



EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

July 3, 2014

32-14-1794

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

Office of the Governor
Judith T. Won Pat, Ed.D.
Date: 7.3.14
Time: 4:19 pm
Received by: [Signature]

2014 JUL -3 PM 4:34

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)

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,

EDDIE BAZA CALVO

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

Bill No. 359 -32 (COR)

Introduced by:

D.G. RODRIGUEZ, JR. *DR*

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.

2014 JUN 24 PM 4:18

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

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

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

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

1 health and wellbeing of Medicaid beneficiaries and reduce expenditures associated
2 with preventable conditions.

3 **Section 2. Reprogramming and Appropriation of Available Funds from**
4 **the Available Interest of the Tobacco Asset Backed Bonds 2001 Series B Sub-**
5 **Accounts.**

6 (a) The aggregate SUM of SEVEN MILLION DOLLARS (\$7,000,000)
7 from the Tobacco Asset Backed Bonds 2001 Series B Sub-Accounts, is hereby
8 REPROGRAMMED from the following account numbers and in the amounts
9 listed: #71 02 3000 3 01 (Health Security Trust Fund) - \$5,000,000.00; #71 04
10 3000 3 01 (Youth Tobacco Education and Prevention Trust Fund) - \$1,000,000.00;
11 and, #71 06 3000 3 01 (Health and Human Services Fund,) - \$1,000,000.00; and
12 is hereby APPROPRIATED, as specifically provided for in the following
13 distribution and authorized expenditure schedule:

14 (1) The SUM of SIX MILLION DOLLARS (\$6,000,000.00) is hereby
15 allocated to the Guam Medicaid Program of the Department of Public
16 Health and Social Services for financial obligations incurred for FY-
17 2013 and FY-2014 to be used as local matching requirements with
18 available and authorized federal matching grants-in-aid;

19 (2) The SUM of SEVEN HUNDRED THOUSAND DOLLARS
20 (\$700,000.00) is hereby allocated to Department of Public Health and
21 Social Services to fund and facilitate the implementation of a "Getting
22 Guam Healthy Incentive Program" (GGHIP) that encourages
23 Medicaid beneficiaries to practice healthy behaviors and use of the
24 health care system wisely. The GGHIP shall be managed by the Non-
25 Communicable Diseases Consortium under the Bureau of Community

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

13 (3) The SUM of THREE HUNDRED THOUSAND DOLLARS
14 (\$300,000.00) is hereby allocated to the Department of Public Health
15 and Social Services (DPHSS) to specifically fund the Physical
16 Activity Action Team of the Non-Communicable Diseases
17 Consortium. Funds allocated for this purpose shall be used to
18 promote physical activity to elementary students in the Guam
19 Department of Education schools.

20 (b) The funds reprogrammed and appropriated pursuant to this Section 2
21 *shall* be deemed a continuing appropriation and *shall* remain available for
22 expenditures, as authorized pursuant to this Act, until fully expended.

23 **Section 3. Funds Not Subject to Governor's Transfer Authority.** The
24 funds reprogrammed and appropriated pursuant to Section 2 of this Act shall not be

1 subject to the Governor's transfer authority, and shall only be expended pursuant to
2 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.