

**MINA' TRENTAI UNU NA LIHESLATURAN GUAHAN
2011 (FIRST) Regular**

Bill No. 292-31 (LS)

Introduced by:

D.G. RODRIGUEZ, JR. 

AN ACT TO AUTHORIZE THE COMMUNITY HEALTH CENTERS OF THE DEPARTMENT OF PUBLIC HEALTH & SOCIAL SERVICES TO OBTAIN REIMBURSEMENT FOR SERVICES RENDERED TO MEDICALLY INDIGENT PROGRAM PATIENTS, BY AMENDING §3812 OF ARTICLE 8, CHAPTER 3, AND BY AMENDING §2912.10 OF ARTICLE 9, CHAPTER 2, OF TITLE 10, GUAM CODE ANNOTATED.

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1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent: *I Liheslaturan Guåhan* finds
3 that the Northern and Southern Regional Community Health Centers (CHC) of the
4 Department of Public Health & Social Services Bureau of Primary Care are unable
5 to seek compensation for services rendered to patients under the Medically
6 Indigent Program. The DPHSS community health centers are grantees under the
7 Health Recourses and Services Administration, US Department of Health &
8 Human Services.

9 This is due to a policy interpretation that since the MIP Reform Act provides
10 in 10GCA, Chapter 2, Article 9, §2912.10, that, “[t]he Medically Indigent
11 Program shall not reimburse Public Health for services provided by Public Health
12 Programs.” In effect, *all* services provided by the Department of Public Health for
13 MIP patients are free (i.e., no reimbursements can be made for services), and, the
14 CHC can not submit a claim to the MIP program for the reimbursement of the cost

1 of services rendered. This situation is resulting in a continually diminishing
2 balance in the Community Health Center Revolving Fund, and is contrary to the
3 Federal statutory provisions applicable to the CHC's grant award.

4 *I Liheslaturan Guåhan* recognizes that the Northern and Southern Regional
5 Community Health Centers are Federally Qualified Health Centers (FQHC's) that
6 are mandated to collect revenues from third party payers (i.e., private insurance
7 indemnities), Medicare, Medicaid, Medically Indigent Program (MIP), and self-
8 pay patients so that the revenues or program income monies generated are to be
9 used exclusively for the operation of the Guam Community Health Centers. And,
10 to that end, 10GCA, Article 8, Chapter 3, §3811, provides for the establishment of
11 the Community Health Centers Revolving Fund. Subsection (d) provides that,
12 *“Deposits – All monies deposited in the Fund shall be applied to the expenses of*
13 *the community center allowable by Federal regulations and guidelines as the non-*
14 *Federal share of project costs in accordance with the Department's grant from the*
15 *U.S. Department of Health & Human Services.”*

16 Further, *I Liheslaturan Guåhan* takes due note of the grant compliance
17 requirements of the Health Resources & Services Administration, US Department
18 of Health & Human Services, as provided pursuant to §330(k)(3)(F) & (G) of the
19 U.S. Public Health Services Act, that *grantee health centers* have: *Billings and*
20 *Collections: Health center has systems in place to maximize collections and*
21 *reimbursement for its costs in providing health services, including written billing,*
22 *credit and collection policies and procedures.*

23 It is the *intent* of *I Liheslaturan Guåhan* that the conflicting provisions of
24 §2912.10 of Article 9 – Medically Indigent Program – Chapter 2, Title 10, Guam
25 Code Annotated, relative to services provided by Public Health, be reconciled with

1 §3812 of Article 8, Chapter 3, Title 10, Guam Code Annotated, relative to DPHSS
2 Regional Community Health Centers fee schedules, so as to allow the CHC's as a
3 Federally Qualified Health Center grantee to conform and comply with the Federal
4 statutory provisions and regulations applicable to its programs.

5 **Section 2.** §3812 of Article 8, Chapter 3, Title 10, Guam Code Annotated,
6 is hereby amended, to read:

7 **“§ 3812. Fee Schedule.**

8 (a) The Department is hereby authorized to implement a fee schedule. The
9 provision of this Act shall be repealed upon subsequent submission and approval
10 of the fee schedule through the Administrative Adjudication Law. The fee
11 schedule must give discounts accordingly to the Federal Income Poverty
12 Guideline.

13 (b) Individuals or families whose income falls below the Federal poverty
14 guidelines shall apply for subsidized medical services through the Medically
15 Indigent Program or other medically subsidized program.

16 (1) The Program shall submit a billing claim to the Guam Medically
17 Indigent Program Administrator for the necessary amount to recover the cost
18 of services rendered to the Medically Indigent Program patients at the fee
19 schedule rates established for reimbursement pursuant to applicable law,
20 rules and regulations.

21 (A) Notwithstanding any other provision of law, rule or
22 regulation, for the purposes of billing and collections, the Community
23 Regional Health Centers Program shall be deemed apart and separate
24 from the Department, and the Guam Medically Indigent Program shall
25 promptly remit payment to the Program as reimbursement for services

1 rendered to MIP patients, for deposit into the Community Health
2 Center Revolving Fund.”

3 **Section 3.** §2912.10 of Article 9 – Medically Indigent Program – Chapter
4 2, Title 10, Guam Code Annotated, is hereby amended, to read:

5 “**§ 2912.10. Services Provided by Public Health.** Generally, [F] the
6 Medically Indigent Program shall not reimburse Public Health for services
7 provided by Public Health Programs, **provided, however, services provided or**
8 rendered by the Regional Community Health Centers of the Department of Public
9 Health for medical, dental, laboratory, x-ray, pharmacy, and/or any other health
10 related services, etcetera, **shall** be reimbursed at the fee schedule rates established
11 pursuant to applicable law, rules and regulations.”

12 **Section 4. Severability.** If any of the provisions of this Act or the
13 application thereof to any person or circumstance are held invalid, such invalidity
14 shall not affect any other provision or application of this Act, which can be given
15 effect without the invalid provision or application, and to this end the provisions of
16 this Act are severable.

17 **Section 5. Effective Date.** This Act shall become immediately effective
18 upon enactment.