

APR 24 2015;

Honorable Judith T. Won Pat, Ed.D. Speaker I Mina'Trentai Tres Na Liheslaturan Guåhan 155 Hesler Place Hagåtña, Guam 96910

CMM J. Auspiliu

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

RE: Committee Report – Bill No. 13-33 (COR), as Substituted.

Dear Speaker Won Pat:

Transmitted herewith, for your consideration, is the Committee Report on Bill 13-33 (COR)- An Act to Add a Representative from The Guam Memorial Hospital Authority and the Department of Public Health and Social Services to the Government of Guam Group Health Insurance Negotiating Team, to Delete the Requirement for the Solicitation of an Exclusive Group Health Insurance Contract and Require Only the Solicitation of Three (3) Non-Exclusive Contracts for a Contract Term of One to Two (2) Years, by Amending §4302(c) and (e), §4301(a) and §4301.1(g), adding §4302(c)(4), all of Article 3, Chapter 4, 4 GCA; Sponsored by Senator Dennis G. Rodriguez, Jr., and referred to the Committee on Health, Economic Development, Homeland Security and Senior Citizens. Bill No. 13-33(COR) was publicly heard on January 16, 2015.

Committee votes are as follows:

L TO PASS NOT TO PASS ABSTAIN TO REPORT OUT ONLY TO PLACE IN INACTIVE FILE

Senseramente,

Senator Dennis G. Rodriguez, Jr. Chairman

Attachments

Chairman, Committee on Health, Economic Development, Homeland Security & Senior Citizens Ufisinan Todu Guam • 1 Mina' Trentai Tres Na Libeslaturan Guāban • 33# Guam Legislature 176 Serenu Avenue, Suite 107, Tamuning, Guam 96931 / Telephone: 671-649-TODU (8638) / Facsimile: 671-649-0520 E-mail: senatordrodriguez@gmail.com / www.toduguam.com



COMMITTEE REPORT

ON

SUBSTITUTE BILL NO. 13-33 (COR)

Sponsored by Senator Dennis G. Rodriguez, Jr.

AN ACT TO ADD A REPRESENTATIVE FROM THE GUAM HOSPITAL AUTHORITY AND MEMORIAL THE **DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES** TO THE GOVERNMENT OF GUAM GROUP HEALTH INSURANCE NEGOTIATING TEAM, TO DELETE THE REOUIREMENT FOR THE SOLICITATION OF AN **EXCLUSIVE GROUP HEALTH INSURANCE CONTRACT AND REQUIRE ONLY THE SOLICITATION OF THREE (3) NON-**EXCLUSIVE CONTRACTS FOR A CONTRACT TERM OF ONE TO TWO (2) YEARS, BY AMENDING §4302(c) AND (e), §4301(a) AND §4301.1(g), ADDING §4302(c)(4), ALL OF ARTICLE 3, CHAPTER 4, 4 GCA.



April 21, 2015

MEMORANDUM

To: ALL MEMBERS

Committee on Health, Economic Development, Homeland Security and Senior Citizens

From: Senator Dennis G. Rodriguez, Jr.

Committee Chairperson

Subject: Committee Report on Bill no. 13-33 (COR), as Substituted.

Transmitted herewith, for your consideration, is the Committee Report on Bill No. 13-33 (COR)- An Act to Add a Representative from The Guam Memorial Hospital Authority and the Department of Public Health and Social Services to the Government of Guam Group Health Insurance Negotiating Team, to Delete the Requirement for the Solicitation of an Exclusive Group Health Insurance Contract and Require Only the Solicitation of Three (3) Non-Exclusive Contracts for a Contract Term of One to Two (2) Years, by Amending §4302(c) and (e), §4301(a) and §4301.1(g), adding §4302(c)(4), all of Article 3, Chapter 4, 4 GCA; Sponsored by Senator Dennis G. Rodriguez, Jr..

This report includes the following:

- Committee Voting Sheet
- Committee Report Narrative/Digest
- Copy of Bill No. 13-33(COR)
- Substitute Bill No. 13-33 (COR)
- Public Hearing Sign-in Sheet
- Copies of Submitted Testimony and Supporting Documents
- Copy of COR Referral of Bill No. 54-33(COR)
- Notices of Public Hearing (1st and 2nd)
- Copy of the Public Hearing Agenda
- Related News Articles (Public hearing publication of public notice)

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.

Si Yu'os Ma'åse'!

Attachments



COMMITTEE VOTING SHEET

Substitute Bill No. 13-33 (COR) - An Act to Add a Representative from The Guam Memorial Hospital Authority and the Department of Public Health and Social Services to the Government of Guam Group Health Insurance Negotiating Team, to Delete the Requirement for the Solicitation of an Exclusive Group Health Insurance Contract and Require Only the Solicitation of Three (3) Non-Exclusive Contracts for a Contract Term of One to Two (2) Years, by Amending §4302(c) and (e), §4301(a) and §4301.1(g), adding §4302(c)(4), all of Article 3, Chapter 4, 4 GCA.

	SIGNATURE	TO PASS	NOT TO PASS	ABSTAIN	REPORT OUT ONLY	PLACE IN INACTIVE FILE
DENNIS G. RODRIGUEZ, Jr. Chairman	er	Vapr				
V. ANTHONY ADA Vice Chairman					4/23	
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FRANK B. AGUON, Jr.	Just					
NERISSA B. UNDERWOOD						
THOMAS A. MORRISON						
BRANT T. MCCREADIE						



COMMITTEE REPORT DIGEST

Bill No. 13-33 (COR)

I. OVERVIEW: The Committee on Health, Economic Development, Homeland Security and Senior Citizens conducted a public hearing on January 16, 2015. The hearing convened at 9AM in I Liheslatura's Public Hearing Room. Among the items on the agenda was the consideration Bill 13-33 (COR)- An act to add a representative from the Guam Memorial Hospital Authority and the Department of Public Health and Social Services to the Government of Guam Group Health Insurance Negotiating Team, to delete the requirement for the solicitation of an exclusive group health insurance contract and require only the solicitation of three (3) nonexclusive contracts for a contract term of two (2) years, by amending §4302 (c) and §4302 (e) of Article 3, Chapter 4, 4 GCA; Sponsored by Senator Dennis G. Rodriguez, Jr.

Public Notice Requirements

Notices were disseminated via hand-delivery/fax and/or email to all senators and all main media broadcasting outlets on January 8, 2015 (5-day notice), and again on January 14, 2015 (48-hour notice

Senators Present

Senator Dennis G. Rodriguez, Jr.	Chairman
Senator Rory J. Respicio	Committee Member
Senator Thomas C. Ada	Committee Member
Senator Frank B. Aguon, Jr.	*Committee Member
Senator Benjamin J.F. Cruz	Committee Member
Senator Tina Muna-Barnes	Committee Member
Senator Nerissa B. Underwood	Committee Member
Senator Michael F.Q. San Nicolas	
Senator Mary Camacho Torres	

The public hearing on agenda item Bill No. 13-33(COR) was called to order at 9:10AM.

II. SUMMARY OF TESTIMONY & DISCUSSION.

Chairman Dennis G. Rodriguez, Jr., convened the Public Hearing on Bill 13-33(COR) and provided a brief synopsis of the bill.

Chairman and Sponsor, Senator Dennis G. Rodriguez, Jr.



We have Mr. Jim Moylan, Mr. Chris Budasi who has signed up to testify, I can invite you up to the table please. Thank you very much Mr. Moylan and Mr. Budasi welcome back to the legislature. What Bill 13 does, there's several things that it does, it adds two voting representatives to the Health

Insurance negotiating team. One being the Chief Financial Officer (CFO) of the Guam Memorial Hospital Authority (GMHA) or his or her designee and also the member of the Chief Administrative Division of Public Welfare of the Department of Public Health and Social Services (DPHSS) or his or her designee.

The other part of this measure deletes the requirement that the Government solicit for a nonexclusive contract for Health Insurance coverage for our employees, retirees ,and dependents and the true intent of this measure is to ensure that there remain choice for our employees and their families, I know we did receive testimony from NetCare, which we will definitely take into consideration and these are good changes that were proposed and so we'll make sure that it's incorporated in the final version because that is the true intent is to provide coverage, to provide the coverage and also provide choice for our employees and so the third part of this measure now changes the contract term from one (1) year which has been the case now to a two (2) year contract term.

Being part of the negotiating team we know the, you know a lot of work goes into this you know a lot of work goes into this costs for both the government and also for the carriers and again we did receive the suggestions and we'll take that under advisement and ensure that we can somehow incorporate those proposals. Okay, so thank you, Mr. Moylan you can start off with your testimony.

Jim Moylan (Moylans/NetCare)

Thank you very much Mr. Chairman and members of the Committee, yes my name is Jim Moylan and I serve as the account manager for the Government plans for NetCare life and Health Insurance Company and this is NetCares first year providing Health Care Insurance coverage to Gov. Guam employees and retirees and we're pleased to offer our thoughts and recommendations to Bill 13-33.

Now, rather than read the entire testimony submitted by our Planned Administrator Derek Crisostomo, just allow me a few points that I can summarize for you and our recommendations. So NetCare fully supports the objective and the intent of the bill which is to allow choices for Gov. Guam employees and retirees in their Health Insurance coverage.

However supportive language is strongly recommended to assure that these objectives are met. So we're recommending at least two (2) amendments to the bill. One (1) is mandating that no less than two (2) Insurance Health carriers be contracted to provide Health Insurance coverage to Gov. Guam employees and retirees, the only exception of course would be if there is only one (1) insurance carrier that submits a qualified proposal. But there should be no less than two (2) carriers selected and up to three (3) carriers as the Bill is proposing and second is mandating a minimum of thirty (30) days for open enrollment fees are detailed recommendations in written testimony that was presented.

So just a short brief and that concludes my testimony, thanks again for my opportunity to present our peace.



Senator Dennis G. Rodriguez, Jr.

Thank you very much Mr. Moylan.

Senator Dennis G. Rodriguez, Jr.

Mr. Budasi.

Chris Budasi

Thank you Mr. Chairman. Good morning Chairman Rodriguez, Vice Speaker Cruz, Senator San Nicolas, Senator Muna Barnes, Ada, Underwood. I'm here today to testify again bill 13 - 33 and I'm here as a private citizen who has participated in this process so it's just basically my feedback on the Bill and the process itself as I see it through my eyes.

Based on my review of the Bill, the Bill seeks to make three (3) substantial changes to the Government of Guam Health Insurance Program also refer to is GHIP. First change is to add two (2) additional voting members to the GHIP negotiating team, both proposed members are Government employees one being the Chief Administrator at the Department of Public Welfare at Public Health and the other being the Chief Financial Officer (CFO) at Guam Memorial Hospital (GMH).

The current negotiating team consist of nine (9) voting members each who have a very specific constituency. First, is the DOA director who represents the executive branch employees of the Government of Guam.

Two, is the DSID Director who represents the interest of employees with disabilities and the Executive Branch.

Three, is the BBMR Director who represents the Executive Branch and the financial impact to the general fund.

Four, is the Guam Department of Education who represents more than thirty-seven hundred (3700) employees within the Government.

The fifth members from the legislature representing the Legislative Branch Employees.

Six, is the judiciary representing the Judicial Branch Employees.

The seventh member is the retirement fund Director representing the retirees of the Government.

The Eighth member is a retiree representative appointed by the Board of Trustees also representing the retirees, and then the last member is the member of the general public representing the general public and the Executive Branch and this is an appointed member by the Governor

The first eight (8) representatives that I went through have served as voting members on the committees since 1986, seven of the eight members directly and expressly represent employees and retirees, the actual beneficiaries of the plans.



The ninth voting member was added in 2010 and as outlined in 4 GCA the main duty of all these members is to examine the financial information of the prepaid Health Insurance Companies Health Care providers or other legal entities for the purpose of developing the most economical and beneficial health proposal for the Government of Guam.

Now that seems pretty clear and basic for what their duties are but as I've seen over the last five (5) years as being a member of that team, each of those people on the team the voting members have constituencies and those are the ones that I mentioned so their not only there to deal with the financial impact of the plan for the Government's but they're also there representing employees and retirees.

So the mission of the appointed members is clear and they've done and admiral job over the last several years with the assistance of the contracted consultant. For 2010 to present I participated in negotiations at the voting member, prior to that I also participated in the process as an employee at PacifiCare responsible for the pricing and risk management in the Asia Pacific region. As a member of the GHIP negotiating team my perspective is that the negotiations for Health Insurance should not include voting members for public welfare at Public Health and the Guam Memorial Hospital.

The employee influence over the health plan shouldn't be diluted by adding these two (2) members, both of these Government organizations they deal directly with the insurance companies and as far as contractual agreements so they'll provide the services to the members of these insurance plans and an entering into contracts with both Public Health and Guam Memorial Hospital. And if you look at the current statute ironically the member of the general public who was appointed to negotiating team has to affirm by affidavit that he or she is not a government employee or employee of the Health Insurance Company hospital or medical provider yet we're going to add two (2) people from within the government who are providers as voting members to negotiating team.

The current structure of the GHIP negotiating team allows employees from Government organizations to participate and assist as non-voting members in fact every year since I've served on the team an employee of Public Health and representatives from the insurance commissioner's office have participated in the GHIP process by providing technical expertise as required and requested by the negotiating team, so there's a ready a mechanism in place for these people to be members of the team and participate as non-voting members.

My perspective about the construct of the negotiating team voting members is that rather than increasing the size of the committee by two (2), legislature should consider reducing the size by two (2) more specifically the director of the retirement fund is redundant because the board of trustees appoints a retiree from the fund and represents the retirees. Directors also appointed and accountable to the board of directors so to me there's redundancy there, you don't necessarily need both of them there representing retirees, so I think the director of the retirement fund could be eliminated from the team reducing it by one (1).

The other voting member that I think should be considered for removal is the member of the general public appointed by the Governor. Procurement of Health Insurance for government employees and



retirees should be free from outside influence. The Federal government, private and public companies generally don't engage the volunteer services of non-employees to help negotiate their procurement contracts, and so I think that the government should also not unnecessarily bring someone in from the outside to help negotiate their contracts. Second major change to Bill 13, is to eliminate the requirement to solicit exclusive proposals.

The results of the exclusive proposals last year clearly show the value requiring vendors to submit exclusive proposals each of the last two (2) years the Government of Guam was able to negotiate exclusive contract with multi-million dollars in projected savings as indicated in the memos from negotiating team to the Lieutenant Governor of Guam developed by the contracted consultant with input from the team members.

Unfortunately, each of last year's Lieutenant Governor has selected forgoes the savings of millions of dollars and op for a non-exclusive contract changing the current statute to eliminate the solicitation of an exclusive proposal will indefinitely prevent the Government from the opportunity to realize significantly more savings than a non-exclusive program.

The economics of Health Insurance also don't you know they will not defy the simple fact that the administration of 100% risk pool is more efficient and will have an overall lower costs than a program that has a fractional risk pool shared among several on a non-exclusive program. Even if the current administration has no intention to select an exclusive proposal the law should not be changed to prevent any future administrations from having the option to select an exclusive Health Insurance contract that offers significant savings so the government, it's employees and retirees.

The final significant change in Bill 13 is to negotiate the Government's Health Insurance contract every two (2) years, of the three (3) Health Insurance companies that I work for in my 14 years in the industry none of them ever ended in a multiyear contracts. And the reason for that is because the risk factors unknown, it prevents higher amounts of risk when you enter into a multiyear arrangement.

In addition entering into two (2) year contracts will also make the increases at re-negotiation more volatile, likely resulting in and really large increases so rather than having the moderate increases year over year you're going to see a big spike to your every two (2) years to your Health Insurance rates, if you wait every two (2) years to negotiate them. The structure and process of the Government's Health Insurance program negotiating team over the last several years has evolved to where it is today and the outcomes of the negotiations for the last two years have provided potential millions in savings for the government for an exclusive agreement as well as relatively small increases for the non-exclusive agreements.

The changes in Bill 13 are not necessary because the negotiating team has used the existing laws to provide the opportunity for the Government to maximize taxpayer value through fair and open competition of both exclusive and non-exclusive RFB's. The Government, it's employees and retirees I think would be better served if legislation was passed and signed into law that provides the Medicare's supplemental plan for retirees and to fix the flaw in the current statute that creates a situation where the highest prize retiree Health Insurance coverage is the most attractive option to a



retiree because the retirees premium cost for that coverage is less than the retiree premium cost of the less expensive coverage within the program.

Lastly please consider amending the current rules of procedure to require that the non-exclusive proposals have a sealed bid opening rather than have each offers submit proposals at different times. This will ensure maximum competition and eliminate the possibility of accidental or deliberate disclosure of rates that created the competitive advantage to an offers submitting rates in a later date and time and just to give you a little background on the process to the non-exclusive option, first the Government goes through the negotiating process for the exclusive proposals, once that's done the team comes together and selects all the options that they feel are the best to include in the nonexclusive proposal, that information is then sent out to all the offerors and their ask to come back with their best and final offer at that point based on the new plan design and any other changes that have occurred since the exclusive negotiations and what's happened is then the Government meets with each carrier at different times for these non-exclusive final rates and it's not necessary they can all come and submit at the same time in a sealed bid opening and it will eliminate any possibility of any unfair advantage to any of the offers at the table and frankly I think it will result in more competitive bids because if nobody knows what the others are going to submit their going to really try drive the price down as much as they can because they're going to want to be that lowest options on the table so that's one change also that I think would be a good thing to consider, so that's all of my testimony thank you.

Senator Dennis G. Rodriguez, Jr.

Thank you very much Mr. Budasi, If you can provide the Committee a copy of your testimony and we'll definitely consider and I'm glad that you also brought up some points that were not part of the bill and now we will be able to address it in regards to the Medicare supplement issue.

I just had a question, just to elaborate, on the construct of the composition of the negotiating team, yea you're right these two (2) members are have in the past have been asked to provide information but really their participation is not mandatory, it's something that if they're asked to, if they can make it, they come, so would you suggest that perhaps maybe as a non-voting member is that something but still requiring them to be part of the team.

Chris Budasi

Sure I don't see any issues with that, I think that as a non-voting member it's essentially has the same effect as being the ad hoc members under the current situation, current statute.

Senator Dennis G. Rodriguez, Jr.

And the other question is that if a, you know for example like the judiciary the legislature can opt to go on their own and do a separate health insurance for their employees is that something to that you think would perhaps if the choices made by these branches to go on their own that perhaps they not be part of the negotiations of the general Health Insurance negotiations.

Chris Budasi

I don't have a specific opinion on that other than the way that the law was designed initially was to allow that option for the legislature and judiciary and I think it's because of the separate equal branches, the executive makes all of the final decision on this contract for the overall government's



and so it provides an outlet for the other branches to, if they feel it's necessary to go out on their own, so I don't I mean, to limit those branches to you know having to do it on their own when there's also this other option, I think it just decreases the options and of course as a consumer you never want to decrease your options.

Senator Dennis G. Rodriguez, Jr.

And I definitely support that the other branches have the option to go on a separate, but I think just going back to your previous testimony about the composition and who they represent right and so if the each separate branch decides to go on their own it really to me they probably don't have, shouldn't have a seat on that table that really if they're not going to be part of then maybe that's how the number of members then decrease from the overall negotiating team.

Chris Budasi

That's certainly an option but because of the timing of the fiscal year and contracts I don't see it as being a viable option because if you were to require the legislature and or the Judiciary to determine in large are you going to go on your own or are you going to stay with us then you know it's really unknown at that point because we you know the judiciary is going through the negotiation process at the same time as the overall Government so, what we've done is we've kind of built a wall between the negotiations so we have one (1) member who attends the negotiating team for the GHIP and their not at all involved in our procurement that's happening on the Judiciary side, so you know to eliminate another person who's got the expertise in the, who's frankly has a constituency of the Judicial employees, I'm not sure that I would agree with that but it's certainly something that, to consider.

Senator Dennis G. Rodriguez, Jr.

We'll review this further but thank you very much, I appreciate it. Are there any questions or comments from any of the other senators? If not, thank you very much we don't have anyone else to.

Senator Tina Muna Barnes

I'm just making sure that Mr. Budasi gives us a copy so that we can thoroughly look at it.

Senator Dennis G. Rodriguez, Jr.

Thank you very much. There being no one else to testify, Bill 13 has had its Public Hearing. We'll keep the record open for any additional written testimonies that maybe submitted.

There being no other testimony, or comments by Senators, Chairman Rodriguez declared Bill No. 13-33(COR) as having been heard, and concluded the public hearing on Bill.

Fiscal Note: Pending

III. FINDINGS AND RECOMMENDATIONS

The Committee on Health, Economic Development, Homeland Security and Senior Citizens, hereby

reports out Bill No. 13-33(COR) as Substituted, with the recommendation to Report out only.

MINA' TRENTAI TRES NA LIHESLATURAN GUAHAN 2015 (FIRST) Regular Session

Bill No. 13 -33 (COP)

Introduced by:

D.G. RODRIGUEZ, JR.W

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AN ACT TO ADD A REPRESENTATIVE FROM THE GUAM HOSPITAL MEMORIAL AUTHORITY AND THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES TO THE GOVERNMENT OF GUAM GROUP HEALTH INSURANCE NEGOTIATING TEAM, TO DELETE THE REQUIREMENT FOR THE SOLICITATION OF AN EXCLUSIVE GROUP HEALTH INSURANCE CONTRACT AND REOURE ONLY THE SOLICITATION OF THREE (3) NON-EXCLUSIVE CONTRACTS FOR A CONTRACT TERM OF TWO (2) YEARS, BY AMENDING §4302 (c) AND §4302 (e) OF ARTICLE 3, CHAPTER 4, 4 GCA.

1 Be it enacted by the People of Guam:

2 Section 1. Legislative Finding and Intent. : *I Liheslaturan Guåhan* finds 3 that the government of Guam Group Health Insurance Negotiating Team (the 4 Team) should include representation from the two (2) leading public healthcare 5 providers, the Guam Memorial Hospital Authority and the Department of Public 6 Health and Social Services. These are the government of Guam's two leading 7 agencies in the provision of health care services.

8 It is the intent of *I Liheslaturan Guåhan* to add two (2) additional voting 9 members who shall be the Chief Administrator of the Division of Public Welfare 10 of the Department of Public Health and Social Services, or his or her designee; and the Chief Financial Officer of the Guam Memorial Hospital Authority, or his
 or her designee.

I Liheslaturan Guåhan further finds that the request for proposal (RFP) should be *solely* for the solicitation of non-exclusive proposals for a term of two (2) years. This would ensure choices for government employees, retires and their dependents, and would be more efficient and provide a stable scope of benefit coverage with the RFP solicitations for contracts of two (2) year terms.

8 Section 2. : Subsection (c) of §4302 of Article 3, Chapter 4, Title 4, Guam
9 Code Annotated, is hereby AMENDED, to read:

"(c) The Government of Guam Health Insurance Negotiating Team shall 10 consist of the Director of Administration, who shall be the Chairperson; the 11 Administrator of the Department of Integrated Services for Individuals with 12 Disabilities (DISID), or his or her designee; the Director of the Bureau of Budget 13 and Management Research, or his or her designee; the Chief Administrator of the 14 Division of Public Welfare of the Department of Public Health and Social 15 Services, or his or her designee; the Chief Financial Officer of the Guam 16 Memorial Hospital Authority, or his or her designee; an employee representative 17 from the Judicial Branch to be appointed by the Chief Justice of the Supreme Court 18 of Guam; an employee representative of the Legislative Branch to be appointed by 19 the Speaker of I Liheslaturan Guåhan; the Superintendent of the Department of 20 Education, or his or her designee; the Director of the Government of Guam 21 22 Retirement Fund, or his or her designee; a retiree who is a member of the Government of Guam Retirement Fund to be appointed by the Board of Trustees of 23 the Government of Guam Retirement Fund; one (1) member of the general public, 24

appointed by I Maga'lahen Guåhan, who is not an employee of the government of 1 Guam, not an employee of a health insurance company, hospital, or medical 2 provider, or not an appointee by I Maga'lahi (the Governor) to any government 3 agency, board or commission, and who shall affirm by affidavit that he or she 4 agrees to comply with all provisions in Chapter 15 of Title 4 of the Guam Code 5 Annotated, also known as the Standard of Conduct for Elected Officers, Appointed 6 Officers, and Public Employees of the government of Guam; the Chairperson of 7 the Committee on Health or the successor committee of I Liheslaturan Guåhan, or 8 his or her designee, who shall sit as an ex-officio non-voting member; and the 9 Chairperson of the Committee on Appropriations, or the successor committee of I 10 Liheslaturan Guåhan, or his or her designee, who shall sit as an ex-officio non-11 voting member. The Negotiating Team shall examine the financial information of 12 the prepaid health insurance companies, health care providers or other legal entities 13 for the purpose of developing the most economical and beneficial health plan for 14 the government of Guam employees and retirees, and foster children. The 15 Negotiating Team may obtain technical support from other financial and health-16 related agencies. The Negotiating Team shall develop its rules of procedure in 17 accordance with the Administrative Adjudication Law. The Negotiating Team 18 shall develop minimum qualification for proposals to be submitted for health 19 insurance coverage. The Negotiating Team shall also develop a ranking system to 20 rank the proposals. The Negotiating Team, with the approval of I Maga'lahi, is 21 authorized to contract an actuary competent to develop proposed health insurance 22 rates or other recognized expert to train and/or advise the Negotiating Team. 23 Notwithstanding any other provision of law, every second each fiscal year, the 24 Negotiating Team shall solely solicit for both exclusive and nonexclusive 25

proposals from each Health Insurance Provider and enter into negotiations with the top three (3) ranked Health Insurance Providers submitting qualified proposals for health insurance coverage for qualified active employees and qualified retirees, and foster children, of the government of Guam <u>for a contract term of two (2) years</u>."

5 Section 3. Clarification of Applicability of Amendment Pursuant to Section 6 2 of this Act. The amendment provided pursuant to Section 2 of this Act shall only 7 apply to the first paragraph of Subsection (c), and shall not affect or change the 8 existing accompanying Parts 1, 2, and 3 and the last paragraph of Subsection (c) of 9 §4302 of Article 3, Chapter 4, Title 4, Guam Code Annotated, which shall remain 10 unchanged and in full force and effect.

Section 4. Subsection (e) of §4301.1 of Article 3, Chapter 4, Title 4, Guam
 Code Annotated, is REPEALED, and the succeeding subsections shall be
 renumbered accordingly by the Compiler of Laws:

14 "(e) Exclusive proposal means a proposal based upon the assumption that 15 the government will contract with only one (1) health insurance provider that is 16 selected by the negotiating team from up to three (3) different health insurance 17 providers that all negotiate best and final offers with the negotiating team."

Section 5. Subsection (e) of § 4302 of Article 3, Chapter 4, Title 4, Guam
Code Annotated, is *amended*, to read:

"(e) Effective October 1, <u>2015</u> 1986, the contract period for health insurance
or provision of health care shall coincide with the fiscal year of the government of
Guam, and shall be for a term of two (2) fiscal years. To that end, the contract
period preceding the one for FY 1987 may be for less than twelve (12) months."

1 Section 6. Severability. If any provision of this Act or its application to 2 any person or circumstance is found to be invalid or contrary to law, such 3 invalidity shall not affect other provisions or applications of this Act which can be 4 given effect without the invalid provisions or application, and to this end the 5 provisions of this Act are severable.

Section 7. Effective Date. This Act shall become immediately effective
upon enactment.

MINA' TRENTAI TRES NA LIHESLATURAN GUAHAN 2015 (FIRST) Regular Session

Bill No. 13-33 (COR), as Substituted Committee on Health, Economic Development, Homeland Security, & Senior Citizens

Introduced by:

D.G. RODRIGUEZ, JR.

AN ACT TO ADD A REPRESENTATIVE FROM THE GUAM MEMORIAL HOSPITAL AUTHORITY AND THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES TO THE GOVERNMENT OF GUAM GROUP HEALTH INSURANCE NEGOTIATING TEAM, TO DELETE THE REQUIREMENT FOR THE SOLICITATION OF AN **EXCLUSIVE GROUP HEALTH INSURANCE CONTRACT** AND REQUIRE ONLY THE SOLICITATION OF THREE (3) NON-EXCLUSIVE CONTRACTS FOR A CONTRACT TERM OF ONE TO TWO (2) YEARS, BY AMENDING §4302(c) AND (e), §4301(a) AND §4301.1(g), ADDING §4302(c)(4), ALL OF **ARTICLE 3, CHAPTER 4, 4 GCA.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Finding and Intent. : *I Liheslaturan Guåhan* finds 3 that the government of Guam Group Health Insurance Negotiating Team (the 4 Team) should include representation from the two (2) leading public healthcare 5 providers, the Guam Memorial Hospital Authority and the Department of Public 6 Health and Social Services. These are the government of Guam's two leading 7 agencies in the provision of health care services.

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 and the Chief Financial Officer of the Guam Memorial Hospital Authority, or his
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9 Section 2. Subsection (c) of §4302 of Article 3, Chapter 4, Title 4, Guam
10 Code Annotated, is hereby *amended*, to read:

"(c) The Government of Guam Health Insurance Negotiating Team shall 11 consist of the Director of Administration, who shall be the Chairperson; the 12 Administrator of the Department of Integrated Services for Individuals with 13 Disabilities (DISID), or his or her designee; the Director of the Bureau of Budget 14 and Management Research, or his or her designee; an employee representative 15 16 from the Judicial Branch to be appointed by the Chief Justice of the Supreme Court of Guam; an employee representative of the Legislative Branch to be appointed by 17 the Speaker of I Liheslaturan Guåhan; the Superintendent of the Department of 18 Education, or his or her designee; the Director of the Government of Guam 19 Retirement Fund, or his or her designee; a retiree who is a member of the 20 Government of Guam Retirement Fund to be appointed by the Board of Trustees of 21 the Government of Guam Retirement Fund; the Chief Administrator of the 22 Division of Public Welfare of the Department of Public Health and Social 23 Services, or his or her designee; the Chief Financial Officer of the Guam 24

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Memorial Hospital Authority, or his or her designee; one (1) member of the 1 general public, appointed by I Maga'lahen Guåhan, who is not an employee of the 2 government of Guam, not an employee of a health insurance company, hospital, or 3 medical provider, or not an appointee by I Maga'lahi (the Governor) to any 4 government agency, board or commission, and who shall affirm by affidavit that 5 he or she agrees to comply with all provisions in Chapter 15 of Title 4 of the Guam 6 Code Annotated, also known as the Standard of Conduct for Elected Officers, 7 Appointed Officers, and Public Employees of the government of Guam; the 8 Chairperson of the Committee on Health or the successor committee of I 9 10 Liheslaturan Guåhan, or his or her designee, who shall sit as an ex-officio nonvoting member; and the Chairperson of the Committee on Appropriations, or the 11 successor committee of I Liheslaturan Guåhan, or his or her designee, who shall 12 sit as an ex-officio non-voting member. The Negotiating Team shall examine the 13 financial information of the prepaid health insurance companies, health care 14 15 providers or other legal entities for the purpose of developing the most economical and beneficial health plan for the government of Guam employees and retirees, and 16 foster children. The Negotiating Team may obtain technical support from other 17 financial and health-related agencies. The Negotiating Team shall develop its rules 18 of procedure in accordance with the Administrative Adjudication Law. The 19 Negotiating Team shall develop minimum qualification for proposals to be 20 21 submitted for health insurance coverage. The Negotiating Team shall also develop a ranking system to rank the proposals. The Negotiating Team, with the approval 22 of I Maga'låhi, is authorized to contract an actuary competent to develop proposed 23 health insurance rates or other recognized expert to train and/or advise the 24 Negotiating Team. Notwithstanding any other provision of law, every first or 25

second each fiscal year, the Negotiating Team shall <u>solely</u> solicit for both exclusive and nonexclusive proposals from each Health Insurance Provider and enter into negotiations with the top three (3) ranked Health Insurance Providers submitting qualified proposals for health insurance coverage for qualified active employees and qualified retirees, and foster children, of the government of Guam for a optional contract term, of one (1) to two (2) fiscal years at the discretion and with the approval of *I Maga'låhi Guåhan*."

- 8 Section 3. A new Item 4 is ADDED to Subsection (c) of §4302 of Article 3,
 9 Chapter 4, Title 4, Guam Code Annotated, to read:
- "(4) In the event *I Maga'låhi Guåhan* elects to enter into a two year
 contract, then, there *shall* be a second open enrollment beginning on first
 day of September at the end of the first fiscal year so as to provide for the
 opportunity for active employees, retirees and dependents to enroll, dis enroll or change providers prior to the commencement of the second fiscal
 year on the first day of October."

Section 4. Subsection (a) § 4301 of Article 3, Chapter 4, Title 4, Guam Code Annotated, is *amended*, to read:

"(a) Except in the event that only one (1) insurance company submits a
qualified proposal, *I Maga'lahi* (the Governor) is authorized to enter contracts and
reject proposals, with the written concurrence of the Speaker of *I Liheslaturan Guåhan* (the Guam Legislature) or the <u>Chief Justice of the Unified Courts of Guam</u>
Presiding Judge of the Superior Court of Guam whose consents may be withheld in
their sole discretion, with no less than two (2) health one (1) or more insurance

companies for nonexclusive group health insurance plans for government of Guam 1 active employees, retirees and dependents, authorized to do business in Guam, and 2 for group insurance, including, but not limited to, hospitalization, medical care, 3 life, and accident, for all employees or separate groups of employees, of the 4 government of Guam, and hospitalization, medical and dental care for foster 5 children, of the government of Guam. If the Legislative or Judicial Branches of 6 government elect to enter into separate contracts for their employees as authorized 7 in § 4301(c), I Maga'lahi shall obtain the written concurrence of the Branch 8 electing to remain with the Executive Branch before the group insurance contract 9 is entered into or a proposal rejected. The government shall not be construed as an 10 agent of any insurance company in negotiating or administering this group 11 insurance program. Health benefits provided under this authority may be self 12 funded and administered by a third party if it is determined to be cost-effective. 13

(1) In the event either the Chief Justice of the Unified Courts of Guam or 14 the Speaker of I Liheslaturan Guåhan chooses to not participate in the 15 acquisition of the next fiscal year group health insurance plans for 16 government of Guam active employees, retirees and dependents, then, the 17 member who chooses to enter into the separate acquisition of a group health 18 insurance shall not participate in the negotiation phase with the Government 19 of Guam Negotiating Team pursuant to §4302 of Article 3, Chapter 4, Title 20 4, Guam Code Annotated, and shall state their intent in writing to the 21 chairperson prior to the negotiation phase of plan acquisition for the next 22 fiscal year." 23

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Section 5. Part 2 of Subsection (c) of § 4302 of Article 3, Chapter 4, Title 4,
 Guam Code Annotated, is *amended* to read"

"(2) Except in the event that only one (1) insurance company submits 3 a qualified proposal, **T** the negotiating team upon selection and review of the 4 best available proposals by participating healthcare respondents/providers 5 which reflect the most economical and beneficial healthcare insurance 6 proposal plan for government of Guam employees and retirees, and foster 7 children, shall forward no less than two (2) of the qualifying accepted 8 proposals to I Maga'lahen Guåhan for consideration, and to I Liheslaturan 9 Guåhan for final approval no later than July 31, and prior to the annual 10 legislative sessions wherein the upcoming fiscal year budget for the 11 government of Guam is before I Liheslaturan Guåhan for consideration." 12

Section 6. Subsection (e) of §4301.1 of Article 3, Chapter 4, Title 4, Guam
 Code Annotated, is *REPEALED*, and the succeeding subsections shall be
 renumbered accordingly by the Compiler of Laws:

"(e) Exclusive proposal means a proposal based upon the assumption that
 the government will contract with only one (1) health insurance provider that is
 selected by the negotiating team from up to three (3) different health insurance
 providers that all negotiate best and final offers with the negotiating team."

Section 7. Subsection (g) of § 4301.1 of Article 3, Chapter 4, Title 4, Guam
Code Annotated, is *amended*, to read:

1 "(g) Qualified proposal means a proposal from a health care provider that 2 submits both an exclusive and a non-exclusive proposal and meets the minimum 3 requirements specified in the RFP in response to any request for proposals for the 4 Government of Guam Health Insurance Program."

Section 8. Subsection (e) of § 4302 of Article 3, Chapter 4, Title 4, Guam
Code Annotated, is *amended*, to read:

"(e) Effective October 1, <u>2015</u> 1986, the contract period for health insurance
or provision of health care shall coincide with the fiscal year of the government of
Guam, and, at the discretion and approval of *I Maga'lahen Guåhan, shall* be for a
term of one to two (2) fiscal years. To that end, the contract period preceding the
one for FY 1987 may be for less than twelve (12) months."

12 Section 9. Severability. If any provision of this Act or its application to 13 any person or circumstance is found to be invalid or contrary to law, such 14 invalidity shall not affect other provisions or applications of this Act which can be 15 given effect without the invalid provisions or application, and to this end the 16 provisions of this Act are severable.

7



SENATOR DENNIS G. RODRIGUEZ, Jr., Chairman COMMITTEE ON HEALTH, ECONOMIC DEVELOPMENT, HOMELAND SECURITY & SENIOR CITIZENS

Mina'trentai Tres Na Liheslaturan Guåhan • 33rd Guam Legislature

PUBLIC HEARING DATE / Friday, January 16, 20159am

• Bill 13-33 (COR)- Introduced by Sen. Dennis G. Rodriguez, Jr.

An act to add a representative from the Guam Memorial Hospital Authority and the Department of Public Health and Social Services to the Government of Guam Group Health Insurance Negotiating Team, to delete the requirement for the solicitation of an exclusive group health insurance contract and require only the solicitation of three (3) non-exclusive contracts for a contract term of two (2) years, by amending §4302 (c) and §4302 (e) of Article 3, Chapter 4, 4 GCA.

PRINT NAME	SIGNATURE	AGENCY	ORAL TESTIMONY	WRITTEN TESTIMONY	IN FAVOR	OPPOSE	CONTACT NUMBERS	EMAIL ADDRESS
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Bill 13-33 (COR)) Page '	of	٠					

Print

Subject:	Fwd: Comments on Bill Nos. 12 and 13
From:	Dennis Rodriguez, Jr. (senatordrodriguez@gmail.com)
То:	rfteehan@yahoo.com;

Date: Monday, February 9, 2015 3:26 PM

Ron,

Please review and we need to work on the markup's.

thanks

------ Forwarded message ------From: Michael Carlson <miteeguam@gmail.com> Date: Sun, Feb 8, 2015 at 8:36 PM Subject: Comments on Bill Nos. 12 and 13 To: "Dennis Rodriguez, Jr." <senatordrodriguez@gmail.com>

HAFA ADAI SENADOT!

Provided for your review are my comments on the two (2) subject bills.

Bill No. 12-33:

P.L. 32-189's addition of foster children to the GovGuam GHIP was intended to provide access to a larger pool of providers than the number of providers who currently service foster kids. However, to include this group as a component of the overall cost for the annual GHIP could prove to be more expensive since it would affect rates across the board. Additionally, the foster kids would not be subject to the same terms and conditions as the rank and file GovGuam subscribers and their dependents creating another impact upon costs that could result in an upward rate adjustment. The issuance of a separate RFP to obtain health care for foster kids seems a better avenue to provide access to more providers than service foster children now. Since the government assumes the burden of paying for these "wards of the state", a separate RFP will not unduly discriminate against the rank and file GovGuam subscribers who are bound by the terms, conditions and associated rates negotiated on an annual basis.

This bill "corrects" an action taken by the 32GL to include foster children in the GovGuam pool of subscribers and dependents by having the foster children covered by a separate RFP. By doing so, the process of negotiating health care coverage will be uniform across the board and any possible discriminatory terms will be eliminated.

Bill No. 13-33:

It has been the Negotiating Team's practice to tap both DPHSS and GMH (and other GovGuam entities) for information relative to negotiations. The current make-up of the Negotiating Team is heavily-oriented towards employee/retiree representation: the largest entity in GovGuam, GDOE; a representative from the Judiciary, a Retiree advocate for retires, survivors and their dependents; a DISID representative for those with special needs; an employee representative from the Legislature. The bill's author notes DPHSS and GMH are "providers of health care services" as the reason for their inclusion. For that very reason, it may be prudent to keep DPHSS and GMH as non-voting members of the Team and a resource to tap as necessary, rather than to add them to the Negotiating Team since they are not representing the employees of either agency. In fact, keeping the status quo would be in keeping with the very section being amended which cites "...Negotiating Team may obtain technical support from financial and health-related agencies".

Eliminating the exclusive contract in favor of awarding up to three (3) non-exclusive contracts has one major downside -- each vendor will build in to their rates a higher estimated cost of doing business than if awarded an exclusive contract. Recent negotiations with the inclusion of an exclusive contract has assisted the Negotiating Team in achieving savings when negotiating the non-exclusive contracts. The Team has also developed a process by which the basis for the non-exclusive contracts are the agreed-upon terms and conditions of the exclusive contract. This has greatly reduced the need to discuss terms and conditions of the non-exclusive offers.

Extending the term of the contract to two (2) years has both pros and cons. A two (2) year term locks in rates at present day costs. But if costs go down, GovGuam will not be able to apply the savings until a new contract has been negotiated. Similarly, if costs go up, vendors may not be able to recoup the higher costs until the next contract. Forecasting rates will be subject to trend factors that may or may not apply in our marketplace. Vendors will want some relief mid-contract such as are contained in the current contract, i.e. GMH raises rates more than 5%, GovGuam passes a law that impacts health care, etc.

Recommendation(s): If the bill has support to pass, it should be amended to reflect DPHSS' and GMH's roles as technical support and not employee representatives in the same vein as BBMR

The elimination of the exclusive contract would take away a major negotiation tool. Its loss cannot be quantified in dollars at this time, but suffice to say it will mean more dollars obligated to rates than if there were no exclusive contract.

Moving from a one (1) year term to a two (2) year term has cyclical advantages and disadvantages. Perhaps the better approach may be to make the contract term an option for the Governor to choose from in a similar manner to the exclusive vs. non-exclusive contracts. ----

Thanks for asking for my thoughts on these bills!

Michael D. Carlson *Tel: 671-988-5390*

"Go into the world and do well. But more importantly, go into the world and do good." - Minor Myers Jr., former president of Illinois Wesleyan University

Senator Dennis G. Rodriguez, Jr.

Chairman, Committee on Health, Economic Development, Homeland Security and Senior Citizens I Mina'trentai Tres Na Liheslaturan Guahan 33rd Guam Legislature 176 Serenu Avenue Suite 107 Tamuning, Guam 96913 671.649.8638 http://toduguam.com



424 West O'Brien Drive Julale Center, Suite #200 Hagatna, Guam 96910 Telephone: 671-472-3610 Facsimile: 671-472-3615 www.netcarelifeandhealtl.com

January 16, 2015

The Honorable Dennis G. Rodriguez, Jr. Chair, Committee on Health, Economic Development, Homeland Security, & Senior Citizens I Mina' Trentai Tres Na Libeslaturan Guahan Suite 301, 155 Hesler St. Hagåtña, Guam 96910

RE: Bill No. 13-33 (COR)

Dear Mr. Chairman;

Thank you for the invitation and opportunity to submit testimony on Bill 13-33. NetCare Life & Health Insurance Company supports the objectives and intent set forth in Section 1 of Bill 13-33. Specifically, we agree with the author's recognition that we should "ensure choices for government employees." We also agree with the stabilization and reduction of transaction costs associated with transitioning to two-year contracts.

However, we do not believe the suggested legislative changes are sufficient to accomplish the primary objective of ensuring choice. The proposed bill only requires the solicitation for nonexclusive proposals and the negotiation with the top three ranked providers submitting qualified proposals. Without addressing current language which expressly permits entering into a contract with one exclusive provider, the legislation does not ensure the availability of any choice at all. Indeed, without further amendments, this legislation could unintentionally be a step backward for both the government and its employees and retirees. That is, the legislation as drafted would permit the government to continue its discretion of entering into one contract with one exclusive provider, after a process which requires the solicitation and negotiation of higher nonexclusive provider rates.

If the true intent of Bill 13-33 is to ensure choices, we suggest additional amendments which is consistent with this intent and which aligns the process of implementation with the process of solicitation and negotiation. We request consideration of the following amendments:

• Subsection (a) of Section 4301 of Article 3, Chapter 4, Title 4 Guam Code Annotated:

(a) Except in the event that only one (1) insurance company submits a qualified proposal. I Maga'lahi (the Governor) is authorized to enter contracts and reject proposals, with the written concurrence of the Speaker of I Liheslaturan Guåhan (the Guam Legislature) or the Presiding Judge of the Superior Court of Guam whose consents may be withheld in their sole discretion, with one (1) or more no less than two (2) insurance companies, authorized to do business in Guam, for group insurance, including, but not limited to, hospitalization, medical care, life, and accident, for all employees or separate groups of employees, and foster children, of the government of Guam.

• Subsection (c)(2) of Section 4302 of Article 3, Chapter 4, Title 4 Guam Code Annotated.

(2) Except in the event that only one (1) insurance company submits a qualified proposal, the negotiating team upon selection and review of the best available proposals by participating healthcare respondents/providers which reflect the most economical and beneficial healthcare insurance proposal plan for government of Guam employees and retirees, and foster children, shall forward the accepted no less than two proposals to I Maga'lahen Guåhan for consideration, and to I Liheslaturan Guåhan for final approval no later than July 31, and prior to the annual legislative sessions wherein the upcoming fiscal year budget for the government of Guam is before I Liheslaturan Guåhan for consideration.

We would emphasize again that Bill 13-33 requires that only "nonexclusive" proposals be submitted, compared to the current practice of requiring both an "exclusive" and "nonexclusive" proposal. By its nature, the proposed rates will be higher because nonexclusive proposals are unable to spread and alleviate risks to the same degree that exclusive proposals provide. This disparity in rates represents the inherent cost of ensuring choice for our employees and retirees and encouraging competition among insurance companies. Importantly, if we fail to take the necessary steps to encourage actual choice and competition, the government and its employees and retirees will be left with nothing but higher premiums and higher costs for health insurance.

Section 2 of Bill 13-33 provides that the Health Insurance contract shall be "for a contract term of two (2) years". We do support this language for administrative purposes when it comes to developing rate proposals that take time, resources and costs for both the government and the prospective bidders. However it is important that two other amendments be considered that would benefit employees, retirees and their dependents by assuring that they attain a benefit package that is consistent with their family's needs.

• Based on the number of employees and retirees, along with the reality that health insurance benefits require extensive review and understanding, it is important to provide these individuals with adequate opportunities to learn of the benefits offered by each of the plans. The last few years we have seen enrollment periods of a few weeks or less than a month, respectively, and many employees and retirees have repeatedly requested extensions. We recommend that the government mandate a minimum of thirty (30) day initial enrollment period to give these individuals the opportunity to make an informed and educated decision regarding their health care needs.

• If this legislation is enacted with the 2-year proposed contract period, it is important that prior to the start of the second year, an additional enrollment period be established to enable all members to reevaluate their health care needs and the performance of their current carrier. All members should continue to have the benefit of choice among participating insurance companies on an annual basis.

With these recommendations in place, we believe that Bill 13-33 would serve its true objective of providing options and actual choice for government employees and retirees, while creating an attractive mechanism for health insurance carriers to submit bid proposals for the government of Guam's Health Insurance program.

In summary, we respectfully request that the Committee strongly consider the additional amendments and considerations set forth above. We believe that without such changes to this legislation, the passage of Bill 13-33 as drafted could serve to increase costs for the government of Guam, its employees and retirees, while not truly serving its intent of providing actual options for employees and retirees.

Thank you very much for the opportunity to submit testimony.

Sincerely,

Jerry Crisostomo Plan Administrator



Dennis Rodriguez, Jr. <senatordrodriguez@gmail.com>

Testimony on Bills 12-33 and 17-33 affirmative comment on bill 13-33

1 message

James Gillan <James.Gillan@dphss.guam.gov> Thu, Jan 15, 2015 at 2:40 PM To: "senatordrodriguez@gmail.com" <senatordrodriguez@gmail.com> Cc: "chris.duenas@guam.gov" <chris.duenas@guam.gov>, "mike perez (michael.perez@guam.gov)" <michael.perez@guam.gov>

Dear Senator Rodriguez:

Attached, please find my testimony on the above referenced bills. I also endorse Bill 13-33, which adds a representative from the Department to the Government of Guam Group Health Insurance Negotiating Team.

Your attention to this matter is appreciated.

James W. Gillan

DOC002 (4).pdf

Good Morning Chairman Rodriguez and all Honorable Senators of the 33rd Guam Legislature,

I am here today to testify against Bill 13-33 (COR). Based on my review, the bill seeks to make three substantial changes to the Government of Guam Group Health Insurance Program (GHIP). The first change is to add two additional voting members to the GHIP negotiating team. Both proposed members are government employees, one is the Chief Administrator of the Department of Public Welfare of the Department of Public Health and Social Services and the other is the Chief Financial Officer of the Guam Memorial Hospital.

The current GHIP negotiating team consists of nine voting members, each of who represent a specific constituency.

- 1) DOA Director represents the executive branch employees of the government of Guam;
- DISID Director represents the interests of employees with disabilities and the executive branch;
- 3) BBMR Director represents the executive branch financial impact;
- 4) GDOE represents the more than 3700 Department of Education employees;
- 5) Legislature represents the legislative branch employees;
- 6) Judiciary represents the judicial branch employees;
- 7) Retirement Fund represents the retired government of Guam employees;
- Retiree Representative appointed by Government of Guam Retirement Fund Board of Trustees represents the retired government of Guam employees;
- Member of the general public represents the general public and executive branch by appointment of the Governor.

The first eight representatives have served as voting members since 1986. Seven of the eight members directly and expressly represent employees and retirees, the actual beneficiaries of the plans. The ninth voting member was added in 2010. The main duty of all members as stated in 4GCA §4302(c) is to "examine the financial information of the prepaid health insurance companies, health care providers or other legal entities for the purpose of developing the most economical and beneficial health proposal plan for the government of Guam."

Testimony for Bill 13-33 Submitted by Chris Budasi, Private Citizen January 16, 2015

The mission of the appointed voting members is very clear and the team has done an admirable job over the last several years with the assistance of contracted consulting services. From 2010 to present, I have participated in GHIP negotiations as a voting member. Prior to that, I participated in the GHIP process as an employee of PacifiCare responsible for the pricing and risk management of the Asia Pacific Region.

As a member of the GHIP negotiating team, my perspective is that the negotiations for health insurance should not include voting members from the Department of Public Welfare or the Guam Memorial Hospital. The employee influence over the employee health plan should not be diluted. Both of these government organizations deal directly with insurance companies and enter into contractual agreements to provide services for members of the health insurance company's health plans. Ironically, the member of the general public appointed to the GHIP negotiating is a voting member who by statute must affirm by affidavit that he or she is not a government employee, an employee of a health insurance company, hospital or medical provider.

The current structure of GHIP negotiating team allows employees from government organizations to participate and assist the team as non-voting members. In fact, every year that I have served on the team, an employee of Public Health and a representative of the Insurance Commissioner's office from the Department of Revenue and Taxation have participated in the GHIP process by providing technical expertise as requested by the Negotiating Team.

My perspective about the construct of the negotiating team voting members is that rather than increasing the size of the committee by two, the legislature should consider reducing the size by two. More specifically, the Director of the Retirement Fund is redundant because the Board of Trustees appoints a retiree of the Fund. The Director of the Fund is also appointed by and accountable to the Board of Trustees. My recommendation is to remove the Director of the Retirement Fund as a voting member and have the retiree representative appointed by the Board of Trustees be the only voting member representing retirees and the Fund.

The other voting member that should be considered for removal is the member of the general public appointed by the Governor. The procurement of health insurance for government employees and retirees should be free of outside influence. The Federal government, private and public companies generally do not engage the volunteer services of non-employees to help negotiate procurement contracts.

Testimony for Bill 13-33 Submitted by Chris Budasi, Private Citizen January 16, 2015

The second major change in Bill 13-33 is to eliminate the requirement to solicit exclusive proposals. The results of the exclusive proposals the last two years clearly show the value of requiring vendors to submit exclusive proposals. Each of the last two years, the government of Guam was able to negotiate an exclusive proposal with multi-millions of dollars of projected savings as indicated in the memos from the negotiating team to the Lt. Governor of Guam, developed by the contracted consultant with input from team members. Unfortunately each of the last two years, the Lt. Governor has selected to forgo saving millions of dollars and opt for a non-exclusive contract. Changing the current statute to eliminate the solicitation of an exclusive proposal will indefinitely prevent the government from the opportunity to realize significantly more savings than a non-exclusive program.

The economics of health insurance also will not defy the simple fact that administering 100% of a risk pool is more efficient and will have an overall lower cost than a program that has a fractional risk pool shared among several in a non-exclusive program.

Even if the current administration has no intention to select an exclusive proposal, the law should not be changed to prevent any future administrations from having the option to select an exclusive health insurance contract that offers significant savings to the government and its employees and retirees.

The final significant change in Bill 13-33 is to negotiate the government health insurance contract every two years. Of the three health insurance companies that I worked for during my 14 years in the industry, none of them ever entered into multi-year contracts because of the risk of the unknown. If the government were to require non-exclusive two year contracts there would likely be a premium associated with the additional risk that would inflate the cost above what the normal pricing of a year to year contract. In addition, entering into two year contracts will also make the increases at renegotiation more volatile, likely resulting in very large increases.

The structure and process of the Government Health Insurance Program negotiating team over the last several years has evolved to where it is today. The outcomes of the negotiations for the last two years have provided potential millions in savings to the government for an exclusive agreement as well as relatively small increases for non-exclusive agreements. The changes in Bill 13-33 are not necessary because the negotiating team has used the existing laws to provide the opportunity for the government to maximize taxpayer value through fair and open competition of both exclusive and non-exclusive RFP's.

Testimony for Bill 13-33 Submitted by Chris Budasi, Private Citizen January 16, 2015

The government, its employees and retirees would be better served if legislation was passed and signed into law that provides a Medicare supplemental plan for retirees, and to fix the flaw in the current statute that creates a situation where the highest priced retiree health insurance coverage is the most attractive option to the retiree because the retiree premium cost for said coverage is less that the retiree premium cost of the less expensive coverage.

Lastly, please consider amending the current rules of procedure to require that the non-exclusive proposals have a sealed bid opening rather than have each offeror submit proposals at different times. This will ensure maximum competition and eliminate the possibility of accidental or deliberate disclosure of rates that create a competitive advantage to an offeror submitting rates at a later date and time.

Chrisbudasie yAlico.com



Guam Memorial Hospital Authority Aturidåt Espetåt Mimuriåt Guåhan



850 GOV. CARLOS CAMACHO ROAD OKA, TAMUNING, GUAM 96913 TEL: 647-2444 or 647-2330 FAX: (671) 649-0145

January 14, 2015

The Honorable Senator Dennis.G. Rodriguez, Jr. Chairman, Committee on Health, Economic Development, Homeland Security and Senior Citizens *I Mina'trentai Tres Na Liheslaturan Guahan* 33rd Guam Legislature 176 Serenu Avenue, Suite 107 Tamuning, Guam 96913

Dear Senator Rodriguez:

Thank you for the opportunity to comment on Bill 13-33 relative to including a representative from the Guam Memorial Hospital Authority and the Department of Public Health and Social Services to the Government of Guam Group Health Negotiating Team, to delete the requirement for the solicitation of an exclusive group health insurance contract and require only the solicitation of three (3) non-exclusive contracts for a contract term of two years.

Section 2 of the bill proposes to add a representative from the Guam Memorial Hospital and the Department of Public Health. GMHA and DPHSS have served limited roles in the past as advisory members only, and have not participated in the RFP design process. I agree with the inclusion of Guam Memorial Hospital as a voting member of the Government of Guam Health Insurance Negotiating Team. Being included as statutory member will ensure GMHA's interest as a health care provider is represented from the initial stages in planning the RFP, plan design benefit changes, and accountability of the insurance providers in paying for those benefits.

Thank you for your foresight in introducing this important piece of legislation.

Respectfully inge

Joseph P. Verga, MS, FACHE Hospital Administrator/CEO

JPV/cc Admin Repository #150742

UPISINAN TODU GUAN Received by the Office of Senator Dennis G. Rodriguez, Jr. IF. DIG





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

January 25, 2015

The Honorable Senator Dennis Rodriquez, Jr. Senator and Chairman Committee on Health, Economic Development, Homeland Security, and Senior Citizens 176 Serenu Avenue Suite 107 Tamuning, Guam 96931

RE: BILL 13-33 An act to add a representative from the Guam Memorial Hospital Authority and the Department of Public Health and Social Services to the Government of Guam Group Health Insurance Negotiating Team. to delete the requirement for the solicitation of an exclusive group health insurance contract and require only the solicitation of three (3) nonexclusive contracts for a contract term of two (2) years. by amending §4302 (c) and §4302 (e) of Article 3. Chapter 4. 4 GCA

Dear Senator Rodriguez:

Thank you for the opportunity to testify on the aforementioned bill. While we do not find any significant issues with the proposed legislation, we are concerned with the frequency of legislative changes and actions relative to the Government of Guam Health Insurance Program that has been introduced over the years.

Our recommendation would be to allow the Government of Guam negotiating team or committee to perform its duties with the guidance of existing legislation.

Respectfully,

Cc:

Frank Campillo

Frank Campillo Health Plan Administrator

Sen. BJ Cruz, Sen. V. Anthony Ada Sen. Brant McCreadie Sen. Tom Ada Sen. Frank Aguon Sen. Tina Muna Barnes Sen. Tony Morrison Sen. Rory Respicio Sen. Nerissa Underwood

VIA HAND DELIVERY 10:17 am NAN FODU GUA Received by the Office of Senator Dennis G. Rodriguez, Jr. Jan. 26,2015

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Eddie Baza Calvo Governor Ray Tenorio Lieutenant Governor GOVERNMENT OF GUÅHAN (GUBETNAMENTON GUÅHAN)

DEPARTMENT OF ADMINISTRATION (DIPATTAMENTON ATMENESTRASION)

DIRECTOR'S OFFICE (Ufisinan Direktot) Post Office Box 884 * Hagåtña, Guam 96932 TEL: (671) 475-1101/1250 * FAX: (671) 477-6788



Benita A. Manglona Director John Pangelinan, Acting Deputy Director

January 23, 2015

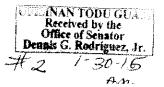
Senator D.G. Rodriguez, Jr. Chairman, Committee on Health, Economic Development, Homeland Security and Senior Citizens *I Mina'trentai Tres Na Liheslaturan Guahan* 33rd Guam Legislature 176 Serenu Avenue Suite 107 Tamuning, Guam 96913

Dear Senator Rodriguez:

Thank you for the opportunity to comment on Bill 13-33 relative to including a representative from the Guam Memorial Hospital Authority and the Department of Public Health and Social Services to the Government of Guam Group Health Negotiating Team; to delete the requirement for the solicitation of an exclusive group health insurance contract; and require only the solicitation of three (3) non-exclusive contracts for a contract term of two years.

Section 2 of the bill proposes to add a representative from the Guam Memorial Hospital and the Department of Public Health. We are in favor of this proposed language. Historically, due to their field of expertise, these two entities have been invited as advisory members for contract and benefits negotiations. These departments have been invited as advisory members from FY2012 and prior for an estimate of 15+ years. Their participation, however limited, and expertise has made them a crucial part of the negotiations process.

However, because they were advisory members only, they were not obligated to participate in the team meetings and negotiations proceedings thus making their attendance inconsistent. Having them included as statutory members will only benefit the health insurance procurement process by giving us immediate access to these two departments. They will be involved in the entire process from the development of the RFP and the negotiations proceedings, and more importantly, have the capability to cast their votes when making critical decisions. Additionally, their voting participation will ensure the interest of the Government is protected in the delivery of health care and being compensated for the service.



Section 2 of the bill also proposed to solicit solely a nonexclusive contract for a term of two (2) years. We are also in favor of this proposed language. As you are aware, the procurement of health insurance is a lengthy process and the largest procurement of the government of Guam. Approximately over 1,300 manpower hours are spent on this procurement process. This process includes the hiring of an actuary, development of the RFP, compilation of comments, in-depth review and analysis of each proposal submitted, determination of proposal qualifications, determination of carrier's financial stability, evaluation and ranking of each proposal, negotiations process, development of contract language, review of the proposed contracts, circulation of the contract, department training, open enrollment and the implementation of two years will reduce costs and manpower hours associated with this procurement and dedicate attention to other operational issues.

In closing, we are in support of the proposed changes of bill 13-33, and appreciate the senators' partnership as we all work together to improve health benefits for government of Guam employees and retirees, and their families. *Si Yu'us Ma'ase.*

Senseramente,

langlona

Benita A. Manglona, CPA, CGMA Director, Department of Administration Chairperson, Health Insurance Negotiating Team



COMMITTEE ON RULES *I Mina'trentai Tres na Liheslaturan Guåhan* • The 33rd Guam Legislature 155 Hesler Place, Hagåtña, Guam 96910 • *www.guamlegislature.com* E-mail: *roryforguam@gmail.com* • Tel: (671)472-7679 • Fax: (671)472-3547

Senator Rory J. Respicio CHAIRPERSON MAJORITY LEADER

Senator Thomas C. Ada Vice Chairperson Assistant Majority Leader

Speaker Judith T.P. Won Pat, Ed.D. Member

> Vice-Speaker Benjamin J.F. Cruz Member

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> Senator Frank Blas Aguon, Jr. Member

Senator Michael F.Q. San Nicolas Member

Senator Nerissa Bretania Underwood Member

> V. Anthony Ada MINORITY LEADER

Mary C. Torres MINORITY MEMBER

Certification of Waiver of Fiscal Note Requirement

This is to certify that the Committee on Rules submitted to the Bureau of Budget and Management Research (BBMR) a request for a fiscal note, or applicable waiver, on Bill No. 13-33 (COR) – Dennis G. Rodriguez, Jr., "AN ACT TO ADD A REPRESENTATIVE FROM THE GUAM MEMORIAL HOSPITAL AUTHORITY AND THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES TO THE GOVERNMENT OF GUAM GROUP HEALTH INSURANCE NEGOTIATING TEAM, TO DELETE THE REQUIREMENT FOR THE SOLICITATION OF AN EXCLUSIVE GROUP HEALTH INSURANCE CONTRACT AND REQUIRE ONLY THE SOLICITATION OF THREE (3) NON-EXCLUSIVE CONTRACTS FOR A CONTRACT TERM OF TWO (2) YEARS, BY AMENDING §4302 (c) AND §4302 (e) OF ARTICLE 3, CHAPTER 4, 4 GCA."– on January 8, 2015. COR hereby certifies that BBMR confirmed receipt of this request January 8, 2015 at 12:55 P.M.

COR further certifies that a response to this request was not received. Therefore, pursuant to 2 GCA §9105, the requirement for a fiscal note, or waiver thereof, on Bill 13-33 (COR) to be included in the committee report on said bill, is hereby waived.

Certified by:

Senator Rory J. Respicio Chairperson, Committee on Rules

April 27, 2015 Date



COMMITTEE ON RULES

I Mina'trentai Tres na Liheslaturan Guåhan • The 33rd Guam Legislature 155 Hesler Place, Hagåña, Guam 96910 • *toww.guamlegislature.com* E-mail: *roryforguam@gmail.com* • Tel: (671)472-7679 • Fax: (671)472-3547

Senator Rory J. Respicio CHAIRPERSON MAJORITY LEADER

January 8, 2015

Senator Thomas C. Ada Vice Chairperson Assistant Majority Leader

Speaker Judith T.P. Won Pat, Ed.D. Member

> Vice-Speaker Benjamin J.F. Cruz Member

Legislative Secretary Tina Rose Muna Barnes Member

Senator Dennis G. Rodriguez, Jr. Member

> Senator Frank Blas Aguon, Jr. Member

Senator Michael F.Q. San Nicolas Member

Senator Nerissa Bretania Underwood Member

> Pending Minority Member

> Pending Minority Member

VIA E-MAIL anthony.blaz@bbmr.guam.gov

Anthony C. Blaz Director Bureau of Budget & Management Research P.O. Box 2950 Hagåtña, Guam 96910

RE: Request for Fiscal Notes- Bill Nos. 1-33(LS) through 18-33(COR)

Hafa Adai Mr. Blaz:

Transmitted herewith is a listing of *I Mina'trentai Tres na Liheslaturan Guåhan's* most recently introduced bills. Pursuant to 2 GCA §9103, I respectfully request the preparation of fiscal notes for the referenced bills.

Si Yu'os ma'åse' for your attention to this matter.

Very Truly Yours,

1 Cony J. Respicio

Senator Rory J. Respicio *Chairperson of the Committee on Rules*

Attachment (3)

Cc: Clerk of the Legislature

Bill No.	Sponsor	Title
1-33 (LS)	Judith T. Won Pat, Ed.D.	AN ACT TO TRANSFER TITLE OF LOT NO. 5397 MUNICIPALITY OF BARRIGADA, GUAM TO THE UNIVERSITY OF GUAM.
2-33 (LS)	B. J.F. Cruz	AN ACT TO ADD A NEW ARTICLE 5 TO TITLE 4, CHAPTER 8, OF THE GUAM CODE ANNOTATED TO CREATE A NEW "HYBRID" RETIREMENT SYSTEM WITH MANDATORY PARTICIPATION BY GOVERNMENT OF GUAM EMPLOYEES HIRED AFTER DECEMBER 31, 2015; WITH OPTIONAL PARTICIPATION FOR DEFINED CONTRIBUTION RETIREMENT SYSTEM PARTICIPANTS WHO ELECT TO TRANSFER TO THE NEW HYBRID PLAN IN ACCORDANCE WITH REGULATIONS TO BE PROMULGATED.
3-33 (LS)	Tommy Morrison R. J. Respicio Brant T. McCreadie	AN ACT TO AMEND § 5204(d) OF CHAPTER 5, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE PROCUREMENT OF SPORTS EQUIPMENT AND SUPPLIES FOR YOUTH AND COMMUNITY SPORTS PROGRAMS.
4-33 (LS)	Michael F.Q. San Nicolas	AN ACT TO RESTORE SALARIES FOR ELECTED OFFICIALS AND CABINET MEMBERS TO LEVELS ESTABLISHED PRIOR TO THE ENACTMENT OF PUBLIC LAW 32-208, TO PREVENT THE WAIVER OF THE PUBLIC HEARING REQUIREMENT FOR BILLS PROPOSING SALARY CHANGES FOR ELECTED OFFICIALS, AND TO REQUIRE THAT ANY CHANGE IN SALARY OF ELECTED OFFICIALS TAKE EFFECT AFTER A GENERAL ELECTION TO THE GUAM LEGISLATURE HAS INTERVENED, BY REPEALING PUBLIC LAW 32- 208 AND ADDING NEW §§ 6215 AND 6215.1 BOTH TO ARTICLE 2, CHAPTER 6, TITLE 4, GUAM CODE ANNOTATED.
5-33 (LS)	Brant T. McCreadie	AN ACT TO CREATE A NEW ARTICLE 6 & 7 TO CHAPTER 90, AND TO AMEND §90.900F ARTICLE 4, CHAPTER 90, TITLE 9, GUAM CODE ANNOTATED, RELATIVE TO THE CONSTRUCTION AND RENOVATION OF THE DEPARTMENT OF CORRECTIONS ADULT CORRECTIONAL FACILITY TO ENSURE THE SAFETY OF THE PEOPLE OF GUAM; WHICH SHALL COLLECTIVELY BE CITED AS "THE DEPARTMENT OF CORRECTIONS CONSTRUCTION INITIATIVE ACT OF 2015".
6-33 (COR)	D. G. Rodríguez, Jr.	AN ACT TO AMEND §58146.1 OF CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED TO EXEMPT THE GUAM ECONOMIC DEVELOPMENT AUTHORITY FROM ARTICLE 3 OF CHAPTER 9, 5 GCA IN THE DEVELOPMENT OF PROPOSED INDUSTRY SPECIFIC POLICY, CRITERIA AND MEASURABLE GOALS RELATIVE TO THE QUALIFYING CERTIFICATE PROGRAM.
7-33 (COR)	D. G. Rodriguez, Jr.	AN ACT TO PROVIDE FOR A HAZARDOUS PAY DIFFERENTIAL FOR EMPLOYEES OF THE GUAM BEHAVIORAL HEALTH AND WELLNESS CENTER IN UNSAFE OR DANGEROUS HAZARDOUS DUTY WORKING CONDITIONS, BY ADDING A NEW §86112 TO CHAPTER 86, TITLE 10, GUAM CODE ANNOTATED.

8-33 (COR)	D. G. Rodriguez, Jr.	AN ACT TO PROVIDE FOR DEVELOPMENT AND IMPLEMENTATION OF COMPARABLE RATE SCHEDULE R CHARGES FOR RESIDENTIAL MULTIFAMILY ACCOMMODATIONS BY THE GUAM POWER AUTHORITY, BY ADDING A NEW ITEM (1) TO §8104(D) OF CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, AND A NEW ITEM (1) TO §3111 OF ARTICLE 1, CHAPTER 3, TITLE 28, GUAM ADMINISTRATIVE RULES AND REGULATIONS.
9-33 (COR)	D. G. Rodriguez, Jr.	AN ACT TO ADOPT THE RULES AND REGULATIONS RELATIVE TO RESPONSIBLE ALCOHOL SERVER/SELLER TRAINING PROGRAMS, BY AMENDING CHAPTER 2 - ALCOHOLIC BEVERAGE CONTROL BOARD, OF TITLE 3, GUAM ADMINISTRATIVE RULES AND REGULATIONS - BUSINESS REGULATIONS.
10-33 (COR)	D. G. Rodriguez, Jr.	AN ACT TO EXEMPT CERTAIN PUBLIC SECTOR ALLIED HEALTH PROFESSIONS FROM JURY DUTY, BY AMENDING § 22107 OF CHAPTER 22, TITLE 7, GUAM CODE ANNOTATED.
11-33 (COR)	D. G. Rodriguez, Jr.	AN ACT TO PROVIDE FOR HEALTHCARE PROFESSIONAL PAY PLAN CATEGORY IN THE GOVERNMENT OF GUAM COMPETITIVE WAGE ACT OF 2014, AND REINSTATE THE PRIOR PAY PLAN RATE FOR THESE POSITIONS, AND MANDATE A REASSESSMENT OF HEALTHCARE PROFESSIONALS SALARY RANGES SO AS TO BE COMPETITIVE BASED UPON NATIONAL STANDARDS.
12-33 (COR)	D. G. Rodriguez, Jr.	AN ACT TO ADD A NEW ITEM (1) TO SUBSECTION (a) OF § 4301 OF ARTICLE 3, CHAPTER 4, 4 GCA, TO PROVIDE FOR THE ISSUANCE OF A SEPARATE REQUEST FOR PROPOSAL FOR THE SOLICITATION OF HEALTH INSURANCE OR PROVISION OF HEALTH CARE FOR FOSTER CHILDREN IN THE CARE OF THE GOVERNMENT ON TERMS COMPARABLE TO THE GOVERNMENT PLAN FOR ACTIVE AND RETIRED EMPLOYEES AND THEIR DEPENDENTS.
13-33 (COR)	D. G. Rodriguez, Jr.	AN ACT TO ADD A REPRESENTATIVE FROM THE GUAM MEMORIAL HOSPITAL AUTHORITY AND THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES TO THE GOVERNMENT OF GUAM GROUP HEALTH INSURANCE NEGOTIATING TEAM, TO DELETE THE REQUIREMENT FOR THE SOLICITATION OF AN EXCLUSIVE GROUP HEALTH INSURANCE CONTRACT AND REQUIRE ONLY THE SOLICITATION OF THREE (3) NON- EXCLUSIVE CONTRACTS FOR A CONTRACT TERM OF TWO (2) YEARS, BY AMENDING §4302 (c) AND §4302 (c) OF ARTICLE 3, CHAPTER 4, 4 GCA.
14-33 (COR)	T. R. Muña Barnes	AN ACT TO ADD A NEW § 80.39 TO ARTICLE 2, CHAPTER 80, TITLE 9 GUAM CODE ANNOTATED KNOWN AS THE JUSTICE SAFETY VALVE ACT OF 2013 RELATIVE TO EMPOWERING THE COURTS OF GUAM TO DEPART FROM APPLICABLE MANDATORY MINIMUM SENTENCES UNDER SPECIFIC CONDITIONS, AND FOR OTHER PURPOSES.

15-33 (COR)	T. R. Muña Barnes	AN ACT TO AMEND § 41006 OF ARTICLE 10, CHAPTER 4 OF TITLE 12 GUAN CODE ANNOTATED, AND TO REPEAL §§ 41004(a)(4) and (5) OF ARTICLE 10, CHAPTER 4 OF TITLE 12 GUAM CODE ANNOTATED, RELATIVE TO ELIMINATING THE REQUIREMENT THAT THE CORPORATION APPROPRIATE A FIXED AMOUNT OF \$500,000.00 FROM ITS ANNUAL OPERATING REVENUE TO ENSURE A RESERVE BALANCE OF THE SAME AT THE BEGINNING OF EACH FISCAL YEAR, AND TO AMENDING THE TIMING RESPECTING THE ANNUAL AUDIT OF THE HOUSING TRUST FUNI TO COINCIDE WITH THAT OF THE GUAM HOUSING CORPORATION'S ANNUAL AUDIT.
16-33 (COR)	T. R. Muña Barnes	AN ACT TO AMEND PUBLIC LAW 32-207 RELATIVE TO THE REPAYMENT OF FUNDS TO THE TOURIST ATTRACTION FUND.
17-33 (COR)	T. R. Muña Barnes	AN ACT TO AMEND §§18102, 18103, 18105, 18105, 18106, 18108, 18112, 18113, 18114, 18121, 18125, 18126, 18128.4, 18128.5, 18128.7, 18128.8, 18129, 18131, AND 18133 OF DIVISION 1 OF CHAPTER 18 OF TITLE 10 GUAM CODE ANNOTATED, RELATIVE TO THE BARBERING AND COSMETOLOGY ACT OF 2010.
18-33 (COR)	V. Anthony Ada	AN ACT TO ADD A NEW CHAPTER 81 TO, TITLE 21, GUAM CODE ANNOTATED RELATIVE TO THE DEPLOYMENT OF BROADBAND AND TELECOMMUNICATIONS INFRUSTRUCTURE ON PUBLIC RIGHTS OF WAY.



COMMITTEE ON RULES

I Mina'trentai Tres na Liheslaturan Guåhan • The 33rd Guam Legislature 155 Hesler Place, Hagåtña, Guam 96910 • *www.guamlegislature.com* E-mail: *roryforguam@gmail.com* • Tel: (671)472-7679 • Fax: (671)472-3547

Senator Rory J. Respicio CHAIRPERSON MAJORITY LEADER

January 6, 2015

Senator Thomas C. Ada Vice Chairperson Assistant Majority Leader

Speaker Judith T.P. Won Pat, Ed.D. Member

> Vice-Speaker Benjamin J.F. Cruz Member

Legislative Secretary Tina Rose Muna Barnes Member

Senator Dennis G. Rodriguez, Jr. Member

> Senator Frank Blas Aguon, Jr. Member

Senator Michael F.Q. San Nicolas Member

Senator Nerissa Bretania Underwood Member

> Pending Minority Leader

Pending Assistant Minority Leader

MEMORANDUM

To: Rennae Meno Clerk of the Legislature

> **Attorney Therese M. Terlaje** *Legislative Legal Counsel*

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

Subject: Referral of Bill No. 13-33(COR)

As the Chairperson of the Committee on Rules, I am forwarding my referral of **Bill No. 13-33(COR).**

Please ensure that the subject bill is 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 Tres na Liheslaturan Guåhan*.

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

Si Yu'os Ma'åse!

Attachment

I Mina'Trentai Tres Na Liheslaturan Received

Bill Log Sheet

1		1		1			
BILL NO.	SPONSOR	TITLE	DATE	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED
	D. G. Rodriguez, Jr.	AN ACT TO ADD A REPRESENTATIVE FROM THE	01/05/15	01/06/15	Committee on		
		GUAM MEMORIAL HOSPITAL AUTHORITY AND	2:26 p.m.		Health, Economic		
		THE DEPARTMENT OF PUBLIC HEALTH AND			Development,		
		SOCIAL SERVICES TO THE GOVERNMENT OF			Homeland Security,		****
		GUAM GROUP HEALTH INSURANCE			and Senior Citizens		
		NEGOTIATING TEAM, TO DELETE THE					***
13-33 (COR)		REQUIREMENT FOR THE SOLICITATION OF AN					
		EXCLUSIVE GROUP HEALTH INSURANCE					
		CONTRACT AND REQUIRE ONLY THE					*******
		SOLICITATION OF THREE (3) NON-EXCLUSIVE					
		CONTRACTS FOR A CONTRACT TERM OF TWO			-		****
		(2) YEARS, BY AMENDING §4302 (c) AND §4302					
		(e) OF ARTICLE 3, CHAPTER 4, 4 GCA.					



Joe Mesngon <joe@toduguam.com>

FIRST NOTICE of PUBLIC HEARING on FRIDAY, January 16, 2015 at 9am

Joe Mesngon <joe@toduguam.com>

Thu, Jan 8, 2015 at 9:04 AM

To: phnotice@guamlegislature.org Bcc: joseph.verga@gmha.org, June Perez <june.perez@gmha.org>, james.gillan@dphss.guam.gov, theresa.arcangel@dphss.guam.gov, john.rios@investguam.com, tsantos@investguam.com, mstaijeron@investguam.com, ejcalvo@midpacguam.com, David John <david.john@asctrust.com>

January 8, 2015

MEMORANDUM

To: All Senators, Stakeholders and Media

From: Senator Dennis G. Rodriguez, Jr., Chairman, Committee on Health, Economic Development, Homeland Security and Senior Citizens

Subject: FIRST NOTICE of PUBLIC HEARING

Hafa Adai!

The Committee on Health, Economic Development, Homeland Security and Senior Citizens has scheduled a **Public Hearing on Friday, January 16, 2015 at 9am in the Legislature's Public Hearing Room.**

Oral and written testimonies will be accepted on the following:

Bill 6-33 (COR)- An act to amend §58146.1 of Chapter 58, Title 12, Guam Code Annotated to exempt the Guam Economic Development Authority from Article 3 of Chapter 9, 5 GCA in the development of proposed industry specific policy, criteria and measurable goals relative to the qualifying certificate program.

Bill 12-33 (COR)- An act to add a new Item (1) to subsection (a) of § 4301 of Article 3, Chapter 4, 4 GCA, to provide for the issuance of a separate request for proposal for the solicitation of health insurance for provision of health care for foster children in the care of the Government on terms comparable to the Government Plan for active and retired employees and their dependents.

Bill 13-33 (COR)- An act to add a representative from the Guam Memorial Hospital Authority and the Department of Public Health and Social Services to the Government of Guam Group Health Insurance Negotiating Team, to delete the requirement for the solicitation of an exclusive group health insurance contract and require only the solicitation of three (3) non-exclusive contracts for a contract term of two (2) years, by amending §4302 (c) and §4302 (e) of Article 3, Chapter 4, 4 GCA.

Bill 17-33 (COR)- An act to amend §§18102, 18103, 18105, 18105, 1, 18106, 18108, 18112, 18113, 18114, 18121, 18125, 18126, 18128.4, 18128.5, 18128.7, 18128.8, 18129, 18131, and 18133 of Division 1 of Chapter 18 of Title 10 Guam Code Annotated, relative to the Babering and Cosmetology Act of 2010.

Written testimonies may be addressed to Sen. Dennis G. Rodriguez, Jr., Chairman and sent via email to senatordrodriguez@gmail.com or delivered to 176 Serenu Ave., Ste. 107 Tamuning, Guam or 155 Hesler Place Hagatna, Guam 96910.

Individuals who may require assistance or auxiliary aids are asked to contact 649-8638/0511 no later than 48 hours prior to the hearing.

Si Yu'os Ma'ase'!

Joseph A. Q. Mesngon

Office of Senator Dennis G. Rodriguez, Jr. Committee on Health, Economic Development, Homeland Security and Senior Citizens *I Mina'trentai Tres Na Liheslaturan Guahan* 33rd Guam Legislature 176 Serenu Ave. Suite 107 Tamuning, Guam 96931 649-8638/0511 www.loduguam.com



Joe Mesngon <joe@toduguam.com>

SECOND NOTICE of PUBLIC HEARING on FRIDAY, January 16, 2015 at 9am

Joe Mesngon <joe@toduguam.com> To: phnotice@guamlegislature.org Wed, Jan 14, 2015 at 8:20 AM

January 14, 2015

MEMORANDUM

To: All Senators, Stakeholders and Media

From: Senator Dennis G. Rodriguez, Jr., Chairman, Committee on Health, Economic Development, Homeland Security and Senior Citizens

Subject: SECOND NOTICE of PUBLIC HEARING

Hafa Adai!

The Committee on Health, Economic Development, Homeland Security and Senior Citizens has scheduled a **Public Hearing on Friday, January 16, 2015 at 9am in the Legislature's Public Hearing Room.**

Oral and written testimonies will be accepted on the following:

Bill 6-33 (COR)- An act to amend §58146.1 of Chapter 58, Title 12, Guam Code Annotated to exempt the Guam Economic Development Authority from Article 3 of Chapter 9, 5 GCA in the development of proposed industry specific policy, criteria and measurable goals relative to the qualifying certificate program.

Bill 12-33 (COR)- An act to add a new Item (1) to subsection (a) of § 4301 of Article 3, Chapter 4, 4 GCA, to provide for the issuance of a separate request for proposal for the solicitation of health insurance for provision of health care for foster children in the care of the Government on terms comparable to the Government Plan for active and retired employees and their dependents.

Bill 13-33 (COR)- An act to add a representative from the Guam Memorial Hospital Authority and the Department of Public Health and Social Services to the Government of Guam Group Health Insurance Negotiating Team, to delete the requirement for the solicitation of an exclusive group health insurance contract and require only the solicitation of three (3) non-exclusive contracts for a contract term of two (2) years, by amending §4302 (c) and §4302 (e) of Article 3, Chapter 4, 4 GCA.

Bill 17-33 (COR)- An act to amend §§18102, 18103, 18105, 18105.1, 18106, 18108, 18112, 18113, 18114, 18121, 18125, 18126, 18128.4, 18128.5, 18128.7, 18128.8, 18129, 18131, and 18133 of Division 1 of Chapter 18 of Title 10 Guam Code Annotated, relative to the Babering and Cosmetology Act of 2010.

Written testimonies may be addressed to Sen. Dennis G. Rodriguez, Jr., Chairman and sent via email to senatordrodriguez@gmail.com or delivered to 176 Serenu Ave., Ste. 107 Tamuning, Guam or 155 Hesler Place Hagatna, Guam 96910.

Individuals who may require assistance or auxiliary aids are asked to contact 649-8638/0511 no later than 48 hours prior to the hearing.

Si Yu'os Ma'ase'!

WURLUIU

Joseph A. Q. Mesngon

Office of Senator Dennis G. Rodriguez, Jr. Committee on Health, Economic Development, Homeland Security and Senior Citizens *I Mina'trentai Tres Na Libeslaturan Guahan* 33rd Guam Legislature 176 Serenu Ave. Suite 107 Tamuning, Guam 96931 649-8638/0511 www.toduguam.com

Listserv: <u>phnotice@guamlegislature.org</u> Updated as of January 8, 2015

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Listserv: <u>phnotice@guamlegislature.org</u> Updated as of January 8, 2015

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SENATOR DENNIS G. RODRIGUEZ, JR.

PUBLIC HEARING AGENDA Friday, January 16, 2015 9am Public Hearing Room, *I Liheslatura*

I. Call to order

II. Items for public consideration:

- Bill 6-33 (COR)- Introduced by Sen. Dennis G. Rodriguez, Jr. An act to amend §58146.1 of Chapter 58, Title 12, Guam Code Annotated to exempt the Guam Economic Development Authority from Article 3 of Chapter 9, 5 GCA in the development of proposed industry specific policy, criteria and measurable goals relative to the qualifying certificate program.
- Bill 12-33 (COR)- Introduced by Sen. Dennis G. Rodriguez, Jr. -An act to add a new Item (1) to subsection (a) of § 4301 of Article 3, Chapter 4, 4 GCA, to provide for the issuance of a separate request for proposal for the solicitation of health insurance for provision of health care for foster children in the care of the Government on terms comparable to the Government Plan for active and retired employees and their dependents.
- **Bill 13-33 (COR)-** Introduced by Sen. Dennis G. Rodriguez, Jr. An act to add a representative from the Guam Memorial Hospital Authority and the Department of Public Health and Social Services to the Government of Guam Group Health Insurance Negotiating Team, to delete the requirement for the solicitation of an exclusive group health insurance contract and require only the solicitation of three (3) non-exclusive contracts for a contract term of two (2) years, by amending §4302 (c) and §4302 (e) of Article 3, Chapter 4, 4 GCA.
- Bill 17-33 (COR)- Introduced by Sen. Tina Rose Muna-Barnes An act to amend §§18102, 18103, 18105, 18105.1, 18106, 18108, 18112, 18113, 18114, 18121, 18125, 18126, 18128.4, 18128.5, 18128.7, 18128.8, 18129, 18131, and 18133 of Division 1 of Chapter 18 of Title 10 Guam Code Annotated, relative to the Barbering and Cosmetology Act of 2010.

III. Adjournment

Thank you for your participation in today's hearing.