 2010

MEMORANDUM

To: Pat Santos
Clerk of the Legislature

Attorney Therese M. Terlaje
Legislative Legal Counsel

From: Senator Rory J. Respicio
Chairperson, Committee on Rules

Subject: Referral of Bills No. 480-30 (COR) through 483-30 (COR)

As Chairperson of the Committee on Rules, I am forwarding my referral of Bills No. 480-30 (COR) through 483-30 (COR).

Please ensure that the subject bills are referred, in my name, to the respective committees, as shown on the attachment. I also request that the same be forwarded to all Senators of *I Mina' Trenta Na Liheslaturan Guåhan*.

Should you have any questions, please contact Stephanie Mendiola or Elaine V. Tajalle at 472-7679.

Si Yu'os Ma'åse'!

(1) Attachment

2010 OCT 21 AM 11:46

I Mina'Trenta Na Liheslaturan Guåhan

Bill Log Sheet

Page 1 of 2

Bill No.	Sponsor(s)	Title	Date Introduced	Date Referred	120 Day Deadline	Committee Referred	Public Hearing Date	Date Committee Report Filed	Status (Date) Passed? Failed? Vetoed? Overridden? Public Law?
B480-30 (COR)	Judith P. Guthertz, DPA	An act to <i>amend</i> Subsection 43029(c) of Article 3, Chapter 4, of Title 4 Guam Code Annotated to establish an open process in healthcare insurance negotiations for employees and retirees of the government of Guam and to add Item (a) to Subsection 15102 of Article 1, Chapter 15, Title 22 GCA. This act shall be known as the 'Healthcare Insurance Transparency Act of 2010.'	10/19/10 3:14 p.m.			WITHDRAWN			
B481-30 (COR)	E. J.B. Calvo, V. Anthony Ada, T. R. Muña-Barnes	An act to exchange undevelopable lots within the Pigua Subdivision "Land for the Landless Project" designated in Public Law 25-181 with other lots in Dededo	10/19/10 3:19 p.m.	10/21/10		Committee on Appropriations, Taxation, Banking, Insurance, Retirement, and Land			

B482-30 (COR)	Judith P. Guthertz, DPA	An act to <i>add</i> Subitems (1)(aa)(2)(3) <i>amend</i> Subsection 43029(C) of Article 3, Chapter 4, of Title 4 Guam Code Annotated to establish an open process in healthcare insurance negotiations for employees and retirees of the government of Guam and to <i>add</i> Items (a)(b) and <i>amend</i> Subsection 15102 of Article 1, Chapter 15, Title 22 GCA. This act shall be known as the "Healthcare Insurance Transparency Act of 2010".	10/20/10 4:14 p.m.	10/21/10		Committee on Economic Development, Health and Human Services, and Judiciary			
B483-30 (COR)	B. J. F. Cruz	An act to add a new Article 9, to Chapter 63, Title 5, Guam Code Annotated and to amend §5215 of Chapter 5, Title 5, Guam Code Annotated; relative to creating the Guam Coral Reef Protection Act.	10/21/10 9:01 a.m.	10/21/10		Committee on Rules, Natural Resources, Federal, Foreign, and Micronesian Affairs			



**COMMITTEE ON ECONOMIC DEVELOPMENT,
HEALTH AND HUMAN SERVICES, AND JUDICIARY**
I Mina'Trenta Na Liheslaturan Guåhan • 30th Guam Legislature
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SENATOR

TELO TAITAGUE
SENATOR

RAY TENORIO
SENATOR

November 8, 2010

MEMORANDUM

TO: Honorable Senators/Committee Members
*Committee on Economic Development,
Health & Human Services, and Judiciary*

FROM: SENATOR FRANK B. AGUON, JR.
Chairman

SUBJECT: FIRST NOTICE
NOTICE OF PUBLIC HEARING AND OVERSIGHT HEARING
TUESDAY, NOVEMBER 16, 2010, 9:00 AM

Buenas yan Hafa Adai!

Please be advised that the Committee on Economic Development, Health & Human Services, and Judiciary will be conducting a Public Hearing and Oversight Hearing on **TUESDAY, NOVEMBER 16, 2010, 9:00 AM** in the Guam Legislature's Public Hearing.

Please see the attachment for agenda items. Should you have any questions, please contact Mr. Ron Teehan from my office.

Un dangkulo' na Si Yu'os Ma'ase'.

Cc: Sergeant-at-Arms/Protocol/AV/MIS
Stephanie Mendiola, COR
Clerk of the Legislature

PUBLIC HEARING - 1st NOTICE

from Frances Lizama <lizama.frances@gmail.com> [hide details](#) 4:42 PM (0 minutes ago) Reply

to "SEN. ADA, Thomas C." <tom@senatorada.org>,
 "SEN. ADA, Tony" <senatortonyada@guamlegislature.org>,
 "SEN. BLAS, Frank F., Jr." <frank.blasjr@gmail.com>,
 "SEN. CALVO, Eddie J.B." <sencalvo@gmail.com>,
 "SEN. ESPALDON, James V." <senator@espaldon.com>,
 "SEN. GUTHERTZ, Judith P." <judiguthertz@pticom.com>,
 "SEN. MUNA BARNES, Tina Rose" <tinamunabarnes@gmail.com>,
 "SEN. PALACIOS, Adolpho B., Sr." <abpalacios@gmail.com>,
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 "SEN. RESPICIO, Rory J." <roryforguam@gmail.com>,
 "SEN. TAITAGUE, Telo" <senatortelo@gmail.com>,
 "SEN. TENORIO, Ray" <ray@raytenorio.com>,
 "SPKR WON PAT, Judi" <speaker@judiwonpat.com>,
 "VICE SPKR CRUZ, Benjamin J.F." <senadotbjcruz@gmail.com>

cc "CAMACHO, Jimmy" <jcamacho@senatorada.org>,
 "GILLHAM, Juliette" <office@senatorada.org>,
 "LUHR, Cyrus" <cyrus@senatorada.org>,
 "SANTOS, Nicole" <nsantos@senatorada.org>,
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 "CEPEDA, Patrick" <patrickcepeda@hotmail.com>,
 "CRUZ, Priscilla" <pjtcruz@yahoo.com>,
 "DIAZ, Jonathan" <jonbdiaz@gmail.com>,
 "CIPOLLONE, Lisa" <cipo@guamlegislature.org>,
 "HILLS, Derick" <derickhills@live.com>,
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 "MENDIOLA, Stephanie" <sem@guamlegislature.org>,
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 "LEE, Edward G." <teddytaz_222@yahoo.com>,
 "PEREZ, Mike" <mjperez48@yahoo.com>,
 "CEPEDA, Mermae" <mermae@raytenorio.com>,
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 "LG, Phillip" <phill@raytenorio.com>,
 "MEW, Elvy" <emew@guamlegislature.org>,
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 "TERLAJE, Therese" <fterlaje@guam.net>,
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date Mon, Nov 8, 2010 at 4:42 PM
 subject PUBLIC HEARING - 1st NOTICE
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Hafa Adai Senators:

Attached is the First Notice of Public Hearing and Agenda from Sen. Frank B. Aguon, Jr. Please see notice for details.
Un dangkulo' na Si Yu'os Ma'ase', and have a great day!

FRANCES S. LIZAMA
 Office of Senator Frank B. Aguon, Jr.
 30th Guam Legislature
 Committee on Economic Development,
 Health & Human Services, and Judiciary
 238 Archbishop F.C. Flores St.
 DNA Bldg (old PDN), Suite 701A
 Hagatna, Guam 96910
 Tel: 671.969.1495/6
 Fax: 671.969.1497

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SENATOR FRANK B. AGUON, JR.

Chairman, Committee on Economic Development,
Health & Human Services, and Judiciary
I Mina' Trenta Na Liheslaturan Guåhan
(Thirtieth Guam Legislature)



PRESS RELEASE

FOR IMMEDIATE RELEASE
NOVEMBER 8, 2010

NOTICE OF PUBLIC HEARING AND OVERSIGHT HEARING

In accordance with the Open Government Law 24-109, relative to notice for public meetings, please let this serve as 5-Days Notice for a Public Hearing and Oversight Hearing by the Committee on Economic Development, Health & Human Services, and Judiciary, scheduled for

DATE: TUESDAY, NOVEMBER 16, 2010
TIME: 9:00 AM
PLACE: GUAM LEGISLATURE PUBLIC HEARING ROOM

Please see attached Agenda for listing of Bills that will be heard on this day. Persons with disabilities needing special accommodations/services, or for more information, please contact Mr. Ron Teehan, Committee Director at 969-1495/6.

#####

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Hit Radio 100	472-7663
K-Stereo / KISH	477-6411
KPRG News	734-2958
KGTF	734-3476
Adventist Radio	565-2983
Harvest Radio	477-7136
Joy 92FM	477-4678

NOTICE OF PUBLIC HEARING

from **Frances Lizama** <lizama.frances@gmail.com>
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 john@marianasmedia.com,
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 date Mon, Nov 8, 2010 at 4:48 PM
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Hafa Adai to All:

Attached is the First Notice of Public Hearing and Agenda from Sen. Frank B. Aguon, Jr. Please see notice for details.

Un dangkulo' na Si Yu'os Ma'ase', and have a great day!

--

FRANCES S. LIZAMA
 Office of Senator Frank B. Aguon, Jr.
 30th Guam Legislature
 Committee on Economic Development,
 Health & Human Services, and Judiciary
 238 Archbishop F.C. Flores St.
 DNA Bldg (old PDN), Suite 701A
 Hagatna, Guam 96910
 Tel: 671.969.1495/6
 Fax: 671.969.1497



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 For more information, see Junk Fax Report and the Caller ID History report.

Last 30 Transactions

Date	Time	Type	Station ID Caller ID	Duration	Pages	Result
Oct 25	1:37PM	Received	7341988 6717341988	0:53	2	OK
Oct 25	3:35PM	Received	7341988 6717341988	1:22	6	OK
Oct 25	3:56PM	Received	6714722229	0:45	0	No fax
Oct 27	10:38AM	Fax Sent	5655034	3:23	8	OK
Oct 28	9:18AM	Received	671 649 2290 6716492290	2:19	6	OK
Oct 28	1:56PM	Received	475 3449 6714727593	4:40	14	Error 232
Oct 28	2:02PM	Received	475 3449 6714727593	3:58	14	OK
Nov 5	10:40AM	Received	4723510 6714723589	0:28	1	OK
Nov 5	10:47AM	Received	4723510 6714723589	0:19	1	OK
Nov 5	10:49AM	Received	6716460799	0:51	3	OK
Nov 5	3:48PM	Received	4723510 6714723589	0:19	1	OK
Nov 8	5:37PM	Fax Sent	7357413	0:35	0	Error 420
Nov 8	5:39PM	Fax Sent	7357413	0:40	1	Cancel
Nov 8	5:40PM	Fax Sent	7357413	0:35	0	Error 420
Nov 8	5:44PM	Fax Sent	7357413	0:37	0	Error 420
Nov 8	5:45PM	Fax Sent	7347413	0:10	0	Cancel
Nov 9	10:18AM	Fax Sent	6379870 - KUAM TV/RADIO	1:29	2	OK
Nov 9	10:20AM	Fax Sent	4773982 - K57/POWER 98	0:51	2	OK
Nov 9	10:41AM	Fax Sent	4773079 - PDN	1:22	2	OK
Nov 9	12:06PM	Fax Sent	4770793 - PNC NEWS	0:50	2	OK
Nov 9	12:08PM	Fax Sent	4786402 - GUAM NEWS WATCH	1:31	2	OK
Nov 9	12:10PM	Fax Sent	4727663 - HIT RADIO 100	0:53	2	OK
Nov 9	12:11PM	Fax Sent	4776411 - K-STEREO/KISH	1:13	2	OK
Nov 9	12:13PM	Fax Sent	7342958 - KPRG NEWS	0:52	2	OK
Nov 9	12:16PM	Fax Sent	7343476 - KGTF	0:54	2	OK
Nov 9	12:17PM	Fax Sent	5652983	1:10	1	Error 403
Nov 9	12:19PM	Fax Sent	4777136 - HARVEST RADIO	0:59	2	OK
Nov 9	12:44PM	Fax Sent	4774678 - JOY 92FM	0:51	2	OK
Nov 9	12:47PM	Fax Sent	5652983 - ADVENTIST RADIO	1:41	2	OK
Nov 9	12:50PM	Fax Sent	6482007 - MARIANAS VARIETY	1:28	2	OK

Scientists and Administrators' Convention



The Asian Association of Agricultural Colleges and Universities (AAACU) held their biennial convention in Guam from Oct. 27 to 30. Dean of the College of Natural and Applied Sciences Lee Yudin is the AAACU president. The convention included scientists and administrators from universities and colleges from around Asia and the Pacific including Guam, Taiwan, Japan, Philippines, Malaysia, Korea, Palau, India, Thailand, Nepal, the CNMI and others. Pictured from left, front row, are: Dr. Israel Bau-Jen Jiang, National Chung-Hsing University, Taiwan; Dr. Victoria Alcalá, Laguna State Polytechnic University, Philippines; Dr. Divina Chavez, Cavite State University; Dr. Evelyn Singon, Cavite State University, Philippines; Ms. Theima Wagan, Laguna State Polytechnic University, Philippines; Ms. Annie Santos, University of Guam; Guam; Dr. Edith Cedecot, SEAMEO - SEARCA, Philippines; Dr. Miriam Pascua, Mariano Marcos State University, Philippines; Dr. Aini Ideris, Universiti Putra, Malaysia; Dr. Lee Yudin, President AAACU, University of Guam, Guam; Dr. Ederlina Serrano, University of Philippines Los Baños, Philippines; Mr. Keunmi Kil, Seoul National University, Korea; Dr. Aurora Del Rosario, Palau Community College, Palau; Dr. Eun Woo Park, Seoul National University, Korea; Dr. Raksh Singh, Indian Agricultural Universities Assoc., India; Dr. Chawatt Hongprayoon, Kasetsart University, Thailand; Dr. Gil Saguisit Jr., Director of SEARCA, Philippines; Dr. Kunio Sato, Mie University, Japan. Pictured from left, back row, are: Mr. Ross Mangiona, Northern Marianas Community College, Saipan; Dr. Domingo Angeles, University of Philippines Los Baños, Philippines; Mr. Mike Ogo, Northern Marianas Community College, Saipan; Dr. Jang Ho Kim, Northern Marianas Community College, Saipan; Dr. Mad Nasir Shamsudin, Universiti Putra, Malaysia; Dr. Jose Bacusmo, Visaya State University, Philippines; Dr. Shigeki Hattori, Nagoya University, Japan; Dr. Dainik Nepali Karki, Tribhuvan University, Nepal; Dr. Shiwachi Hironobu, Tokyo University of Agriculture, Japan; Mr. James Currie, College of Micronesia, Federated States of Micronesia; Dr. N. Nopchal Chanolpa, Rajamangala University of Technology, Thailand; and Dr. Ricardo Wagan, Laguna State Polytechnic University, Philippines. Contributed photo.

Annual storytelling festival this Saturday

(HISTORIC Inalahan) — Gef Pa'go Chamorro Cultural Village in Historic Inalahan has hosted a storytelling festival every year since 2000 and this year, the event will take place from 9 a.m. to 4 p.m. on Saturday.

The schedule of events includes a free narrated trolley ride through the Inalahan Historic District, stopping at five painted houses where the village youths will tell stories about the colorful scenes they helped to paint.

The painted history provides a nostalgic look into scenes of the 1950s, depicting families and relatives of many of today's youths going about their daily lives.

This on-going project, which began with painting the scenes drawn by artist Judy Flores from her childhood memories, helps engage the new generation in

Mark your calendars and bring the whole family for a day of fun in Historic Inalahan! For more information, contact Judy Flores, Historic Inalahan Special Projects Consultant 828-8040 judyflores@guam.net or Barbara Mantanona, Executive Director 828-1671 bjean@guam.net, historic@teleguam.net.

learning about their heritage. The storytelling festival will help them learn to share these stories as junior tour guides for Historic Inalahan.

After the Painted History Tour, village youths and the general public are invited to performances on stage at Gef Pa'go, featuring storytellers, dancers,

charters, and poets.

While enjoying the stories, the audience can visit booths and huts in the park to sample delicious Chamorro foods and see how many of these delicacies are made. While admission to the stories and tours is free, food tasting tickets are being sold to raise funds to continue the youth programs in historic Inalahan.

Traditional folkways, arts, and crafts will be demonstrated and sold. Coconut candy, sea salt, and woven items are produced daily and sold at the Gef Pa'go Gift Shop. Other traditional and contemporary crafters will join the Gef Pa'go staff with their demonstrations for this special day. Local authors will be on hand to tell stories and sell their books just in time for Christmas gifts.

SBA opens nominations for small business awards

(SBA)—Each year during National Small Business Week, the U.S. Small Business Administration (SBA) recognizes outstanding small business owners for their contribution to the American economy and society.

The President has declared May 15 to 22, 2011, as National Small Business Week.

As part of National Small Business Week, the U.S. Small Business Administration takes the opportunity to highlight the impact of outstanding entrepreneurs, small business owners, and others from all 50 states and U.S. territories.

SBA is currently accepting nominations for several SBA award categories including the

2011 Small Business of the Year Award.

Last year's winner, Mr. Forig Wu of Sunny Wholesale, represented Guam in Washington DC at the National Small Business Week ceremonies. This year, another winner will be representing Guam in the national event.

In 2010, National Small Business Week honored an estimated 26.8 million small businesses in America.

Business entrepreneurs throughout the Pacific Region area will be honored during Small Business Week 2011 with many local events.

Through the work of entrepreneurs, jobs are created,

families are given a better life and whole communities are transformed. Please join us in the National Small Business Week celebration.

Nomination criteria and deadline dates for all award categories can be found by visiting the local SBA Guam Branch Office or by contacting Kenneth Lujan at (671) 472-7277.

This is an opportunity to recognize an individual or an organization dedicated to the support of the small business community. Please deliver all nominations to the U.S. Small Business Administration, 400 Route 8, FHB Bldg., Maite, Guam. Nominations are due on Friday, Nov. 12.



SENATOR FRANK B. AGUON, JR., Chairman COMMITTEE ON ECONOMIC DEVELOPMENT, HEALTH & HUMAN SERVICES, AND JUDICIARY

Ufina Treto na Liberdadon Guahan • 30th Guam Legislature
228 Northside P.O., P.O. Box 1010, Suite 101A, Hagåtña, Guam 96910
Tel: (671) 865-1494 • Fax: (671) 865-1497 • Email: aguon@senate.guam.gov

NOTICE OF PUBLIC HEARING TUESDAY, NOVEMBER 16, 2010 PUBLIC HEARING ROOM AND OVERSIGHT HEARING GUAM LEGISLATURE PUBLIC HEARING ROOM

8:00 AM - PUBLIC HEARING:

- **BILL NO. 477-30 (ECON)** - To provide annual mammograms for women aged 40 and over who are clients of the Medically Indigent Program, when medically necessary and as otherwise stipulated, by amending Title 30 GCA, Div. 1, Chapter 2, § 2007.2(a).
- **BILL NO. 479-30 (ECON)** - To expand the borrowing ability of GAMA by including the authorization to also enter into Revolving Loan Funds, and Direct Loans, by amending Subsection (a) of §80104, Ch. 80, Div. 4, 20GCA.
- **BILL NO. 482-30 (ECON)** - To add Sub Items (1)(a)(2)(3), amend Subsection (3)(2)(C) of Art. 3, Ch. 4, 40GCA to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees of the Government of Guam and to add Items (a)(ii) and amend Subsection 15102 of Art. 1, Ch. 15, 22GCA. This Act shall be known as the "HealthCare Insurance Transparency Act of 2010".

1:30 PM - OVERSIGHT HEARING:

Oversight Hearing on the Guam Board of Allied Health Examiners

To view the bill's full content, visit the Guam Legislature's website at www.guamlegislature.com/30th_bill_intro. Individuals requiring special accommodations or services, or for further information, please contact Ron Teehan at 969-1494/6.

THIS AD WAS PAID FOR BY GOVERNMENT FUNDS

GOVERNMENT OF GUAM BEFORE THE COMMISSIONER OF BANKING & INSURANCE

"UNION SECURITY INSURANCE COMPANY" Petitioner

In the matter of the Application for Withdrawal and to Permanently Discontinue the Transaction of Insurance Business in Guam Pursuant to Title 22 GCA §15113

NOTICE OF INTENTION TO WITHDRAW

Notice is hereby given that UNION SECURITY INSURANCE COMPANY of 2323 GRAND BOULEVARD, KANSAS CITY, MO 64108 intends to Withdraw and to Permanently Discontinue the Transaction of Insurance Business in Guam, as of December 1, 2010. All outstanding policies issued in Guam by UNION SECURITY INSURANCE COMPANY have expired. All persons interested in this matter should write to THE COMPANY at the above address or call 1-800-214-2333, or the Office of the Commissioner of Banking and Insurance at Hagåtña, Guam at 671-1843/4536.



**COMMITTEE ON ECONOMIC DEVELOPMENT,
HEALTH AND HUMAN SERVICES, AND JUDICIARY**

I Mina'Trenta Na Liheslaturan Guåhan • 30th Guam Legislature

238 Archbishop F.C. Flores St., DNA Bldg., Suite 701A, Hagatña, Guam 96910

Tel: (671) 969-1495/6 • Fax: (671) 969-1497 • Email: aguon4guam@gmail.com

FRANK B. AGUON, JR.

SENATOR, CHAIRMAN

ADOLPHO B. PALACIOS, SR.

SENATOR, VICE CHAIRMAN

JUDITH T. WON PAT

SPEAKER

EX-OFFICIO MEMBER

BENJAMIN J.F. CRUZ

VICE SPEAKER

TINA ROSE MUÑA BARNES

LEGISLATIVE SECRETARY

THOMAS C. ADA

SENATOR

JUDITH P. GUTHERTZ

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RORY J. RESPICIO

SENATOR

FRANK F. BLAS, JR.

SENATOR

TELO TAITAGUE

SENATOR

RAY TENORIO

SENATOR

November 13, 2010

MEMORANDUM

TO: Honorable Senators/Committee Members

*Committee on Economic Development,
Health & Human Services, and Judiciary*

FROM: SENATOR FRANK B. AGUON, JR.

Chairman

**SUBJECT: SECOND NOTICE
NOTICE OF PUBLIC HEARING AND OVERSIGHT HEARING
TUESDAY, NOVEMBER 16, 2010, 9:00 AM**

Buenas yan Hafa Adai!

Please be advised that the Committee on Economic Development, Health & Human Services, and Judiciary will be conducting a Public Hearing and Oversight Hearing on **TUESDAY, NOVEMBER 16, 2010, 9:00 AM** in the Guam Legislature's Public Hearing.

Please see the attachment for agenda items. Should you have any questions, please contact Mr. Ron Teehan from my office.

Un dangkulo' na Si Yu'os Ma'ase'.

Cc: Sergeant-at-Arms/Protocol/AV/MIS

Stephanie Mendiola, COR

Clerk of the Legislature

SECOND NOTICE OF PUBLIC HEARING P.H. NOTICES X

from **Frances Lizama** <lizama.frances@gmail.com>
to "SEN. ADA, Thomas C." <tom@senatorada.org>,
"SEN. ADA, Tony" <senatortonyada@guamlegislature.org>,
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"FEJERAN, Mary C." <maryfejeran@gmail.com>,
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"CHARGUALAF, Jane" <jane@guam.net>,
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"TAITANO, Rhea Aguon" <raguontaitano@gmail.com>,
"BURGOS, Fred" <feaburgos@gmail.com>,
"CEPEDA, Patrick" <patrickcepeda@hotmail.com>,

"CRUZ, Priscilla" <pjtcruz@yahoo.com>,
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 "MENDIOLA, Stephanie" <sem@guamlegislature.org>,
 "OKADA, Tina" <tinaokada@gmail.com>,
 "PHILLIPS, Bill R." <phillipsguam@gmail.com>,
 "TAJALLE, Elaine V." <elainevtll@gmail.com>,
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 "UNPINGCO, Joy" <joyunpingco@gmail.com>,
 "LEE, Edward G." <teddytaz_222@yahoo.com>,
 "PEREZ, Mike" <mjperez48@yahoo.com>,
 "CEPEDA, Mermae" <mermae@raytenorio.com>,
 "EVARISTO, Jessica" <jessica@raytenorio.com>,
 "LG, Phillip" <phill@raytenorio.com>,
 "MEW, Elvy" <emew@guamlegislature.org>,
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 "PEREZ, Rennae" <rennae@guamlegislature.org>,
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 "TERLAJE, Flo" <fterlaje@guamlegislature.org>,
 "TERLAJE, Therese" <tterlaje@guam.net>,
 "PAK, Yong - MIS" <yong@guamlegislature.org>,
 "QUITUGUA, Tony - Protocol/Reproduction" <tq@guamlegislature.org>,
 "UNSIOG, Tom - Acting Sgt-at-Arms" <tunsiog@guamlegislature.org>

date Sat, Nov 13, 2010 at 6:44 PM
 subject SECOND NOTICE OF PUBLIC HEARING
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Hafa Adai Senators:

Please see attached Notice of Public Hearing from Sen. Frank B. Aguon, Jr. Also attached is the Agenda. ***Un dangkulo' na Si Yu'os Ma'ase', and have a great day.***

--

FRANCES S. LIZAMA
 Office of Senator Frank B. Aguon, Jr.
 30th Guam Legislature
 Committee on Economic Development,
 Health & Human Services, and Judiciary
 238 Archbishop F.C. Flores St.
 DNA Bldg (old PDN), Suite 701A
 Hagatna, Guam 96910
 Tel: 671.969.1495/6
 Fax: 671.969.1497

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SENATOR FRANK B. AGUON, JR.

Chairman, Committee on Economic Development,
Health & Human Services, and Judiciary
I Mina' Trenta Na Liheslaturan Guåhan
(*Thirtieth Guam Legislature*)



PRESS RELEASE

FOR IMMEDIATE RELEASE
NOVEMBER 13, 2010

NOTICE OF PUBLIC HEARING AND OVERSIGHT HEARING

In accordance with the Open Government Law 24-109, relative to notice for public meetings, please let this serve as 48 Hrs Notice for a Public Hearing and Oversight Hearing by the Committee on Economic Development, Health & Human Services, and Judiciary, scheduled for

DATE: TUESDAY, NOVEMBER 16, 2010
TIME: 9:00 AM
PLACE: GUAM LEGISLATURE PUBLIC HEARING ROOM

Please see attached Agenda for listing of Bills that will be heard on this day. Persons with disabilities needing special accommodations/services, or for more information, please contact Mr. Ron Teehan, Committee Director at 969-1495/6.

#####

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Adventist Radio	565-2983
Harvest Radio	477-7136
Joy 92FM	477-4678

SECOND NOTICE OF PUBLIC HEARING

Inbox X P.H. NOTICES X

from **Frances Lizama** <lizama.frances@gmail.com>
 to gerry@mvguam.com,
 john@marianasmedia.com,
 "AGUON, Mindy - KUAM" <671mindy@gmail.com>,
 "ARROYO, Patti - K57" <parroyo@k57.com>,
 "CATAHAY, Michelle - KUAM" <michele@kuam.com>,
 "COFFMAN, Travis - K57" <thebigshow@k57.com>,
 "DALENO, Gaynor - PDN" <gdumat-ol@guampdn.com>,
 "DALENO, Gaynor Dumat-ol" <gdumat-ol@guam.gannett.com>,
 "GEORGE, Duane M" <dmgeorge@guam.gannett.com>,
 "GIBSON, Ray - K57" <rgibson@k57.com>,
 "GIBSON, William - K57" <breakfastshowk57@gmail.com>,
 "GLIMPSES - PALACIOS, Ivan" <reporter1@glimpsesofguam.com>,
 "GODLEWSKI, Stephanie - PDN" <smgodlewski@guampdn.com>,
 "HART, Therese - MarVariety" <therese@mvguam.com>,
 "KELMAN, Brett - Guam Gannett" <bmkelman@guam.gannett.com>,
 "KERRIGAN, Kevin - SPB" <kevin@spbguam.com>,
 KPRG <kprg@guam.net>,
 KSTO-KISH <kstokish@gmail.com>,
 "MACALUSO, David - PNC" <dmacaluso@spbguam.com>,
 "MATANANE, Sabrina - KUAM" <sabrina@kuam.com>,
 "MELYAN, Catriona - PDN" <cmelyan@guampdn.com>,
 "MUNA, Audrey" <audreymuna@yahoo.com>,
 PACIFIC NEWS CENTER <news@spbguam.com>,
 "PEREZ, Alicia - KSTO/KISH" <kstonews@ite.net>,
 "RUDOLPH, Michael - Marianas Media" <michael@marianasmedia.com>,
 "SALAS, Jason - KUAM" <jason@kuam.com>,
 "TAITANO, Zita - MarVariety" <zytaitano@gmail.com>,
 "TYQUIENGCO, Josh - SPB" <jtyquiengco@spbguam.com>,
 "WATANABE, Masako - Guam Gannett" <mwatanabe@guam.gannett.com>
 date Sat, Nov 13, 2010 at 6:48 PM
 subject SECOND NOTICE OF PUBLIC HEARING
 mailed-by gmail.com

Hafa Adai to All:

Please see attached Second Notice of Public Hearing and Agenda from Sen. Frank B. Aguon, Jr.
Un dangkulo' na Si Yu'os Ma'ase', and have a great day.

--

FRANCES S. LIZAMA
 Office of Senator Frank B. Aguon, Jr.
 30th Guam Legislature
 Committee on Economic Development,
 Health & Human Services, and Judiciary
 238 Archbishop F.C. Flores St.
 DNA Bldg (old PDN), Suite 701A
 Hagatna, Guam 96910
 Tel: 671.969.1495/6
 Fax: 671.969.1497



MEDIA - 2nd NOTICE.docx

102K [View](#) [Download](#)

Court orders GovGuam to pay \$16M

By Jennifer Haylor Gesick
jennifer@mvguam.com
Variety News Staff

FEDERAL court visiting Judge Consuelo Marshall issued an order on Wednesday mandating the Government of Guam to deposit almost \$16 million over the next three years to come into compliance with the amended permanent injunction over the Department of Mental Health and Substance Abuse and the Department of Integrated Services for Individuals with Disabilities.

By Nov. 30, \$2 million must be

deposited and regular payments must be made, thereafter, every year.

The Federal Management Team appointed in March to oversee the two departments and former court monitors, Dr. James Kiffer and Attorney Jim Casey, submitted their Plan of Action to come into compliance within three years in September.

Key features of the \$21 million plan included building a new \$8.3 million service center, hiring 113 new employees and implementing a training program for personal care attendants.

The order to pay comes one day after Marshall met with the team, and approving its request for \$15,950,000 which represents implementing the Plan of Action and implementation of the amended permanent injunction minus the costs for the service center.

Marshall ordered GovGuam and parties to work cooperatively to prepare a funding schedule for the costs of the center.

Several individuals and groups submitted objections to the Federal Management Team's Plan of Action

soon after it was revealed in federal court, arguing the plan's cost, lack of data and input from patients make it inadequate to fulfill the 6-year-old permanent injunction.

Plaintiffs' attorney, Daniel Somerfleck, said the plan "unbelievably" excluded consumers' input making it a "deeply flawed instrument."

Somerfleck said instead of a "roadmap to completion" the team has provided a "plan to plan" which is "almost guaranteed to result in nothing being accomplished."

Volunteers needed to plant trees at Masso Reservoir

(GEA) - The Guam Environmental Alliance is seeking volunteers to help plant trees from 7:30 a.m. to 11 a.m. tomorrow at the Masso Reservoir in Piti.

Volunteers should meet at the USO Beach across from the GPA Power Plant at 7:30 a.m.

"We hope to help make this area a showcase of native plants, and reforest one of Guam's most beautiful watersheds," stated Ann Marie Gawal, GEA board member. "By planting trees in the Masso watershed, we hope to reduce the erosion and the amount of soil filling the river. Roots help keep the soil in place and that helps the fish, plants and corals in the river and beach waters."

Volunteers should meet on

Saturday at 7:30 a.m. at Veteran's Cemetery. The project will be completed by 11 a.m. and refreshments will be provided throughout the day.

GEA is a nonprofit organization recently developed to create and facilitate projects that will enable the community to actively improve and learn about the environment of Guam.

GEA is currently seeking project proposals - should you have a project idea that requires further support and resources, please contact the organization through the website or email guamEA@gmail.com.

GEA looks forward to working with the community to implement projects throughout the island.

For more information about this event please contact Jimmy T. Camacho at 486-9494 or Camacho.jimmyt@gmail.com.



Tri-intersection traffic woes up for oversight hearing

By Zita Y. Taltiao
zita@mvguam.com
Variety News Staff

DEPARTMENT of Public Works officials are scheduled to appear at the Legislature tonight where an oversight hearing has been called to discuss ongoing traffic problems that emanated from the construction work at the tri-intersection area of Routes 8, 10, and 16.

Re-elected Democrat Sen. Tom Ada, who chairs the Committee on Utilities, Transportation, Public Works, and Veterans Affairs, will preside at the oversight hearing, which starts at 6 p.m. tonight and is open to the public.

"The questions are what we have learned so far so that we can improve and minimize further the traffic congestion occurring there and the impact that it's having to the businesses and residences in the neighborhood," he said.

During the meeting, Ada expects to get more information about the impact of the \$400 million road projects Guam would see over the next few years.

Aside from DPW, Ada also expects Parsons Transportation Group to be present at the meeting.

"They'll be given a power point presentation and it will be televised so for those who cannot make it, certainly we're going to do our best to get the information to the living room," he said.

But the senator said they won't be bringing up the recent report by the Office of Public Accountability on DPW's selection of contractors who do shoddy work on projects.

"We really want to focus this on that tri-intersection project and how much we can improve our construction management," he said.

No Ka Oi Pest Control is among the businesses affected in the ongoing road construction in the area.

Its CEO, Joey Lopez, is wondering why the people responsible for the road construction couldn't have taken an alternative route citing the road way behind the Main Post Office in Barrigada.

The area is privately owned and also an environmental assessment may be needed because of the pipeline that leads up to Andersen Air Force Base. Lopez said there shouldn't be any excuses.

"There are certain things they can get waivers for. This is temporary. Why can't they put a bridge," he said.

He also criticized Parsons who he thought was brought here because of its expertise with road construction projects in the U.S. mainland.

Parsons could not be immediately reached for comment.

Marijuana...

continued from page 1

obtain marijuana and its distribution would be done under strict guidelines.

According to the National Institute on Drug Abuse, marijuana is the most commonly abused illegal drug in the United States, impairing one's judgment and causing distorted perception. Dr. Chris Dombrowski, Shieh, Dr. Arnold Wax, and Registered Nurse practitioner Mark Cain representing the medical community all weighed in on the issue.

UOG Professor Ron McNinch, Ph.D., acted as the moderator.

Questions were asked about the addictiveness of marijuana compared to alcohol and tobacco, the difference Guam's culture might make on the final legislation, the potential for the drug to fall into the wrong hands, and how patients might factor into the workplace.

Respcio made clear his bill's intent was to make cannabis available to patients who need it for medical purposes.

Cain commended Respcio for the restrictions in his legislation that would make it different from California's which he called a "failure," since there have been people getting prescriptions for marijuana quite easily.

On the addictiveness of marijuana, Dombrowski, a general practitioner said if at all marijuana is a "soft addiction" and that it does not cause people to lose their jobs or go out and commit crimes if their drug of choice is not available.

Cain responded by referencing the murder of Vincent Peredo earlier this year, where several perpetrators stole large bags of marijuana from his home.

However, he said that, "In its pure, use I do not see the body damage that we do with alcohol or tobacco, but the collateral damage is still there."

Dombrowski does not believe in recreational use of drugs and that all use is medicinal in nature because people are trying to self medicate, whether it be to cure boredom, depression, anxiety stress, or tension.

In response to the question of whether legalizing Cannabis for medical use might possibly make it easier for minors or criminals to access it, Respcio said that in bill 423, "We are recognizing a Supreme Court decision that said doctors [must] certify patients who need to avail themselves of cannabis for medical purposes."

He said in no way were they trying to make it available for recreational purposes and under the bill they will only give out three types of licenses, and there are tighter controls than those in California.

"I just want the focus to be on the people who need this for medicinal purposes. You regulate it the same way you do prescription drugs," the senator said.

SENATOR FRANK B. AGUON, JR., Chairman
COMMITTEE ON ECONOMIC DEVELOPMENT,
HEALTH & HUMAN SERVICES, AND JUDICIARY
1 Mile/Trenton on Liberdad Avenue, Suite 200A, Hagåtña, Guam 96910
Tel: (671) 969-1495/6 • Fax: (671) 969-1497 • Email: agaronfrank@agaron.com

NOTICE OF PUBLIC HEARING
TUESDAY, NOVEMBER 16, 2010
PUBLIC HEARING ROOM AND OVERSIGHT HEARING
GUAM LEGISLATURE PUBLIC HEARING ROOM

9:00 AM - PUBLIC HEARING:

- **BILL NO. 477-30 (COR)** - To provide annual mammograms for women aged 40 and over who are clients of the Medically Indigent Program, when medically necessary and as otherwise stipulated, by amending Title 10 GCA, Div. 3, Chapter 2, § 2907.2(a).
- **BILL NO. 479-30 (COR)** - To expand the borrowing ability of GMHA by including the authorization to also enter into Revolving Loan Funds, and Direct Loans, by amending Subsection (c) of §6010A, Ch. 30, Div. 4, 20GCA.
- **BILL NO. 482-30 (COR)** - To add Sub Remo 11(a)(2)(C), amend Subsection 43029(c) of Art. 3, Ch. 4, 40CA to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees of the Government of Guam and to add items (a)(b) and amend Subsection 15102 of Art. 1, Ch. 15, 22GCA. This Act shall be known as the "HealthCare Insurance Transparency Act of 2010".

1:00 PM - OVERSIGHT HEARING:

Oversight Hearing on the Guam Board of Allied Health Examiners

To view the bills' full content, visit the Guam Legislature's website at www.guamlegislature.com/30th_bills_intro. Individuals requiring special accommodations or services, or for further information, please contact Ron Teehan at 969-1495/6.

THIS AD WAS PAID FOR BY GOVERNMENT FUNDS

Marianas Variety-Guam Edition is circulated by home and office delivery, consignments, and vending machines throughout Guam, as mail delivery to the Federated States of Micronesia, the Marshall Islands, South Pacific, Hawaii, Japan and the continental U.S. Daily coverage can also be read from our website www.mvguam.com.

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**COMMITTEE ON ECONOMIC DEVELOPMENT,
HEALTH AND HUMAN SERVICES, AND JUDICIARY**
I Mina'Trenta Na Liheslaturan Guåhan • 30th Guam Legislature
238 Archbishop F.C. Flores St., DNA Bldg., Suite 701A, Hagatña, Guam 96910
Tel: (671) 969-1495/6 • Fax: (671) 969-1497 • Email: aguon4guam@gmail.com

November 8, 2010

Ms. Lourdes Perez
Director
Department of Administration
Manuel F.L. Guerrero Building
212 Aspinall Avenue
Hagatna, Guam 96910

Dear Ms. Perez:

Buenas yan Hafa Adai!

The Committee on Economic Development, Health & Human Services, and Judiciary will be conducting a Public Hearing and Oversight Hearing on **Tuesday, November 16, 2010 beginning at 9am** in the Guam Legislature's Public Hearing Room.

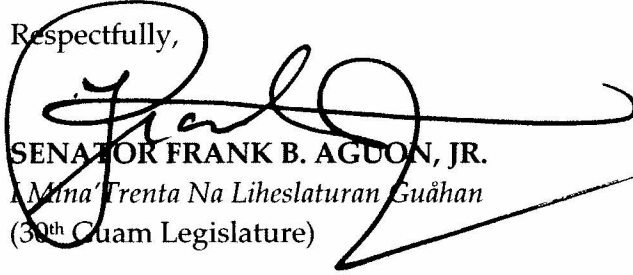
The following will be on the agenda:

- **BILL NO. 482-30 (COR)** – An act to add Sub Items (1)(aa)(2)(3) amend Sub Section 43029(C) of Article 2, Chapter 4, of Title 4 Guam Code Annotated to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees of the government of Guam and to add items (a)(b) and amend Sub Section 15102 of Article 1, Chapter 15, Title 22 GCA. This Act shall be known as the 'HealthCare Insurance Transparency Act of 2010'.

I would like to invite you and/or your representative for participation as you deem necessary. Testimonies may be submitted in advance to the Office of Senator Frank B. Aguon, Jr., 238 Archbishop F.C. Flores St., DNA Bldg., Suite 701A, Hagatna, Guam 96910, or emailed to aguon4guam@gmail.com no later than Monday, November 15, 2010. If you have any questions, you may call Mr. Ron Teehan from my office.

Un dangkulo' na Si Yu'os Ma'ase'.

Respectfully,


SENATOR FRANK B. AGUON, JR.
I Mina'Trenta Na Liheslaturan Guåhan
(30th Guam Legislature)

FRANK B. AGUON, JR.
SENATOR, CHAIRMAN

ADOLPHO B. PALACIOS, SR.
SENATOR, VICE CHAIRMAN

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EX-OFFICIO MEMBER

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SENATOR

RORY J. RESPICIO
SENATOR

FRANK F. BLAS, JR.
SENATOR

TELO TAITAGUE
SENATOR

RAY TENORIO
SENATOR



SENATOR FRANK B. AGUON, JR.

Chairman, Committee on Economic Development,
Health & Human Services, and Judiciary
I Mina'Trenta Na Liheslaturan Guåhan
(Thirtieth Guam Legislature)



FACSIMILE COVERSHEET

DATE: 09 NOVEMBER 2010

TO: MS. LOURDES FARBE
Director
Dept. of Administration

FAX NO.: 477-6788

FROM: FRANCES LIZAMA *[Signature]*

PHONE NO.: 969-1495/6

FAX NO.: 969-1497

SUBJECT: NOTICE OF PUBLIC HEARING

OF PGS: 2 (including this coversheet)

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Attached is a letter reference to a Public Hearing. Please confirm receipt of Notice by return fax of this coversheet with acknowledgement receipt to 969-1497. Your cooperation is greatly appreciated.

Un dangkulo' na Si Yu'os Ma'ase', and have a great day.

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Sen. Frank B. Aguon, Jr.
(671) 969-1497
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SENATOR FRANK B. AGUON, JR.

Chairman, Committee on Economic Development,
Health & Human Services, and Judiciary
I Mina'Trenta Na Liheslaturan Guåhan
(Thirtieth Guam Legislature)




FACSIMILE COVERSHEET

DATE: 09 NOVEMBER 2010

TO: **MS. LOURDES PEREZ**
Director
Dept. of Administration

FAX NO.: 477-6788

FROM: FRANCES LIZAMA 

PHONE NO.: 969-1495/6

FAX NO.: 969-1497

SUBJECT: NOTICE OF PUBLIC HEARING

OF PGS: 2 (including this coversheet)

Attached is a letter reference to a Public Hearing. Please confirm receipt of Notice by return fax of this coversheet with acknowledgement receipt to 969-1497. Your cooperation is greatly appreciated.

Un dangkulo' na Si Yu'os Ma'ase', and have a great day.



**COMMITTEE ON ECONOMIC DEVELOPMENT,
HEALTH AND HUMAN SERVICES, AND JUDICIARY**
I Mina'Trenta Na Liheslaturan Guåhan • 30th Guam Legislature
238 Archbishop F.C. Flores St., DNA Bldg., Suite 701A, Hagatña, Guam 96910
Tel: (671) 969-1495/6 • Fax: (671) 969-1497 • Email: aguon4guam@gmail.com

November 9, 2010

Mr. John P. Camacho
Banking & Insurance Commissioner
Department of Revenue & Taxation
P.O. Box 23607
GMF, Guam 96921

Dear Mr. Camacho:

Buenas yan Hafa Adai!

The Committee on Economic Development, Health & Human Services, and Judiciary will be conducting a Public Hearing and Oversight Hearing on **Tuesday, November 16, 2010 beginning at 9am** in the Guam Legislature's Public Hearing Room.

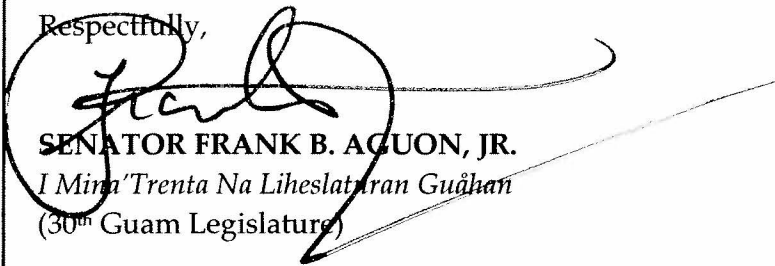
The following will be on the agenda:

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I would like to invite you and/or your representative for participation as you deem necessary. Testimonies may be submitted in advance to the Office of Senator Frank B. Aguon, Jr., 238 Archbishop F.C. Flores St., DNA Bldg., Suite 701A, Hagatna, Guam 96910, or emailed to aguon4guam@gmail.com no later than Monday, November 15, 2010. If you have any questions, you may call Mr. Ron Teehan from my office.

Un dangkulo' na Si Yu'os Ma'ase'.

Respectfully,


SENATOR FRANK B. AGUON, JR.
I Mina'Trenta Na Liheslaturan Guåhan
(30th Guam Legislature)

FRANK B. AGUON, JR.
SENATOR, CHAIRMAN

ADOLPHO B. PALACIOS, SR.
SENATOR, VICE CHAIRMAN

JUDITH T. WON PAT
SPEAKER
EX-OFFICIO MEMBER

BENJAMIN J.F. CRUZ
VICE SPEAKER

TINA ROSE MUÑA BARNES
LEGISLATIVE SECRETARY

THOMAS C. ADA
SENATOR

JUDITH P. GUTHERTZ
SENATOR

RORY J. RESPICIO
SENATOR

FRANK F. BLAS, JR.
SENATOR

TELO TAITAGUE
SENATOR

RAY TENORIO
SENATOR

NOTICE OF PUBLIC HEARING P.H. NOTICES X

Frances Lizama Hafa Adai Mr. Camacho: Attached is a Notice of Public Hearing from Sen. Frank...

Mail Delivery Subsystem Delivery to the following recipient failed permanently: jpcamacho@revtax.gov...

from **Frances Lizama** <lizama.frances@gmail.com>
to jqcarlos@revtax.gov.gu
date Fri, Nov 12, 2010 at 10:03 AM
subject **Fwd: NOTICE OF PUBLIC HEARING**
mailed-by gmail.com

Hafa Adai Mr. Carlos:

Please see attached letter for Mr. John P. Camacho from Sen. Frank B. Aguon, Jr.

The letter is in reference to a public hearing scheduled for tomorrow at 9am.

I tried emailing Mr. Camacho at jpcamacho@revtax.gov.gu since Wedn., Nov. 10. However it s not going through.

I would appreciate your assistance in getting this notice to him.

Please confirm receipt of this notice via email to lizama.frances@gmail.com.

Un dangkulo' na Si Yu'os Ma'ase', and have a great day.

FRANCES S. LIZAMA
Office of Sen. Frank B. Aguon, Jr.
Tel: 969-1495/6



**COMMITTEE ON ECONOMIC DEVELOPMENT,
HEALTH AND HUMAN SERVICES, AND JUDICIARY**
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Tel: (671) 969-1495/6 • Fax: (671) 969-1497 • Email: aguon4guam@gmail.com

November 9, 2010

FRANK B. AGUON, JR.
SENATOR, CHAIRMAN

Mr. Jeffrey Larsen
Health Plan Administrator
TakeCare Insurance Company Inc.
415 Chalan San Antonio
Baltej Pavilion, Suite 108
Tamuning, Guam 96913

ADOLPHO B. PALACIOS, SR.
SENATOR, VICE CHAIRMAN

JUDITH T. WON PAT
SPEAKER
EX-OFFICIO MEMBER

Dear Mr. Larsen:

BENJAMIN J.F. CRUZ
VICE SPEAKER

Buenas yan Hafa Adai!

TINA ROSE MUÑA BARNES
LEGISLATIVE SECRETARY

The Committee on Economic Development, Health & Human Services, and Judiciary will be conducting a Public Hearing and Oversight Hearing on **Tuesday, November 16, 2010 beginning at 9am** in the Guam Legislature's Public Hearing Room.

THOMAS C. ADA
SENATOR

The following will be on the agenda:

JUDITH P. GUTHERTZ
SENATOR

- **BILL NO. 482-30 (COR)** – An act to add Sub Items (1)(aa)(2)(3) amend Sub Section 43029(C) of Article 2, Chapter 4, of Title 4 Guam Code Annotated to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees of the government of Guam and to add items (a)(b) and amend Sub Section 15102 of Article 1, Chapter 15, Title 22 GCA. This Act shall be known as the 'HealthCare Insurance Transparency Act of 2010'.

RORY J. RESPICIO
SENATOR

FRANK F. BLAS, JR.
SENATOR

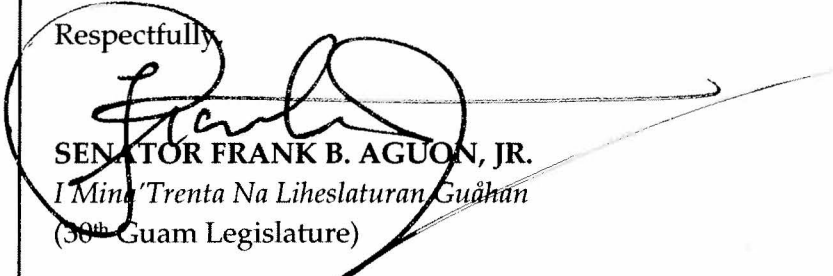
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TELO TAITAGUE
SENATOR

RAY TENORIO
SENATOR

Un dangkulo' na Si Yu'os Ma'ase'.

Respectfully,


SENATOR FRANK B. AGUON, JR.
I Mina'Trenta Na Liheslaturan Guåhan
(30th Guam Legislature)

NOTICE OF PUBLIC HEARING Inbox X

from **Frances Lizama** <lizama.frances@gmail.com>
to "PEREZ, Jeanie - TakeCare Ins." <jeanie.perez@takecareasia.com>
date Wed, Nov 10, 2010 at 11:30 AM
subject NOTICE OF PUBLIC HEARING
mailed-by gmail.com

Hafa Adai Ms. Perez:
Attached is a Notice of Public Hearing to Mr. Jeffrey Larsen from Sen. Frank B. Aguon, Jr.
Please forward notice to Mr. Larsen.
Please confirm receipt of this notice via email to lizama.frances@gmail.com.

Un dangkulo' na Si Yu'os Ma'ase', and have a great day.

--
FRANCES S. LIZAMA
Office of Senator Frank B. Aguon, Jr.
30th Guam Legislature
Committee on Economic Development,
Health & Human Services, and Judiciary
238 Archbishop F.C. Flores St.
DNA Bldg (old PDN), Suite 701A
Hagatna, Guam 96910
Tel: 671.969.1495/6
Fax: 671.969.1497

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from **Perez, Jeanette** <Jeanie.Perez@takecareasia.com>
to "lizama.frances@gmail.com" <lizama.frances@gmail.com>
date Wed, Nov 10, 2010 at 11:32 AM
subject Re: NOTICE OF PUBLIC HEARING

Received



**COMMITTEE ON ECONOMIC DEVELOPMENT,
HEALTH AND HUMAN SERVICES, AND JUDICIARY**

I Mina'Trenta Na Liheslaturan Guåhan • 30th Guam Legislature
238 Archbishop F.C. Flores St., DNA Bldg., Suite 701A, Hagatña, Guam 96910
Tel: (671) 969-1495/6 • Fax: (671) 969-1497 • Email: aguon4guam@gmail.com

November 9, 2010

FRANK B. AGUON, JR.
SENATOR, CHAIRMAN

ADOLPHO B. PALACIOS, SR.
SENATOR, VICE CHAIRMAN

JUDITH T. WON PAT
SPEAKER
EX-OFFICIO MEMBER

BENJAMIN J.F. CRUZ
VICE SPEAKER

TINA ROSE MUÑA BARNES
LEGISLATIVE SECRETARY

THOMAS C. ADA
SENATOR

JUDITH P. GUTHERTZ
SENATOR

RORY J. RESPICIO
SENATOR

FRANK F. BLAS, JR.
SENATOR

TELO TAITAGUE
SENATOR

RAY TENORIO
SENATOR

Mr. Don B. Davis
President/CEO/Chairman of the Board
StayWell Insurance
430 West Soledad Avenue
Hagatna, Guam 96910

Dear Mr. Davis:

Buenas yan Hafa Adai!

The Committee on Economic Development, Health & Human Services, and Judiciary will be conducting a Public Hearing and Oversight Hearing on **Tuesday, November 16, 2010 beginning at 9am** in the Guam Legislature's Public Hearing Room.


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Un dangkulo' na Si Yu'os Ma'ase'.

Respectfully,


SENATOR FRANK B. AGUON, JR.
I Mina'Trenta Na Liheslaturan Guåhan
(30th Guam Legislature)

NOTICE OF PUBLIC HEARING P.H. NOTICES X

from **Frances Lizama** <lizama.frances@gmail.com>
to "DAVIS, Don B. - Staywell Ins." <dbdavis@staywellguam.com>
date Wed, Nov 10, 2010 at 11:33 AM
subject NOTICE OF PUBLIC HEARING
mailed-by gmail.com

Hafa Adai Mr. Davis:

Attached is a Notice of Public Hearing from Sen. Frank B. Aguon, Jr. Please see notice for details. Please confirm receipt of this notice via email to lizama.frances@gmail.com.

Un dangkulo' na Si Yu'os Ma'ase', and have a great day.

--

FRANCES S. LIZAMA
Office of Senator Frank B. Aguon, Jr.
30th Guam Legislature
Committee on Economic Development,
Health & Human Services, and Judiciary
238 Archbishop F.C. Flores St.
DNA Bldg (old PDN), Suite 701A
Hagatna, Guam 96910
Tel: 671.969.1495/6
Fax: 671.969.1497

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**COMMITTEE ON ECONOMIC DEVELOPMENT,
HEALTH AND HUMAN SERVICES, AND JUDICIARY**
I Mina'Trenta Na Liheslaturan Guåhan • 30th Guam Legislature
238 Archbishop F.C. Flores St., DNA Bldg., Suite 701A, Hagatña, Guam 96910
Tel: (671) 969-1495/6 • Fax: (671) 969-1497 • Email: aguon4guam@gmail.com

November 9, 2010

FRANK B. AGUON, JR.
SENATOR, CHAIRMAN

Mr. Frank Campillo
Health Plan Administrator
Calvo's SelectCare Insurance
Chalan Santo Papa
Hagatna, Guam 96910

ADOLPHO B. PALACIOS, SR.
SENATOR, VICE CHAIRMAN

JUDITH T. WON PAT
SPEAKER
EX-OFFICIO MEMBER

Dear Mr. Campillo:

BENJAMIN J.F. CRUZ
VICE SPEAKER

Buenas yan Hafa Adai!

TINA ROSE MUÑA BARNES
LEGISLATIVE SECRETARY

The Committee on Economic Development, Health & Human Services, and Judiciary will be conducting a Public Hearing and Oversight Hearing on **Tuesday, November 16, 2010 beginning at 9am** in the Guam Legislature's Public Hearing Room.

THOMAS C. ADA
SENATOR

The following will be on the agenda:

JUDITH P. GUTHERTZ
SENATOR

- **BILL NO. 482-30 (COR)** – An act to add Sub Items (1)(aa)(2)(3) amend Sub Section 43029(C) of Article 2, Chapter 4, of Title 4 Guam Code Annotated to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees of the government of Guam and to add items (a)(b) and amend Sub Section 15102 of Article 1, Chapter 15, Title 22 GCA. This Act shall be known as the 'HealthCare Insurance Transparency Act of 2010'.

RORY J. RESPICIO
SENATOR

FRANK F. BLAS, JR.
SENATOR

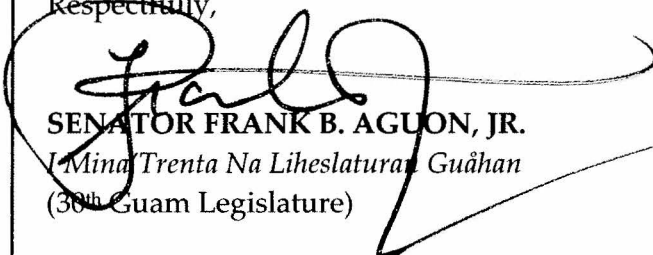
I would like to invite you and/or your representative for participation as you deem necessary. Testimonies may be submitted in advance to the Office of Senator Frank B. Aguon, Jr., 238 Archbishop F.C. Flores St., DNA Bldg., Suite 701A, Hagatna, Guam 96910, or emailed to aguon4guam@gmail.com no later than Monday, November 15, 2010. If you have any questions, you may call Mr. Ron Teehan from my office.

TELO TAITAGUE
SENATOR

RAY TENORIO
SENATOR

Un dangkulo' na Si Yu'os Ma'ase'.

Respectfully,


SENATOR FRANK B. AGUON, JR.
I Mina'Trenta Na Liheslaturan Guåhan
(30th Guam Legislature)

NOTICE OF PUBLIC HEARING P.H. NOTICES X

from **Frances Lizama** <lizama.frances@gmail.com>
to "CAMPILLO, Frank - SelectCare Ins." <frank.campillo@calvosinsurance.com>
date Wed, Nov 10, 2010 at 11:27 AM
subject NOTICE OF PUBLIC HEARING
mailed-by gmail.com

Hafa Ada Mr. Campillo:

Attached is a Notice of Public Hearing from Sen. Frank B. Aguon, Jr. Please see notice for details. Please confirm receipt of this notice via email to lizama.frances@gmail.com.

Un dangkulo' na Si Yu'os Ma'ase', and have a great day.

—
FRANCES S. LIZAMA
Office of Senator Frank B. Aguon, Jr.
30th Guam Legislature
Committee on Economic Development,
Health & Human Services, and Judiciary
238 Archbishop F.C. Flores St.
DNA Bldg (old PDN), Suite 701A
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**COMMITTEE ON ECONOMIC DEVELOPMENT,
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November 9, 2010

Mr. Jerry Crisostomo
Health Plan Administrator/Operations
NetCare Life & Health Insurance
Chalan Santo Papa
Hagatna, Guam 96910

Dear Mr. Crisostomo:

Buenas yan Hafa Adai!

The Committee on Economic Development, Health & Human Services, and Judiciary will be conducting a Public Hearing and Oversight Hearing on **Tuesday, November 16, 2010 beginning at 9am** in the Guam Legislature's Public Hearing Room.

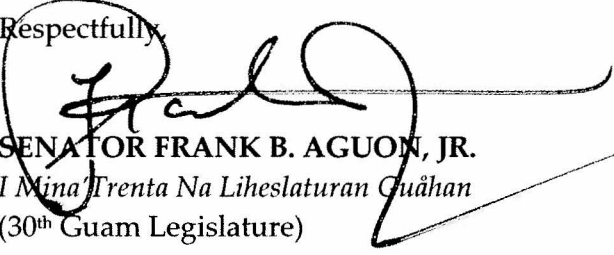
The following will be on the agenda:

- **BILL NO. 482-30 (COR)** – An act to add Sub Items (1)(aa)(2)(3) amend Sub Section 43029(C) of Article 2, Chapter 4, of Title 4 Guam Code Annotated to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees of the government of Guam and to add items (a)(b) and amend Sub Section 15102 of Article 1, Chapter 15, Title 22 GCA. This Act shall be known as the 'HealthCare Insurance Transparency Act of 2010'.

I would like to invite you and/or your representative for participation as you deem necessary. Testimonies may be submitted in advance to the Office of Senator Frank B. Aguon, Jr., 238 Archbishop F.C. Flores St., DNA Bldg., Suite 701A, Hagatna, Guam 96910, or emailed to aguon4guam@gmail.com no later than Monday, November 15, 2010. If you have any questions, you may call Mr. Ron Teehan from my office.

Un dangkulo' na Si Yu'os Ma'ase'.

Respectfully,


SENATOR FRANK B. AGUON, JR.
I Mina'Trenta Na Liheslaturan Guåhan
(30th Guam Legislature)

FRANK B. AGUON, JR.
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SENATOR

RORY J. RESPICIO
SENATOR

FRANK F. BLAS, JR.
SENATOR

TELO TAITAGUE
SENATOR

RAY TENORIO
SENATOR

NOTICE OF PUBLIC HEARING P.H. NOTICES X

from **Frances Lizama** <lizama.frances@gmail.com>
to "CRISOSTOMO, Jerry - NetCare Ins." <jcrisostomo@netcarelifeandhealth.com>
date Wed, Nov 10, 2010 at 11:54 AM
subject NOTICE OF PUBLIC HEARING
mailed-by gmail.com

Hafa Adai Mr. Crisostomo:

Attached is a Notice of Public Hearing from Sen. Frank B. Aguon, Jr. Please see notice for details. Please confirm receipt of this notice via email to lizama.frances@gmail.com.

Un dangkulo' na Si Yu'os Ma'ase', and have a great day.

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Office of Senator Frank B. Aguon, Jr.
30th Guam Legislature
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SENATOR FRANK B. AGUON, JR., *Chairman*
**COMMITTEE ON ECONOMIC DEVELOPMENT,
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AGENDA

PUBLIC HEARING AND OVERSIGHT HEARING

TUESDAY, NOVEMBER 16, 2010, 9:00 AM
GUAM LEGISLATURE PUBLIC HEARING ROOM

9:00 AM – PUBLIC HEARING:

- **BILL NO. 477-30 (COR)**
AN ACT TO PROVIDE ANNUAL MAMMOGRAMS FOR WOMEN AGED 40 AND OLDER WHO ARE CLIENTS OF THE MEDICALLY INDIGENT PROGRAM, WHEN MEDICALLY NECESSARY AND AS OTHERWISE STIPULATED, BY AMENDING TITLE 10 GCA, DIVISION 1, CHAPTER 2, § 2907.2. (a).
- **BILL NO. 479-30 (COR)**
AN ACT TO EXPAND THE BORROWING ABILITY OF THE GUAM MEMORIAL HOSPITAL AUTHORITY BY INCLUDING THE AUTHORIZATION TO ALSO ENTER INTO REVOLVING LOAN FUNDS, AND DIRECT LOANS, BY AMENDING SUBSECTION (o) OF §80104, CHAPTER 80, DIVISION 4, TITLE 10 GUAM CODE ANNOTATED.
- **BILL NO. 482-30 (COR)**
AN ACT TO ADD SUB ITEMS (1)(aa)(2)(3) AMEND SUB SECTION 43029(C) OF ARTICLE 2, CHAPTER 4, OF TITLE 4 GUAM CODE ANNOTATED TO ESTABLISH AN OPEN PROCESS IN HEALTHCARE INSURANCE NEGOTIATIONS FOR EMPLOYEES AND RETIREES OF THE GOVERNMENT OF GUAM AND TO ADD ITEMS (a)(b) AND AMEND SUB SECTION 15102 OF ARTICLE 1, CHAPTER 15, TITLE 22 GCA. THIS ACT SHALL BE KNOWN AS THE 'HEALTHCARE INSURANCE TRANSPARENCY ACT OF 2010'.


1:30 PM – OVERSIGHT HEARING:

- OVERSIGHT HEARING ON THE GUAM BOARD OF ALLIED HEALTH EXAMINERS

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2010 (SECOND) REGULAR SESSION

2010 OCT 20 PM 4:14 EPM

Bill No. 482-31 (COR)
Introduced by:

Judith P. Guthertz, DPA 

An Act to add sub items (1)(aa)(2)(3) amend sub Section 43029(C) of Article 3, Chapter 4, of title 4 Guam Code Annotated to establish an open process in HEALTHCARE INSURANCE negotiations for employees and retirees of the government of Guam and to add items (a)(b) and Amend Sub Section 15102 of Article 1, Chapter 15, Title 22 GCA. This Act shall be known as the 'HealthCare Insurance Transparency Act of 2010.'

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslatura Guahan* finds that
3 annually, healthcare rates in Guam continue to rise. Over the course of the past three (3)
4 years, negotiations for health insurance services have been met by a single provider. As a
5 result of what has essentially become a 'sole source' process, public perception reflects a
6 constituency that is suspect of their insurance rates and coverage options. Aiding in the
7 this perception is the fact that for the fiscal 2010-2011 fiscal year, the expected Government
8 of Guam contribution will increase in the amount of 60 percent when compared to the
9 2009-2010 coverage year, while the individual consumer rates for qualified active
10 Government of Guam employees and retirees and their families will increase in some cases
11 to an estimated 280 percent.

12 In order to promote a more competitive market for health insurance providers,
13 administrators and or health maintenance organizations, foster vigorous competition in the

1 health arena and allay concerns of the general public that the Government of Guam failed
2 to negotiate judiciously with providers for a fair rate and adequate services *I Liheslatura*
3 *Guahan* finds it necessary to institute additional policies listed in subsequent sections of this
4 measure which shall be known as the 'HealthCare Insurance Transparency Act of 2010.'
5 Additionally, health insurance benefits for the 2010-2011 Government of Guam (GovGuam)
6 fiscal year will cost the government an estimated \$46 million. Roughly \$29 million had
7 been budgeted for such purposes. The Government of Guam will be burdened with
8 expending monies – as much as \$17 million - for an underfunded obligation, which is in
9 direct contravention of accepted program budgeting and financial management standards
10 for GovGuam.

11 It is the intent of *I Liheslatura Guahan* through the 'HealthCare Insurance
12 Transparency Act of 2010,' to ensure that healthcare insurance negotiations reflect the most
13 economical and beneficial health plan that provide the requisite medical care needs and
14 services for Government of Guam employees, retirees and their families. As well, through
15 this Act, the obligation of the approved health care insurance benefit shall be known prior
16 to the annual 'Open Enrollment' period as the process is brought into the standards of
17 conformance with the annual Budget Act process of the territory. Finally, this Act shall
18 authorize a feasibility study relative to the probability of providing a non-profit public
19 option for Guam.

20 **Section 2. Expanded Request for Proposals, Negotiations and Processes.**

21 Item (c) of Sub section 4302 of Article 3, Chapter 4, of Title 4 Guam Code Annotated
22 is hereby amended and new paragraphs (1)(aa)(2)(3) are added to read.

23 "(c) A Negotiating Team consisting of the Director of Administration, who shall be
24 Chairperson, the Administrator of the Department of Integrated Services for Individuals
25 with Disabilities ('DISID'), or his or her designee; the Director of the Bureau of Budget and
26 Management Research, or his or her designee; an employee representative from the Judicial

1 Branch to be appointed by the Chief Justice of the Supreme Court of Guam; an employee
2 representative from the Legislative Branch to be appointed by the Speaker of I Liheslaturan
3 Guåhan; the Superintendent of the Department of Education, or his or her designee; the
4 Director of the Government of Guam Retirement Fund, or his or her designee; and a retiree
5 who is a member of the Government of Guam Retirement Fund to be appointed by the
6 Board of Trustees of the Government of Guam Retirement Fund, and one (1) member of the
7 general public, appointed by I Maga'Lahen Guahan, shall examine the financial information
8 of the prepaid health insurance companies, health care providers or other legal entities for
9 the purpose of developing the most economical and beneficial health proposal plan for
10 Government of Guam employees and retirees. The Negotiating Team may obtain technical
11 support from other financial and health-related agencies. The Negotiating Team shall
12 develop its rules of procedure in accordance with the Administrative Adjudication Law.
13 The Negotiating Team with the approval of I Maga'Lahi is authorized to contract an
14 actuary competent to develop proposed health insurance rates or other recognized expert
15 to train and/or advise the Negotiating Team.

16 (1) The Director of the Department of Administration shall plan, and
17 implement prior to discussions for the 2011-2012 Fiscal Year, an expanded
18 competitive Request for Proposal process. The Director shall announce in
19 publications of general circulation in Guam, in top publications nationally
20 and in leading publications internationally, a Request for Proposal from
21 Health Care Insurance Providers for health insurance coverage for qualified
22 active employees and qualified retirees of the government of Guam.

23 (aa) Health Care Insurance Providers that respond and express
24 interest in providing coverage to qualified active employees and
25 retirees shall, if selected, maintain a bona-fide office and operations

1 base in Guam and possess a business privilege license to do business in
2 Guam.

3 (2) The negotiating team upon selection and review of the best available
4 proposals by participating healthcare respondents/providers which reflect the
5 most economical and beneficial healthcare insurance proposal plan for
6 Government of Guam employees and retirees, shall forward the accepted
7 proposals to I Maga'Lahen Guahan for consideration, and to I Liheslaturan
8 Guahan for final approval no later than July 31, and prior to the annual
9 Legislative Sessions wherein the upcoming Fiscal Year Budget for the
10 Government of Guam is before I Liheslaturan Guahan for consideration;

11 (3) Within 180 days of this Act, the Director of the Department of
12 Administration shall to issue a Request For Proposal from qualified
13 individuals or firms to conduct a feasibility study for a non-profit public
14 healthcare care insurance option for Guam. The RFP shall call for a plan that
15 provides for a level playing field with current and future private insurers,
16 and the non-profit public healthcare care insurance option which pays for
17 care from individual premiums and copayments not of the General Fund of
18 the Government of Guam. "

19 **Section 3.** Items (a)(b) are hereby added to; and Sub Section 15102 of
20 Article 1, Chapter 15, Title 22 GCA is hereby amended to read:

21 "§ 15102. Certificate of Authority. Legitimate bona-fide on-island, national or
22 international insurance companies or reinsurance companies shall not be
23 arbitrarily excluded from participating, partnering or from being licensed to
24 do business in Guam. Admission is secured by procuring a Certificate of
25 Authority from the Commissioner. Such certificate shall not be granted until
26 the applicant conforms to the applicable requirements of this Title and of the

1 other laws of Guam prerequisite to its issue. After a certificate is granted, the
2 insurer shall continue to comply with the requirements pertaining to it as set
3 forth in this Title and in the other laws of Guam. The issuance of the
4 Certificate of Authority shall be accomplished in a transparent fashion and
5 shall be published in accordance with applicable provisions of the Open
6 Government Law.

7 (a) The Insurance Commissioner shall revisit annually, the
8 requirements for a Certificate of Authority for providers of Healthcare
9 Insurance Coverage, to ensure that the processes remain transparent, fair and
10 open to eligible on-island, national and international Healthcare Insurance
11 providers in order to foster vigorous competition and shall amend its
12 requirements when necessary or recommend to I Liheslaturan Guahan,
13 changes to General Regulations and laws relative to Certificates of
14 Authority;”

15 (b) the requirements of a Certificate of Authority shall not used as a
16 primary reason to exclude on-island, national or international Healthcare
17 Insurance provider firms seeking to provide Healthcare Insurance providers
18 from participating in the Guam marketplace. The Insurance Commissioner
19 shall develop a process that does not impede the application and intent of an
20 on-island, national or international Healthcare Insurance provider to do
21 business in Guam.

22 **Section 4.** Effective Date. “Notwithstanding any other provisions of law,
23 provisions of this Act shall be in effect upon enactment into law. “