

PC



EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

31-12-1625

Office of the Speaker
Judith T. Won Pat, Ed. D.

Date 6/19/12
Time 4:37 PM
Received by [Signature]

June 18, 2012

Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Unu Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

Dear Madame Speaker:

Transmitted herewith is Bill No. 460-31 (COR) "AN ACT TO AMEND §4301.1 OF ARTICLE 3, CHAPTER 4, TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO NEGOTIATING AND PROCURING HEALTH INSURANCE SERVICES FOR THE GOVERNMENT OF GUAM", which I signed into law on June 15, 2012 as **Public Law 31-225**.

2012 JUN 19 5:04 PM

Senseramente,

RAY TENORIO
I Maga'láhen Guåhan para pa'go
Acting Governor of Guam

Attachment: copy of Bill

1625

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

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

This is to certify that substitute Bill No. 460-31 (COR), "AN ACT TO AMEND §4301.1 OF ARTICLE 3, CHAPTER 4, TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO NEGOTIATING AND PROCURING HEALTH INSURANCE SERVICES FOR THE GOVERNMENT OF GUAM", was on the 4th day of June, 2012, duly and regularly passed.



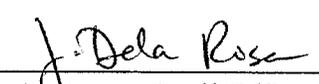
Judith T. Won Pat, Ed.D.
Speaker

Attested:



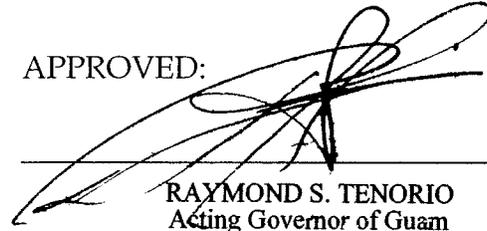
Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahaen Guåhan* this 7th day of June, 2012, at 1:10 o'clock P.M.



Assistant Staff Officer
Maga'laha's Office

APPROVED:



RAYMOND S. TENORIO
Acting Governor of Guam

Date: JUN 15 2012

Public Law No. 31-225

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

Bill No. 460-31 (COR)

As substituted by the Committee on Youth, Cultural Affairs,
Procurement, General Government Operations, and Public Broadcasting.

Introduced by:

V. C. Pangelinan
B. J.F. Cruz
T. C. Ada
V. Anthony Ada
F. F. Blas, Jr.
Chris M. Dueñas
Judith P. Guthertz, DPA
Sam Mabini, Ph.D.
T. R. Muña Barnes
Adolpho B. Palacios, Sr.
Dennis G. Rodriguez, Jr.
R. J. Respicio
M. Silva Taijeron
Aline A. Yamashita, Ph.D.
Judith T. Won Pat, Ed.D.

**AN ACT TO *AMEND* §4301.1 OF ARTICLE 3, CHAPTER
4, TITLE 4 OF THE GUAM CODE ANNOTATED,
RELATIVE TO NEGOTIATING AND PROCURING
HEALTH INSURANCE SERVICES FOR THE
GOVERNMENT OF GUAM.**

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

2 **Section 1.** §4301.1 of Article 3, Chapter 4, Title 4 of the Guam Code
3 Annotated, is hereby *amended* to include new definitions as follows:

4 “(e) *Exclusive proposal* means a proposal based upon the
5 assumption that the government will contract with *only* one (1) health

1 insurance provider that is selected by the negotiating team from up to three
2 (3) different health insurance providers that all negotiate best and final
3 offers with the negotiating team.

4 (f) *Non-exclusive proposal* means a proposal based upon the
5 assumption that the government will contract with three (3) health insurance
6 providers that negotiate best and final offers with the negotiating team. *If*
7 *only two (2) health insurance providers submit qualified proposals then*
8 *non-exclusive proposal shall* mean a proposal based upon the assumption
9 that the government will contract with two (2) health insurance providers
10 that negotiate best and final offers with the negotiating team.

11 (g) *Qualified proposal* means a proposal from a health care
12 provider that submits both an exclusive and a non-exclusive proposal and
13 meets the minimum requirements specified in the RFP in response to any
14 request for proposals for the Government of Guam Health Insurance
15 Program.”

16 **Section 2. Severability.** *If* any provisions of this Act or the application
17 thereof to any person or circumstance is held invalid, such invalidity *shall not*
18 affect any other provision or application of this Act which can be given effect
19 without the invalid provision or application, and to this end the provisions of this
20 Act are severable.

6

I MINA' TRENTAI UNU NA LIHESLATURAN GUÅHAN

2012 (SECOND) Regular Session

Date: 6/4/12

VOTING SHEET

SBill No. 460-31(COR)

Resolution No. _____

Question: _____

<u>NAME</u>	<u>YEAS</u>	<u>NAYS</u>	<u>NOT VOTING/ ABSTAINED</u>	<u>OUT DURING ROLL CALL</u>	<u>ABSENT</u>
ADA, Thomas C.	✓				
ADA, V. Anthony	✓				
BLAS, Frank F., Jr.	✓				
CRUZ, Benjamin J. F.	✓				
DUENAS, Christopher M.	✓				
GUTHERTZ, Judith Paulette	✓				
MABINI, Sam	✓				
MUNA-BARNES, Tina Rose	✓				
PALACIOS, Adolpho Borja, Sr.	✓				
PANGELINAN, vicente (ben) cabrera					EA
RESPICIO, Rory J.	✓				
RODRIGUEZ, Dennis G., Jr.	✓				
SILVA TAIJERON, Mana	✓				
WON PAT, Judith T.	✓				
YAMASHITA, Aline A.	✓				

TOTAL

14 0 0 0 1

CERTIFIED TRUE AND CORRECT:


Clerk of the Legislature

* 3 Passes = No vote
EA = Excused Absence



May 30, 2012

The Honorable Judith T. Won Pat
Speaker
I Mina' Trentai Unu Na Liheslatuaran Guahan
31st Guam Legislature
155 Hesler Place
Hagatna, Guam 96910

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

RE: Committee Report on Bill No. 460-31 (COR) – As Substituted

Dear Speaker Won Pat:

Transmitted herewith is the Report of Committee on Youth, Cultural Affairs, Procurement General Government Operations and Public Broadcasting on Bill No. 460-31 (COR) - An act to amend Section 4301.1, Article 3, Chapter 4, Title 4 of the Guam Code Annotated, relative to negotiating and procuring health insurance services for the government of Guam - Sponsored by v.c. pangelinan / B.J.F. Cruz and referred to the Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting.

Committee votes are as follows:

<u>3</u>	TO DO PASS
_____	TO NOT PASS
<u>5</u>	TO REPORT OUT ONLY
_____	TO ABSTAIN
_____	TO PLACE IN INACTIVE FILE

Sincerely,


BENJAMIN J.F. CRUZ
Chairperson

PM 4: 2012 MAY 30 PM 4



COMMITTEE REPORT

ON

Substitute Bill No. 460-31 (COR)

**Bill No. 460-31 (COR) - v.c. pangelinan / B.J.F. Cruz –
“An act to amend Section 4301.1, Article 3, Chapter 4,
Title 4 of the Guam Code Annotated, relative to
negotiating and procuring health insurance services
for the government of Guam.”**



May 30, 2012

MEMORANDUM

TO: All Members
Committee on Youth, Cultural Affairs, Procurement, General
Government Operations and Public Broadcasting

FROM: Vice Speaker Benjamin J.F. Cruz

SUBJECT: Committee Report on Bill No. 460-31(COR) – As Substituted

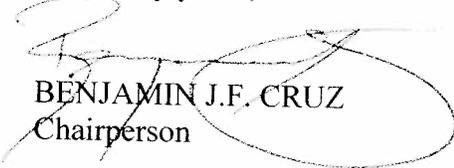
Transmitted herewith for your consideration is the Committee Report on Substitute Bill No. 460-31 (COR) - v.c. pangelinan / B.J.F. Cruz "An act to amend Section 4301.1, Article 3, Chapter 4, Title 4 of the Guam Code Annotated, relative to negotiating and procuring health insurance services for the government of Guam."

This report includes the following:

- Committee Vote Sheet
- Committee Report Digest
- Bill No. 460-31(COR)
- Substitute Bill No. 460-31 (COR)
- Public Hearing Sign-in Sheet
- COR Referral of Bill No. 460-31(COR)
- Fiscal Note Requirement
- Notices of Public Hearing
- Public Hearing Agenda

Please take the appropriate action on the attached voting sheet. Your attention to this matter is greatly appreciated. Should you have any questions or concerns, please do not hesitate to contact me.

Very truly yours,


BENJAMIN J.F. CRUZ
Chairperson



COMMITTEE VOTING SHEET

Substitute Bill No 460-31 (COR) - v.c. pangelinan / B.J.F. Cruz – “An act to amend Section 4301.1, Article 3, Chapter 4, Title 4 of the Guam Code Annotated, relative to negotiating and procuring health insurance services for the government of Guam.”

COMMITTEE MEMBERS	SIGNATURE	TO DO PASS	TO NOT PASS	TO REPO RT OUT ONLY	TO ABSTAIN	TO PLACE IN INACT IVE FILE
CRUZ, BENJAMIN J.F. Chairperson		5/30/12				
MUÑA BARNES, TINA ROSE Vice-Chairperson		5/30/12				
WON PAT, JUDITH T. Speaker and Ex-Officio Member						
ADA, THOMAS C. Member				5/30/12		
GUTHERTZ, JUDITH P. Member						
RESPICIO, RORY J. Member		5/30/12				
RODRIGUEZ, DENNIS G. JR. Member				5/30/12		
ADA, V. ANTHONY Member						
DUENAS, CHRISTOPHER Member				5/30/12		
MABINI, SAM Member		5/30/12		5/30/12		
YAMASHITA, ALINE Member				5/30/12		



Committee Report Digest

I. OVERVIEW

The Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting convened a public hearing on May 29, 2012 at 6:00 pm in *I Liheslatura's* Public Hearing Room.

Public Notice Requirements

Notices were disseminated via hand-delivery and e-mail to all senators and all main media broadcasting outlets on May 21, 2012 (5-Day Notice), and again on May 27, 2012 (48 Hour Notice).

(a) Committee Members and Senators Present

Vice Speaker Benjamin J.F. Cruz, Member
Senator Rory J. Respicio, Member
Senator Tina Rose Muña-Barnes

(b) Appearing before the Committee

Benita A. Manglona – Director of the Department of Administration
Attorney John Weisenberger – On Behalf of the Attorney General of Guam

(c) Written Testimonies Submitted

Benita A. Manglona - Director of the Department of Administration
Leonardo M. Rapadas – Attorney General of Guam

II. COMMITTEE PROCEEDINGS

(a) Bill Sponsor Summary



In March 2012, Public Law 31-197 was enacted which amended the Government of Guam Health Insurance Program (GHIP) to require the Negotiations Team to negotiate both exclusive and non-exclusive proposals with up to three health insurance providers in an effort to generate competitive bids and provide more choices of insurance coverage to government employees and retirees.

The Government Health Insurance Program contract costs taxpayers, employees and retirees more than Seventy Five Million Dollars (\$75,000,000) each year making it one of the largest single service contracts on the entire island. Free market forces should provide the best prices and products to the Government provided that increasing the supply of Health Insurance Providers does not face any barriers to entry to the market.

For several years, the government has limited the health insurance negotiations to one health insurance provider. Bill 460 seeks to remedy Public Law 31-197 at the request of the Attorney General to further clarify its intent for the Government of Guam Health Insurance procurement by adding definitions for the terms exclusive, non-exclusive and qualified proposals. The Legislative intent of Public Law 31-197 remains completely intact because Bill 460 seeks to only further define terms used in Public Law 31-197.

(b) **Testimony**

Vice Speaker B.J. Cruz, Chairman – Committee on Youth, Cultural Affairs, Procurement, General Government Operations, and Public Broadcasting:

Håfa Adai! Good Evening. The Committee on Youth, Cultural Affairs, Procurement, General Government Operations, and Public Broadcasting will come to order. Notice to the public was sent to all public media outlets on May 21, 2012. The second notice was provided on May 27, 2012. Notice was also on the Guam Legislature's website. With me, are the Legislative Secretary, Senator Tina Rose Muña Barnes, and the Majority Leader, Senator Rory Respicio. We have only one item on the agenda: Bill 460-31 introduced by Senator Pangelinan and cosponsored by myself, An Act to amend Section 4301.1, Article 3, Chapter 4, Title 4 of the Guam Code Annotated, relative to negotiating procuring health insurance services



for the government of Guam. I have, currently listed as here to testify, John Weisenberger from the Attorney General's Office and Benita Manglona. I know we have some insurance carriers in the room, but nobody's signed up. Mr. Weisenberger, unless of course you're going to defer to—

John Weisenberger, Assistant Attorney General – Office of the Attorney General of Guam: I would be happy to let Ms. Manglona go first.

Benita Manglona, Director – Department of Administration: *Håfa Adai*, Vice Speaker Cruz and Senator Respicio, Senator Tina Muña Barnes. Good evening. (See written testimony as provided and orally presented by Department of Administration Director Benita Manglona.)

Benita Manglona, Director – Department of Administration (continued):
This is to provide comments on Bill Number 460-31, An Act to amend section 4301.1, Article 3, Chapter 4, Title 4 of the Guam Code Annotated, relative to negotiating and procuring health insurance services for the government of Guam.

Upon review, we're concerned that the bill only addresses a qualified proposal as the submission of an exclusive and non-exclusive proposal. And more importantly, does not specify that the proposal must meet the minimum requirements in the RFP. Without this language provision, the government may be forced to evaluate and/or negotiate with all carriers, simply by submission of both the exclusive and non-exclusive proposals and not necessarily meeting the overall requirements.

Pursuant to Guam Procurement Law, a carrier must also submit disclosure affidavits along with the proposal. Several examples of these documents are Affidavit Disclosing Ownership and Commissions; Affidavit of Non-Collusion; Affidavit regarding No Gratuities and Kickbacks; Affidavit regarding Ethical Standards; Affidavit regarding Contingent Fees and Declaration for Compliance with the U.S. DOL Wage Determination.

These affidavits are a requirement of the Guam Procurement Law to ensure there



is no collusion against the government or that the offeror does not knowingly influence the government employee to breach any ethical standards in public contracting.

A lack of any of these documents may disqualify the offeror as being nonresponsive. Documents such as these are included for the protection of the government and to ensure that there must be compliance pursuant to law. A qualified proposal regarding the submission of an exclusive and non-exclusive proposal, with no regard to requirements in the RFP, may leave the government in an unfavorable position and potential protest.

It is imperative that the specific language should be included to ensure that requirements in the RFP are adhered to which leaves no room for disputes and unnecessary delay in the already-lengthened process.

All offerors must comply with the RFP, and we recommend that the following language be included to ensure that all the minimum requirements stated in the RFP are met:

“Qualified proposal means a proposal from a health care provider that submits both an exclusive and a non-exclusive proposal and meets the minimum requirements specified in the RFP in response to any Request for Proposals for the government of Guam Health Insurance Program.”

By including this language, all carriers are on notice that they must meet these minimum requirements to proceed to the evaluation phase by the negotiation team. This will eliminate potential disputes and will ensure that the team only evaluates and possibly proceeds to negotiations with those proposals that truly qualify.

Benita Manglona, Director – Department of Administration (continued):

In closing, we are not in support of Bill 460 unless the above recommended language is included. Thank you for the opportunity to provide these comments on Bill 460. I am available should you have any questions or need clarification. Si



Yu'os Ma'åse'.

Vice Speaker Cruz: So if the Committee were to include your suggested change, you would be in favor of the legislation?

Benita Manglona: Yes.

Vice Speaker Cruz: Mr. Weisenberger.

John Weisenberger: Good evening, Mr. Vice Speaker and members of the Committee. My name is John Weisenberger; I'm an Assistant Attorney General. I'm appearing, this evening, before the Committee with the permission and at the request of the Attorney General. The Attorney General has submitted a letter to the Committee.

I'm glad to comment on the letter; I think it's fairly straightforward. I'll read it into the record, if you'd like. (See written testimony as provided by Attorney General Leonardo M. Rapadas and orally presented by Attorney John Weisenberger.)

Buenasyan Håfa Adai! On behalf of the Office of the Attorney General, I am happy to provide this written testimony concerning Bill 460-31. As you are aware, the Office of the Attorney General had some concerns with Public Law 31-197, an amendment to the government employee retiree group health insurance provisions, codified at 4 GCA, Section 4302 (c).

Bill 460-31, copy attached, provides three additional definitions to the Group Health Insurance Law that resolve questions concerning the intent of Public Law 31-197. If Bill 460-31 is enacted as now written, there is added clarity in the process to be followed in solicitation of group health insurance for employees and retirees of the government of Guam. Please do not hesitate to contact this office if there is need for clarification or additional input regarding this matter.

Dångkolunaagradesimento. Sincerely, Leonardo Rapadas.



Vice Speaker Cruz: Thank you. I neglected to do something at the beginning. Senator Pangelinan did submit a Sponsor Statement, and I'd like to read it into the record at this point. (See Sponsor Statement from Senator Vicente (ben) Cabrera Pangelinan, orally presented by Vice Speaker B.J. Cruz.)

On March 2012, Public Law 31-197 was enacted which amended the government of Guam Health Insurance Program to require the negotiation team to negotiate both exclusive and non-exclusive proposals with up to three health insurance providers in an effort to generate competitive bids and provide more choices of insurance coverage to government employees and retirees.

The government health insurance contract cost taxpayers, employees, and retirees, more than \$75M each year, making it one of the largest, single-service contracts on the entire island. Free market forces should provide the best prices and products for the government provided that increasing the supply of health insurance providers does not face any barriers of entry to the market.

For several years, the government has limited the health insurance negotiations of one health insurance provider. Bill 460 seeks to remedy Public Law 31-197 at the request of the Attorney General to further clarify its intent for the government of Guam Procurement by adding definitions for the terms exclusive, non-exclusive, and qualified proposals.

The legislative intent to Public Law 31-197 remains completely intact, because 460 seeks to only further define terms used in Public Law 31-197.

That was a sponsor statement.

Senator Rory Respicio: Not so much a question but a comment for the Director that I agree with the Director of Administration's position. While it may seem a harmless debate, the way the bill is presented there is an unintended consequence that defining a qualified proposal is simply a proposal from a health care provider that submits both an exclusive and non-exclusive proposal in response to any



Request for Proposals for the government of Guam Health Insurance Program.

If you recall, Public law 31-197--its original version had at least four amendments--three of which I'm more familiar with. The first one required that the negotiating team issue the RFP. (And Senator Pangelinan was in agreement to all these amendments.) The second amendment provides that each qualified bidder be rated, and it requires that they negotiate with the top three rated.

And this is keeping in line with what the Attorney General requested with the sponsor of this bill, but I think that if we don't listen, seriously, to what the Director of Administration is saying, you will have unintended consequences and maybe more bid protests as a result so I'm in support of the Director of Administration's position. And I thank you, as well, Attorney for your presentation and your participation.

Senator Tina Rose Muña Barnes: *Si Yu'os Ma'åse'*, Mr. Chair, and I thank you both for being here this evening. I just want to share that we're reading the statement from Attorney General Rapadas, Attorney Weisenberger, that specifically states that because of these inclusions on the definitions, then the intent of supporting Bill Number 460 is in place. Is that a fair statement to say?

John Weisenberger: Yes.

Senator Tina Rose Muña Barnes: Okay, I just wanted it for the record. And I also, Mr. Chair, agree with the comments shared by Senator Respicio to the Director of the Administration's comments in including the provision of the definition for qualified proposals. I thank you for your efforts in that, and that further strengthens the bill. *Saina Ma'åse'*.

Vice Speaker Cruz: Mr. Weisenberger, were there any other clarifications that needed to be made to 197?



John Weisenberger: I don't think so, Mr. Vice Speaker. As you know, we met with yourself and with Senator Pangelinan. There was additional language we had recommended. We were most concerned about the definitions of these three terms so that there would be no question leading to a potential protest. We've managed—in working with the Department of Administration—to put instructions in the Request for Proposals that, i think, handle all the rest of that.

I will just note, for the record, that Senator Pangelinan--well, first of all, let me state that our office took the effort of listening to and observing the legislative journal for the session in which Public Law 31-197 was passed. We did that because we wanted to make sure we understand the intent of the Legislature, and it was from that that these three definitions came forward.

We also received, from Senator Pangelinan, a flow chart which was very consistent with the discussions among the senators during the discussion on Public Law 31-197 so it's going to be included as part of the Request for Proposals, because it was very straightforward.

It clarified any other questions that might have existed. It's clearly consistent with the law, and I believe that with the use of that flow chart which the Department of Administration and the negotiating team have agreed to--I will say this: the negotiating team is going to meet either tomorrow or the day after tomorrow and finalize their Request for Proposals.

And I believe with that, they will put that flow chart as part of the Request for Proposal. Then there aren't any other changes that we want to recommend. This is very consistent with--and I want to thank the Vice Speaker and Senator Pangelinan for meeting with the Attorney General and listening to him and accepting his suggestion. Thank you.

Vice Speaker Cruz: Does your office have a position as it relates to the recommendation made by the Director of Administration?



John Weisenberger: Not officially, because we received this only at the end of the day, and I did not have the opportunity to meet with the Attorney General on this. I will only state that I don't believe there's a problem with the recommendation from the Director of Administration. It's covered in the instructions in the Request for Proposal. The instructions, I think, are very clear. There are two sections of law that apply to the Request for Proposal. One is the section of law from the procurement code, and the other is the section of the law from Title 4 related to group benefits and specifically group health insurance benefits. The addition of this language does not take anything away from that and in fact, makes it even clearer. I appreciate (as the person who's representing the Department of Administration and the negotiating team on behalf of the government) that this language is helpful, speaking for myself as the attorney. Thank you.

Vice Speaker Cruz: Okay, that's great.

I want to thank both of you for coming. Are there any other persons who wish to address the Committee? Seeing no hands or anybody rise... I want to thank the representatives from the industry who are present in the room, and if there's any recommendations that you might have, we'd appreciate them in an email—like, tonight—because if they're going to meet Thursday, we need to get this passed tomorrow so they know what the instructions are going to be. So if anyone in the industry wishes to submit testimony, I apologize for the rush, but if they're going to meet to finalize the RFP on Thursday, we need to get this passed here, tomorrow afternoon so that we can address this so that it can be included to make it as clear as possible or at least make 197 clear as to what this Legislature intended. Thank you, and if there are no other—it's 6:24, and this hearing is adjourned.

III. FINDINGS & RECOMMENDATIONS

The Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting finds there is a need for amendments to the bill the changes are as follows:



Add the language "and meet the minimum requirements specified in the RFP" to the definition of qualified proposal in Section 1:

"(g) Qualified proposal means a proposal from a Health Care Provider that submits both an exclusive and a non-exclusive proposal **and meets the minimum requirements specified in the RFP** in response to any request for proposals for the Government of Guam Health Insurance Program."

The Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting to which was referred Substitute Bill No. 460-31 (COR), hereby submits these findings to *I Mina' Trentai Unu na Liheslaturan Guahan* reports out Substitute Bill No. 460-31(COR) with the recommendation
TO REPORT OUT ONLY.

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

2012 MAY 21 PM 3:25

Bill No. 460-31 (COR)

Introduced by:

V.C. Pangelinan
B.J.F. Cruz

AN ACT TO *AMEND* SECTION 4301.1, ARTICLE 3, CHAPTER 4, TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO NEGOTIATING AND PROCURING HEALTH INSURANCE SERVICES FOR THE GOVERNMENT OF GUAM.

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

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5 the government will contract with only one Health Insurance Provider that is
6 selected by the Negotiating Team from up to three different Health Insurance
7 Providers that all negotiate best and final offers with the Negotiating Team.

8 (f) *Non-exclusive proposal* means a proposal based upon the assumption that
9 the government will contract with three Health Insurance Providers that negotiate
10 best and final offers with the Negotiating Team. If only two Health Insurance
11 Providers submit qualified proposals then *Non-exclusive proposal* shall mean a
12 proposal based upon the assumption that the government will contract with two
13 Health Insurance Providers that negotiate best and final offers with the Negotiating
14 Team.

1 (g) *Qualified proposal* means a proposal from a Health Care Provider that
2 submits both an exclusive and a non-exclusive proposal in response to any request
3 for proposals for the Government of Guam Health Insurance Program.”

4 **Section 2. Severability.** If any provisions of this Act or the application
5 thereof to any person or circumstance is held invalid, such invalidity *shall* not
6 affect any other provision or application of this Act which can be given effect
7 without the invalid provision or application, and to this end the provisions of this
8 Act are severable.

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

Bill No. 460-31 (COR),
As Substituted By the Committee on Youth, Cultural Affairs,
Procurement, General Government Operations
and Public Broadcasting.

Introduced by:

**V.C. Pangelinan
B.J.F. Cruz**

**AN ACT TO AMEND SECTIONS 4301.1, ARTICLE 3, CHAPTER
4, TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO
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9 affect any other provision or application of this Act which can be given effect
10 without the invalid provision or application, and to this end the provisions of this
11 Act are severable.



I Mina'trentai Unu Na Liheslaturan Guåhan

Senator Vicente (ben) Cabrera Pangelinan (D)

May 29, 2012

In March 2012, Public Law 31-197 was enacted which amended the Government of Guam Health Insurance Program (GHIP) to require the Negotiations Team to negotiate both exclusive and non-exclusive proposals with up to three health insurance providers in an effort to generate competitive bids and provide more choices of insurance coverage to government employees and retirees.

The Government Health Insurance Program contract costs taxpayers, employees and retirees more than Seventy Five Million Dollars (\$75,000,000) each year making it one of the largest single service contracts on the entire island. Free market forces should provide the best prices and products to the Government provided that increasing the supply of Health Insurance Providers does not face any barriers to entry to the market.

For several years, the government has limited the health insurance negotiations to one health insurance provider. Bill 460 seeks to remedy Public Law 31-197 at the request of the Attorney General to further clarify its intent for the Government of Guam Health Insurance procurement by adding definitions for the terms exclusive, non-exclusive and qualified proposals. The Legislative intent of Public Law 31-197 remains completely in tact because Bill 460 seeks to only further define terms used in Public Law 31-197.

Chairman
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Land

Vice Chairman
Committee on Education

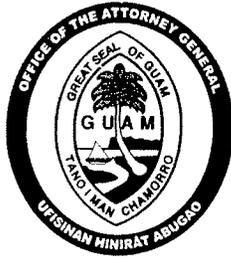
Member
Committee on Rules,
Federal, Foreign &
Micronesian Affairs and
Human & Natural
Resources

Member
Committee on
Municipal Affairs,
Tourism, Housing, and
Recreation

Member
Committee on the Guam
Military Buildup and
Homeland Security

Member
Committee on Health and
Human Services, Senior
Citizens, Economic
Development, and Election
Reform

Leonardo M. Rapadas
Attorney General



Phillip J. Tydingco
Chief Deputy Attorney General

OFFICE OF THE ATTORNEY GENERAL

May 29, 2012

The Honorable Benjamin J.F. Cruz
Vice Speaker
31st Guam Legislature
Chairman, Committee on Youth, Cultural Affairs,
Procurement, General Government Operations
and Public Broadcasting
155 Hessler Place, Suite 107
Hagatna, Guam 96910

Re: **Comments on Bill 460-31**

Dear Vice Speaker Cruz,

Buenas yan Håfa Adai! On behalf of the Office of the Attorney General, I am happy to provide this written testimony concerning Bill 460-31. As you are aware, the Office of the Attorney General had some concerns with Public Law 31-197, an amendment to the government employee/retiree group health insurance provisions codified at 4 GCA §4302(c). Bill 460-31, copy attached, provides three additional definitions to the group health insurance law that resolve questions concerning the intent of P.L. 31-197. If Bill 460-31 is enacted as now written there is added clarity in the process to be followed in solicitation of group health insurance for employees and retirees of the government of Guam.

Please do not hesitate to contact this office if there is need for clarification or additional input regarding this matter. *Dångkolo na Agradesimiento!*

Sincerely,



LEONARDO M. RAPADAS
Attorney General of Guam

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

2012 MAY 21 PM 3:25

Bill No. 460-31 (COR)

Introduced by:

V.C. Pangelinan
B.J.F. Cruz

AN ACT TO *AMEND* SECTION 4301.1, ARTICLE 3, CHAPTER 4, TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO NEGOTIATING AND PROCURING HEALTH INSURANCE SERVICES FOR THE GOVERNMENT OF GUAM.

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

2 **Section 1.** §4301.1, Article 3, Chapter 4, Title 4 of the Guam Code
3 Annotated is hereby *amended* to include new definitions as follows:

4 “(e) *Exclusive proposal* means a proposal based upon the assumption that
5 the government will contract with only one Health Insurance Provider that is
6 selected by the Negotiating Team from up to three different Health Insurance
7 Providers that all negotiate best and final offers with the Negotiating Team.

8 (f) *Non-exclusive proposal* means a proposal based upon the assumption that
9 the government will contract with three Health Insurance Providers that negotiate
10 best and final offers with the Negotiating Team. If only two Health Insurance
11 Providers submit qualified proposals then *Non-exclusive proposal* shall mean a
12 proposal based upon the assumption that the government will contract with two
13 Health Insurance Providers that negotiate best and final offers with the Negotiating
14 Team.



Eddie Baza Calvo
Governor
Ray Tenorio
Lieutenant Governor

Government of Guam
(*Gubetnomention Guahan*)
Department of Administration
(*Dipattamenton Atmenestracion*)
Post Office Box 884 Hagatña, Guam 96932
Tel: (671) 475-1101/1250 * Fax: (671) 477-6788



Benita A. Manglona
Director
Anthony C. Blaz
Deputy Director

May 29, 2012

Senator Benjamin Cruz
Vice-Speaker and
Chairman, Committee on Youth, Cultural
Affairs, Procurement, General Government
Operations and Public Broadcasting
I Mina Trentai Unu Liheslaturan Guahan
155 Hesler Street
Hagatña, Guam 96910

Hafa Adai Vice-Speaker Cruz:

This is to provide comments on Bill No. 460-31 (COR), “An Act to *amend* Section 4301.1, Article 3, Chapter 4, Title 4 of the Guam Code Annotated, relative to negotiating and procuring health insurance services for the government of Guam.”

Upon review, we are concerned that the bill only addresses a qualified proposal as the submission of an exclusive and non-exclusive proposal, and more importantly, **does not specify that the proposal must meet the minimum requirements in the RFP**. Without this specific language/provision, the government may be forced to evaluate and/or negotiate with all carriers simply by submission of both the exclusive and non-exclusive proposals and not necessarily meeting the overall requirements. Pursuant to Guam Procurement Law, a carrier must also submit Disclosure Affidavits along with the proposal. Several examples of these documents are Affidavit Disclosing Ownership and Commissions, Affidavit of Non-Collusion, Affidavit regarding No Gratuities and Kickbacks, Affidavit regarding Ethical Standards, Affidavit regarding Contingent Fees and Declaration for Compliance with the US DOL Wage Determination. These Affidavits are a requirement of the Guam Procurement Law to ensure there is no collusion against the government or that the offeror does not knowingly influence a government employee to breach any ethical standards in public contracting. A lack of any one of these documents may disqualify the offeror as being non-responsive. Documents such as these are included for the protection of the government and to ensure that there must be compliance pursuant to law. A qualified proposal regarding the submission of an exclusive and non-exclusive proposal with no regard to requirements in the RFP may leave the government in an unfavorable position and potential protests. It is imperative that the specific language should be

included to ensure that requirements in the RFP are adhered to which leaves no room for disputes and unnecessary delay in the already lengthened process.

All offerors must comply with the RFP, and we recommend that the following language be included to ensure all the minimum requirements stated in the RFP are met:

“(g) Qualified proposal means a proposal from a Health Care Provider that submits both an exclusive and a non-exclusive proposal ***and meets the minimum requirements specified in the RFP*** in response to any request for proposals for the Government of Guam Health Insurance Program.”

By including this language, all carriers are on notice they must meet these minimum requirements to proceed to the evaluation phase by the Negotiation Team. This will eliminate potential disputes, and ensures that the team only evaluates and possibly proceed to negotiations with those proposals that truly qualify.

In closing, we are not in support of bill 460-31 (COR) unless the above recommended language is included.

Thank you for the opportunity to provide these comments on bill 460-31(COR). I am available should you have any questions or need clarification. Si Yu’us Ma’ase.

Senseramente,



Benita A. Manglona, Director
Depart

Bureau of Budget & Management Research
Fiscal Note of Bill No. 460-31 (COR)

AN ACT TO AMEND SECTION 4301.1, ARTICLE 3, CHAPTER 4, TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO NEGOTIATING AND PROCURING HEALTH INSURANCE SERVICES FOR THE GOVERNMENT OF GUAM.

Department/Agency Appropriation Information

Dept./Agency Affected: Department of Administration	Dept./Agency Head: Benita A. Manglona
Department's General Fund (GF) appropriation(s) to date:	29,390,261
Department's Other Fund (Specify) appropriation(s) to date: Indirect Cost Fund; Tourist Attraction Fund; & GWA Reimbursement	1,094,739
Total Department/Agency Appropriation(s) to date:	\$30,485,000

Fund Source Information of Proposed Appropriation

	General Fund:	(Specify Special Fund):	Total:
FY 2011 Unreserved Fund Balance		\$0	\$0
FY 2012 Adopted Revenues	\$0	\$0	\$0
FY 2012 Appro. (P.L. 31-75 & 31-77)	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
Total:	\$0	\$0	\$0

Estimated Fiscal Impact of Bill

	One Full Fiscal Year	For Remainder of FY 2012 (if applicable)	FY 2013	FY 2014	FY 2015	FY 2016
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 N/A
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 // 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: // Yes //X/ No
 // Requested agency comments not received by due date //X/ Other: Time Constraint

Analyst (s): Joe Certeza Date: 05/29/2012 Director: John A. Rios, Director Date: MAY 30 2012

Footnotes:

1/ The Bill has a potential fiscal impact for additional funding requirements. However, in its present form, such impact cannot be determined at this time.



COMMITTEE ON RULES

I Mina'trentai Unu na Liheslaturan Guåhan • The 31st Guam Legislature

155 Hesler Place, Hagåtña, Guam 96910 • www.guamlegislature.com

E-mail: roryforguam@gmail.com • Tel: (671)472-7679 • Fax: (671)472-3547

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CHAIRPERSON
MAJORITY LEADER

Senator
Judith P. Guthertz
VICE CHAIRPERSON
ASST. MAJORITY LEADER

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vicente c. pangelinan

MINORITY MEMBERS:

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Aline A. Yamashita
ASST. MINORITY LEADER

Senator
Christopher M. Duenas

May 21, 2012

MEMORANDUM

To: **Pat Santos**
Clerk of the Legislature

Attorney Therese M. Terlaje
Legislative Legal Counsel

From: **Senator Rory J. Respicio**
Majority Leader & Rules Chair

Subject: **Referral of Bill Nos. 459-31 (COR) thru 461-31 (COR)**

As the Chairperson of the Committee on Rules, I am forwarding my referral of Bill Nos. 459-31 (COR) through 461-31 (COR).

Please ensure that the subject bills are referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Unu na Liheslaturan Guåhan*.

Should you have any questions, please feel free to contact our office at 472-7679.

Si Yu'os Ma'åse!

(3) Attachment

I Mina'Trentai Unu Na Liheslaturan Guahan
Bill Log Sheet

ONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	120 DAY DEADLINE	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	
Una Barnes	AN ACT TO AMEND SECTION 4301.1, ARTICLE 3, CHAPTER 4, TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO NEGOTIATING AND PROCURING HEALTH INSURANCE SERVICES FOR THE GOVERNMENT OF GUAM.	5/21/12 3:25p.m.	5/21/12		Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting			



May 21, 2012

MEMORANDUM

TO: All Members/All Senators

FROM: Chairman, Committee on Youth, Cultural Affairs, Procurement,
General Government Operations and Public Broadcasting

RE: 5 Day Notice of Public Hearing – May 26, 2012

Hafa Adai! Please be advised that the Committee on Youth, Cultural Affairs, Procurement, General Government Operations, and Public Broadcasting will conduct a Public Hearing on **Tuesday, May 29th, 2012, beginning at 6:00 P.M.** in *I Liheslatura's* Public Hearing Room on the following item:

- Bill No. 460-31 (COR)- V.C. Pangelinan/ B.J.F. Cruz- An act to *amend* Section 4301.1, Article 3, Chapter 4, Title 4 of the Guam Code Annotated, relative to negotiating and procuring health insurance services for the Government of Guam.

Please provide written testimonies at least one day prior to the hearing to the Office of the Vice Speaker Benjamin J.F Cruz, 155 Hesler Place, Hagatna Guam 96910. They may be sent via facsimile to 477- 2522, or via email to chris.carillo@senatorbjcruz.com.

We comply with Title II of the Americans with Disabilities Act (ADA). Should you require assistance or special accommodations, please contact Chris Carillo at the Office of the Vice Speaker via telephone at 477-2521 or via email at chris.carillo@senatorbjcruz.com.



Mike Lidia <mike.lidia@senatorbjcruz.com>

1st Notice of Public Hearing-May 29th 2012

1 message

Chris Carillo <chris.carillo@senatorbjcruz.com>

Mon, May 21, 2012 at 5:24 PM

To: Speaker <speaker@judiwonpat.com>, tom@senatorada.org, senatortonyada@guamlegislature.org, senator@tinamunabarnes.com, frank.blasjr@gmail.com, duenasenator@gmail.com, judiguthertz@gmail.com, senatorsam@senatormabini.com, senbenp@guam.net, cor@guamlegislature.org, senatorrodriguez@gmail.com, senatormana@gmail.com, Aline4families@gmail.com, phnotice@guamlegislature.org, ABPalacios@gmail.com, joshua.tenorio@senatorbjcruz.com, carlos.pangelinan@senatorbjcruz.com, mike.lidia@senatorbjcruz.com, sarah.nededog@senatorbjcruz.com, senator@senatorbjcruz.com, Chris Carillo <chris.carillo@senatorbjcruz.com>
Cc: mindy@kuam.com, sabrina@kuam.com, jason@kuam.com, bmkelman@guampdn.com, Ray Gibson <rgibson@k57.com>, therese.hart.writer@gmail.com, thebigshow@k57.com, travis.coffman@gmail.com, janela@mvguam.com, hottips@kuam.com, news@spbguam.com, news@guampdn.com, news@k57.com, parroyo@k57.com, kevin@spbguam.com, clynt@spbguam.com, Krystal Paco <krystal@kuam.com>

Please see the Attached from Vice Speaker Cruz

May 21, 2012

MEMORANDUM

TO: All Members/All Senators

FROM: Chairman, Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting

RE: 5 Day Notice of Public Hearing – May 26, 2012

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Bill No. 460-31 (COR)- An act to *amend* Section 4301.1, Article 3, Chapter 4, Title 4 of the Guam Code Annotated, relative to negotiating and procuring health insurance services for the Government of Guam.

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1st notice of Public Hearing-5.29.31.pdf

179K

**Listserv: phnotice@guamlegislature.org
As of May 25, 2012**

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May 27, 2012

MEMORANDUM

TO: All Members/All Senators

FROM: Chairman, Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting

RE: 48-Hour Notice of Public Hearing – May 29, 2012

Hafa Adai! Please be advised that the Committee on Youth, Cultural Affairs, Procurement, General Government Operations, and Public Broadcasting will conduct a Public Hearing on Tuesday, May 29th, 2012, beginning at 6:00 P.M. in *I Liheslatura's* Public Hearing Room on the following item:

- Bill No. 460-31 (COR)- An act to amend Section 4301.1, Article 3, Chapter 4, Title 4 of the Guam Code Annotated, relative to negotiating and procuring health insurance services for the Government of Guam.

Please provide written testimonies at least one day prior to the hearing to the Office of the Vice Speaker Benjamin J.F Cruz, 155 Hesler Place, Hagatna Guam 96910. They may be sent via facsimile to 477- 2522, or via email to chris.carillo@senatorbjcruz.com.

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Mike Lidia <mike.lidia@senatorbjcruz.com>

48-Hour Notice of Public Hearing 5/29/2012

1 message

Chris Carillo <chris.carillo@senatorbjcruz.com>

Sun, May 27, 2012 at 11:19 AM

To: Adonis Mendiola <adonis.mendiola@gmail.com>, AJ Balajada <albert.balajadia@gpd.guam.gov>, Amanda Lawson <alawson@visitguam.org>, Andy Arceo <andy.arceo@gmail.com>, Angel Sablan <angeth@hotmail.com>, Anisia Terlaje <anisiaterlaje@hotmail.com>, Annette Donner <annette.donner@fe.navy.mil>, Anthony Tamayo <anthony.tamayo@guam.gov>, Antone Aguon <afaguon@gmail.com>, Art Perez <aperez@gpagwa.com>, Arthur Clark <arthur.clark@guam.gov>, Arthur San Agustin <arthur.sanagustin@dphss.guam.gov>, "Attorney General Leonardo M. Rapadas" <law@guamattorneygeneral.com>, Barry Mead <bigb@guam.net>, Ben Servino <benito.servino@disid.guam.gov>, Benita Manglona <bmanglonacpa@gmail.com>, Bernadette Artero <bernieartero@yahoo.com>, Bernadette Stern-Meno <bmeno@portguam.com>, Bertha Tajieron <bertha.tajieron@dphss.guam.gov>, Bryan Cruz <bcruz@guamattorneygeneral.com>, Carl Dominguez <carl.dominguez@dpw.guam.gov>, Carlene Okiyama <carlene.okiyama@guam.gov>, Carmelita Santos <carmelita.santos@clb.guam.gov>, Catherine Cruz Norton <catherine.norton@fe.navy.mil>, Cathy Gogue <cathy.gogue@gmail.com>, Charlyne Guerrero <charlyne.guerrero@epa.guam.gov>, Chief Fred Bordallo <fred.bordallo@gpd.guam.gov>, Christine Camacho <christine.camacho@gmail.com>, Chuck Ada <chuck.ada@ghs.guam.gov>, "Col. Ralph Sgambelluri" <rsgamby@yahoo.com>, Coleen Perez <coleen.perez@fe.navy.mil>, CPT Kenneth Ola <kenneth.ola@us.army.mil>, Dave Camacho <davidvcamacho@gmail.com>, David Camacho <ancestrallandsguam@yahoo.com>, Dong Choe <dong.choe@guam.gov>, "Dr. Anita Enriquez" <abe@uguam.uog.edu>, "Dr. Aurelio Espinola" <cme.guam@gmail.com>, "Dr. Helen Whippy" <hwhippy@uguam.uog.edu>, "Dr. Larry Lizama" <larry.lizama@gmha.org>, "Dr. Mary Okada" <mary.okada@guamcc.edu>, "Dr. Paul Pineda" <ppineda.spcs@gmail.com>, "Dr. Robert Underwood" <anacletus2010@gmail.com>, Ed Cruz <ed.cruz@bit.guam.gov>, Ed Ordonez <eduardo.ordonez@clb.guam.gov>, Eric Palacios <eric.palacios@guam.gov>, Evert Arevalo <evert.arevalo@guam.gov>, Felix Pangelinan <frpangelinan@portguam.com>, Ferdinand Soriano <ferdinand.soriano@cqa.guam.gov>, Florence Blas <floresgro@gmail.com>, Francis Santos <fsantos@staywellguam.com>, Frank Pangelinan <frankpangelinan08@yahoo.com>, Franklin Arriola <franklin.arriola@guam.gov>, Gener Deliquina <gfdeliquina@yahoo.com>, General Benny Paulino <benny.m.paulino@us.army.mil>, Gerald Perez <geap43@yahoo.com>, Geri Castillo <geraldine.castillo@guam.gov>, Gerry Cruz <gerry.cruz@epa.guam.gov>, Heidi Ballendorf <heidi@guamwaterworks.org>, Henry Taitano <henry.taitano@guam.gov>, "Hinson, Carrie K MSgt USAF" <carrie.hinson@andersen.af.mil>, Ivan Quinata <ivan.quinata@epa.guam.gov>, Jack Casey <jackwcasey@yahoo.com>, Jackie Balbas <jacqueline.balbas@caha.guam.gov>, James Canto <james.canto@guam.gov>, James Casey <jimcasey352@yahoo.com>, Jayne Flores <jayne.flores@guamcc.edu>, Jesse Alig <jesse.alig@guam.gov>, Jim McDonald <jim.mcdonald@ghs.guam.gov>, Joann Camacho <fljoann@hotmail.com>, Joanne Brown <j.msbrown@yahoo.com>, Joaquin Flores <jflores@gpagwa.com>, Joe Cameron <jacam57@ite.net>, Joey San Nicolas <joey.sannicolas@gfd.guam.gov>, John Benavente <gpagm@ite.net>, John Camacho <jpcamacho@revtax.gov.gu>, Jose San Agustin <tankaila@hotmail.com>, Joseph Cameron <joseph.cameron@dca.guam.gov>, Josephine Torres <josephine.torres@dpw.guam.gov>, Josette Javelosa <jjavelosa@portguam.com>, Karl Pangelinan <kpangelinan@guamedia.net>, Kelly Basilia <kelly.basiliala@guam.gov>, Leah Beth Oligario Naholowaa <lbnaholowaa@yahoo.com>, Leila Uong <leila.uong@guam.gov>, Leo Casil <leo.casil@dphss.guam.gov>, Linda DeNorcey <jilinda@teleguam.net>, "Lt Jodie K. Cornell" <jodie.cornell@fe.navy.mil>, LtCol Aisha Bakkar <aisha.bakkar@fe.navy.mil>, LTJG Wade Thomson <Wade.P.Thomson@uscg.mil>, Marcel Camacho <mcamacho@ghura.org>, Maria Cenzone <mcenzone@mail.justice.gov.gu>, Mariquita Taitague <doagridir@yahoo.com>, Martin Benavente <martin2ndwind@gmail.com>, Mary Torres <marytorres@guamairport.net>, May Camacho <maycamacho52@gmail.com>, Mayor Andrew Villagomez <mtm_mayors_office@yahoo.com>, Mayor Ben Gumataotao <piti_mayor@yahoo.com>, Mayor Carol Tayama <agatmayorsoffice@hotmail.com>, Mayor Dean Sanchez <umatacma@gmail.com>, Mayor Francisco Blas <tatuhamo@guam.net>, Mayor Franklin Taitague <f_taitague@yahoo.com>, Mayor Jessie Palican <bmoadmin@teleguam.net>, Mayor Jessy Gogue <ocp.mayor@gmail.com>, Mayor John Cruz

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Hafa Adai All,

Please See the Attached from Vice Speaker Cruz;

May 27, 2012

MEMORANDUM

TO: All Members/All Senators

FROM: Chairman, Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting

RE: 48-Hour Notice of Public Hearing – May 29, 2012

Hafa Adai! Please be advised that the Committee on Youth, Cultural Affairs, Procurement, General Government Operations, and Public Broadcasting will conduct a Public Hearing on Tuesday, May 29th, 2012, beginning at 6:00 P.M. in I Liheslatura's Public Hearing Room on the following item:

- Bill No. 460-31 (COR)- An act to amend Section 4301.1, Article 3, Chapter 4, Title 4 of the Guam Code

Annotated, relative to negotiating and procuring health insurance services for the Government of Guam.

Please provide written testimonies at least one day prior to the hearing to the Office of the Vice Speaker Benjamin J.F Cruz, 155 Hesler Place, Hagatna Guam 96910. They may be sent via facsimile to 477- 2522, or via email to chris.carillo@senatorbjcruz.com.

We comply with Title II of the Americans with Disabilities Act (ADA). Should you require assistance or special accommodations, please contact Chris Carillo at the Office of the Vice Speaker via telephone at 477-2521 or via email at chris.carillo@senatorbjcruz.com.



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AGENDA

Tuesday, May 29, 2012, 6:00PM

I Liheslatura • Public Hearing Room • *Hagåtña*,
Guam

**Bill No. 460-31 (COR) - v.c.
pangelinan / B.J.F. CRUZ - AN ACT
TO AMEND SECTION 4301.1,
ARTICLE 3, CHAPTER 4, TITLE 4
OF THE GUAM CODE
ANNOTATED, RELATIVE TO
NEGOTIATING AND PROCURING
HEALTH INSURANCE SERVICES
FOR THE GOVERNMENT OF
GUAM.**

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

2012 MAY 21 PM 3:25

Bill No. 460-31 (COR)

Introduced by:

V.C. Pangelinan
B.J.F. Cruz



AN ACT TO AMEND SECTION 4301.1, ARTICLE 3, CHAPTER 4, TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO NEGOTIATING AND PROCURING HEALTH INSURANCE SERVICES FOR THE GOVERNMENT OF GUAM.

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

2 **Section 1.** §4301.1, Article 3, Chapter 4, Title 4 of the Guam Code
3 Annotated is hereby *amended* to include new definitions as follows:

4 “(e) *Exclusive proposal* means a proposal based upon the assumption that
5 the government will contract with only one Health Insurance Provider that is
6 selected by the Negotiating Team from up to three different Health Insurance
7 Providers that all negotiate best and final offers with the Negotiating Team.

8 (f) *Non-exclusive proposal* means a proposal based upon the assumption that
9 the government will contract with three Health Insurance Providers that negotiate
10 best and final offers with the Negotiating Team. If only two Health Insurance
11 Providers submit qualified proposals then *Non-exclusive proposal* shall mean a
12 proposal based upon the assumption that the government will contract with two
13 Health Insurance Providers that negotiate best and final offers with the Negotiating
14 Team.

1 (g) *Qualified proposal* means a proposal from a Health Care Provider that
2 submits both an exclusive and a non-exclusive proposal in response to any request
3 for proposals for the Government of Guam Health Insurance Program.”

4 **Section 2. Severability.** If any provisions of this Act or the application
5 thereof to any person or circumstance is held invalid, such invalidity *shall* not
6 affect any other provision or application of this Act which can be given effect
7 without the invalid provision or application, and to this end the provisions of this
8 Act are severable.