

MINA BENTE OCHO NA LIHESLATURAN GUÅHAN  
2006 (SECOND) REGULAR SESSION

BILL NO. 350 (LS)  
INTRODUCED BY:

F. B. AGUON, JR. 

AN ACT RELATIVE TO MODIFYING THE GOVERNMENT OF GUAM'S EMPLOYER CONTRIBUTION RATE TO APPLY TOWARD THE CLASS OF GOVERNMENT EMPLOYEES WITH DEPENDENTS, WITH ADDED EMPHASIS ON FAMILY COVERAGE TO ASSIST IN THE PAYMENT OF INCREASING HEALTH AND MEDICAL INSURANCE PREMIUMS; THROUGH AMENDING (b) of §4301, GROUP INSURANCE, OF ARTICLE 3, CHAPTER 4, TITLE 4, GUAM CODE ANNOTATED.

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

2 **Section 1. Legislative Findings and Intent.**

3 The Liheslaturan Guahan finds that the employer contribution rate  
4 for the government of Guam by law has not been adjusted in many years  
5 despite increasing costs of healthcare and medical insurance premiums.  
6 With the increasing costs of healthcare on island and off-island, it is critical  
7 that the high costs of medical insurance not be a deterrent to receiving  
8 necessary healthcare services by the people of Guam. Health insurance  
9 should be made available to as many people as possible, in this case as  
10 applicable to the employees and retirees of the government of Guam.

1           Therefore, it is the intent of I Liheslaturan Guahan to adjust the  
2 formula applied in the government of Guam’s contribution rate to at least  
3 cover fifty percent of the cost of healthcare insurance for the class of  
4 employees and retirees with dependents. This modification would result  
5 in an increase in the government of Guam’s contribution to the health  
6 insurance premiums, but it would most importantly place necessary  
7 emphasis on family members who fall within the category of “employee  
8 with dependents”. Encouraging our people to receive medical attention  
9 should continue to be the focus of insuring that we have a healthy society.

10 **Section 2. Government of Guam Contribution Rate for Health and**  
11 **Medical Insurance.**

12 Subsection “(b)” of §4301, of Article 3, Group Benefits, of Chapter 4, Title 4,  
13 Guam Code Annotated, is hereby amended to read as follows:

14           “(b). All participation by employees in such contracts of insurance  
15 shall be on voluntary basis. Effective in the next contract following the  
16 enactment of this subparagraph, the government’s contribution for health  
17 and dental insurance shall be uniform within each class (including separate  
18 classes and rates for retired employees and their survivors) for all  
19 competing plans and shall not be less than fifty percent (50%) of the lowest  
20 premium for a ~~an~~ single employee **with one or more dependents**, except  
21 that the government shall increase the contributions it makes on behalf of a  
22 retired employee or survivor of a retired employee so that the retired  
23 employee or the survivor of a retired employee contributes no more than

1 an active employee who is otherwise in the same class. The government  
2 shall not be obligated to provide any financial rebate, should the  
3 government's contribution exceed any health insurance premium plan as  
4 outlined herein.

5 **Section 3. Effective Date.**

6 The provisions contained in Section 2 of this Act shall be  
7 implemented and take effect no later than the insurance coverage period  
8 commencing on October 01, 2006.

9 **Section 4. Severability Clause.**

10 If any provision of this Act or its application to any person or  
11 circumstances is held invalid, the invalidity shall not affect other  
12 provisions or applications of this Act which can be given effect without the  
13 invalid provision or application, and to this end the provisions of this Act  
14 are severable.