EDDIE BAZA CALVO Governor

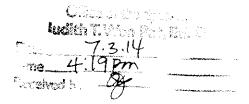


RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

July 3, 2014

Honorable Judith T. Won Pat, Ed.D. Speaker I Mina'trentai Dos Na Liheslaturan Guahan 155 Hesler Street Hagatna, GU 96910 32-14-1794



Re: Call to Special Session to Consider Bill No. 359-32

Dear Madam Speaker,

Health care is a paramount concern for every Guamanians living on Guam. Unfortunately, there are those Guamanians who lack the financial resources to access basic health care needs. They must rely on Medicaid, which is administered by the Department of Public Health & Social Services (DPHSS)

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This fiscal year, the Medicaid program will experience a budgetary shortfall due to the increasing indigent population, resulting in DPHSS being unable to fulfill their mandate responsibilities. Senator Dennis Rodriquez, Jr. has introduced legislation to partially resolve the budgetary shortfall by way of Bill No. 359-32.

Madam Speaker as you know, true leadership is about answering the call to help our most vulnerable.

Therefore, pursuant to the authority vested in me by § 1423(h) of the Organic Act, I am calling the Legislature into special session Monday, July 7, 2014 at 3:00 p.m. The sole purpose of the special session is for the Legislature to consider Bill No. 359-32, An act to partially fund the budgetary shortfalls within the Guam Medicaid Program of the Department of Public Health and the Non-Communicable Disease Consortium under DPHSS, by reprogramming and appropriating seven million dollars (\$7,000,000) from the Tobacco asset backed Bonds 2001 Series B Sub-Accounts.

Senseramente,

EDDIÉ BÁZA CALVO

MINA' TRENTAI DOS NA LIHESLATURAN GUAHAN 2014 (SECOND) Regular Session

Bill No. <u>359</u> -32 (COR)

Introduced by:

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D.G. RODRIGUEZ, JR. 4γ

AN ACT TO PARTIALLY FUND THE BUDGETARY SHORTFALLS WITHIN THE GUAM MEDICAID PROGRAM OF THE DEPARTMENT OF PUBLIC HEALTH AND THE NON-COMMUNICABLE DISEASE CONSORTIUM UNDER DPHSS, BY REPROGRAMMING AND APPROPRIATING SEVEN MILLION DOLLARS (\$7,000,000) FROM THE TOBACCO ASSET BACKED BONDS 2001 SERIES B SUBACCOUNTS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent: I Liheslaturan Guåhan finds
that the current budget shortfall being experienced by the Medicaid Program of the
Department of Public Health & Social Services (DPHSS) is directly due to the
increasing indigent population, resulting in DPHSS being unable to fulfill their
mandate responsibilities.

Further, the dire fiscal situation of the Medicaid program is exacerbating the burden being imposed upon the Guam Memorial Hospital Authority (GMHA) and throughout the already limited pool of private healthcare providers who accept Medicaid patients.

It is the *intent* of *I Liheslaturan Guåhan* to provide supplemental funding for the Medicaid Program from the Tobacco Asset Backed Bonds 2001 Series B. It is further the *intent* to develop a financial incentive program that will improve the

- health and wellbeing of Medicaid beneficiaries and reduce expenditures associated
- 2 with preventable conditions.
- Section 2. Reprogramming and Appropriation of Available Funds from the Available Interest of the Tobacco Asset Backed Bonds 2001 Series B Sub-
- 5 Accounts.

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- (a) The aggregate SUM of SEVEN MILLION DOLLARS (\$7,000,000) 6 from the Tobacco Asset Backed Bonds 2001 Series B Sub-Accounts, is hereby 7 REPROGRAMMED from the following account numbers and in the amounts 8 listed: #71 02 3000 3 01 (Health Security Trust Fund) - \$5,000,000.00; #71 04 9 3000 3 01 (Youth Tobacco Education and Prevention Trust Fund) - \$1,000,000.00; 10 and, #71 06 3000 3 01 (Health and Human Services Fund,) - \$1,000,000.00; and 11 is hereby APPROPRIATED, as specifically provided for in the following 12 distribution and authorized expenditure schedule: 13
 - (1) The SUM of SIX MILLION DOLLARS (\$6,000,000.00) is hereby allocated to the Guam Medicaid Program of the Department of Public Health and Social Services for financial obligations incurred for FY-2013 and FY-2014 to be used as local matching requirements with available and authorized federal matching grants-in-aid;
 - (2) The SUM of SEVEN HUNDRED THOUSAND DOLLARS (\$700,000.00) is hereby allocated to Department of Public Health and Social Services to fund and facilitate the implementation of a "Getting Guam Healthy Incentive Program" (GGHIP) that encourages Medicaid beneficiaries to practice healthy behaviors and use of the health care system wisely. The GGHIP shall be managed by the Non-Communicable Diseases Consortium under the Bureau of Community

Health Services, DPHSS, in collaboration with the Bureau of Healthcare Financing. Funds allocated for this program can only be utilized to provide monetary and/or in-kind proceeds to eligible Medicaid beneficiaries. The funds allocated for this purpose can be accessed only through a dollar-for-dollar match, which may include in-kind items or services. Matching funds and/or in-kind items or services can be from grants or private businesses that promote healthy lifestyles. The Bureau of Healthcare Financing and the Bureau of Community Health Services *shall* work collaboratively with the Non-Communicable Diseases Consortium and *shall*, within 90 days of the enactment of the Act, submit to the Director of DPHSS, for final approval, the proposed Terms and Conditions of the program; and,

- (\$300,000.00) is hereby allocated to the Department of Public Health and Social Services (DPHSS) to specifically fund the Physical Activity Action Team of the Non-Communicable Diseases Consortium. Funds allocated for this purpose shall be used to promote physical activity to elementary students in the Guam Department of Education schools.
- (b) The funds reprogrammed and appropriated pursuant to this Section 2 shall be deemed a continuing appropriation and shall remain available for expenditures, as authorized pursuant to this Act, until fully expended.
- Section 3. Funds Not Subject to Governor's Transfer Authority. The funds reprogrammed and appropriated pursuant to Section 2 of this Act shall not be

- subject to the Governor's transfer authority, and shall only be expended pursuant to
- the provisions of this Act.
- 3 Section 4. Severability. If any provision of this Act or its application to
- 4 any person or circumstance is found to be invalid or contrary to law, such
- 5 invalidity shall not affect other provisions or applications of this Act which can be
- 6 given effect without the invalid provisions or application, and to this end the
- 7 provisions of this Act are severable.
- 8 Section 5. Effective Date. This Act shall become immediately effective
- 9 upon enactment.