

MINA'BENTE NUEBI NA LIHESLATURAN GUÅHAN
TWENTY-NINTH GUAM LEGISLATURE
2007 (FIRST) REGULAR SESSION

Bill No. 136 (EC)

Introduced By:

A. B. PALACIOS, SR. 

AN ACT RELATIVE TO INCORPORATING THE PROVISION OF WELLNESS AND PREVENTIVE HEALTHCARE INTO THE GOVERNMENT OF GUAM'S GROUP HEALTH AND MEDICAL INSURANCE COVERAGE, THUS PROMOTING AND ENCOURAGING A MORE HEALTHY, FIT, AND IMPROVED LIFESTYLE FOR EMPLOYEES AND THEIR FAMILIES; THROUGH ADDING A NEW SUBSECTION "(H)" TO §4301 OF ARTICLE 3, CHAPTER 4, TITLE 4, GUAM CODE ANNOTATED, GROUP INSURANCE.

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BE IT ENACTED BY THE PEOPLE OF GUAM:

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

2 *I Liheslaturan Guåhan* finds that the health and medical insurance
3 program which is presently being administered through the Department of
4 Administration and numerous government of Guam agencies for government
5 employees advocates for the provision of hospitalization, medical care, life,
6 accident, and mammogram benefits, but does not provide for the inclusion of
7 wellness and preventive healthcare coverage. Over the past several years,
8 numerous studies have been conducted on the health benefits and costs
9 associated with wellness and preventive healthcare programs and activities,
10 with findings showing that individuals and families who actively participate
11 in such activities realize a tremendous improvement in their physical health

1 which further results in reduced healthcare and medical care costs in the long
2 run.

3 Furthermore, several doctors and medical professionals on island have
4 advocated for the use of preventative healthcare programs for many of their
5 patients, which include Guam's youth, children, adults, and senior citizens as
6 a way of further promoting a long and healthy lifestyle. Common, potentially
7 preventable illnesses on Guam, i.e. diabetes, heart disease, and others, can be
8 minimized if our people are more knowledgeable and practice living a
9 healthier lifestyle through the proper consumption of various types of food,
10 and through the regular application of physical fitness activities. It is through
11 encouraging a much greater active participation and use of wellness and
12 preventative healthcare programs that the entire community can look forward
13 to living healthier and possibly longer lives.

14 In addition, financial reviews of the overall costs of healthcare have
15 proven that the ensuing reduction in individual and family costs for these
16 services from wellness and preventive health programs, have also contributed
17 to a corresponding decrease in the actual healthcare expenses for health
18 insurance providers, thus demonstrating a win-win situation for both the
19 health insurance companies and the individuals/families receiving the health
20 insurance coverage. Such improvements in physical health, in particular the
21 healthcare cost-reduction benefits, should certainly be encouraged and at
22 times required to promote a healthier and more vibrant community. Thus, it
23 would be proper and cost-effective for the government of Guam to maintain

1 and advocate for health insurance company partners that provide health
2 insurance coverage to government employees to include as part of their health
3 and medical insurance benefits package an allowance for including wellness
4 and preventive healthcare coverage.

5 Therefore, it is the intent of I Liheslaturan Guahan to support and allow
6 for the inclusion of wellness and preventive healthcare coverage as part of the
7 health and medical insurance program which is administered by the
8 government of Guam. Although concerns may be raised about the potential
9 for a slight increase in healthcare premium costs, the improvement in health
10 and physical vitality, and the overall benefits of wellness and preventive
11 healthcare activities can result directly toward the reduction in long-term
12 healthcare costs for individuals and families. Promoting a much healthier and
13 more physically fit community will certainly contribute greatly toward a more
14 active and vibrant community of public employees and their families.

15 **Section 2.** A new Subsection “(h)” is hereby added to §4301, Group
16 Insurance, of Article 3, Chapter 4, Title 4, Guam Code Annotated, relative to
17 the inclusion of wellness and preventive healthcare coverage in group health
18 and medical insurance benefits, to read as follows:

19 “(h) Allowance for the inclusion of wellness and preventive
20 healthcare programs as a benefit in group health and medical insurance
21 policies. Health insurance policies issued to residents of Guam shall
22 provide for the inclusion and coverage of wellness and/or preventive
23 healthcare programs and activities. The health insurance provider shall, at

1 its discretion or in consultation with the affected parties, identify the
2 programs or activities which will be provided as a benefit in compliance
3 with the provisions of this subsection.

4 The wellness and preventive healthcare services provided in this
5 subsection (h) may be subject to any coinsurance provisions which may be
6 in force in such policies, contracts, plans or agreements. The Director of the
7 Department of Public Health and Social Services or a designee shall be
8 responsible for ensuring the proper and timely compliance of the provision
9 set forth herein. An insurer may provide the services required by this
10 subsection (h) through contracts with providers; provided that the contract
11 is determined to be a cost-effective means of delivering the services without
12 sacrifice of quality.”

13 **Section 3. Effective Date.**

14 The provisions contained herein shall be effective and applicable no
15 later than the subsequent health and medical insurance policy term negotiated
16 by the Department of Administration Negotiating Team following the
17 enactment of this Act.

18 **Section 4. Severability.**

19 If any of the provisions of this Act or the application thereof to any
20 person or circumstance is held invalid, such invalidity shall not affect any
21 other provision or application of this Act which can be given effect without
22 the invalid provision or application, and to this end the provisions of this Act
23 are severable.