

EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam.

JUL 15 2014

Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Dos Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

Dear Madame Speaker:

Transmitted herewith is Bill No. 1 (7-S) "AN ACT TO PARTIALLY FUND THE BUDGETARY SHORTFALLS WITHIN THE GUAM MEDICAID PROGRAM OF THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES (DPHSS), AND THE NON-COMMUNICABLE DISEASE CONSORTIUM UNDER DPHSS, BY REPROGRAMMING AND APPROPRIATING EIGHT MILLION EIGHT HUNDRED NINETY-FIVE THOUSAND EIGHT HUNDRED THIRTEEN DOLLARS AND SEVENTY-SEVEN CENTS (\$8,895,813.77) FROM THE TOBACCO ASSET BACKED BONDS 2001 SERIES B SUB-ACCOUNTS" which I signed into law on July 10, 2014 as Public Law 32-179.

Senseramente


EDDIE BAZA CALVO

32-14-1840

Office of the Speaker
Judith T. Won Pat, Ed.D.
Date 7/15/14
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CRUC FANDER B.

2014 JUL 15 PM 2:58

1840



I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN
2014 (SEVENTH) Special Session

CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'LAHIEN GUÅHAN*

This is to certify that Bill No. 1 (7-S), "AN ACT TO PARTIALLY FUND THE BUDGETARY SHORTFALLS WITHIN THE GUAM MEDICAID PROGRAM OF THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES (DPHSS), AND THE NON-COMMUNICABLE DISEASE CONSORTIUM UNDER DPHSS, BY REPROGRAMMING AND APPROPRIATING EIGHT MILLION EIGHT HUNDRED NINETY-FIVE THOUSAND EIGHT HUNDRED THIRTEEN DOLLARS AND SEVENTY-SEVEN CENTS (\$8,895,813.77) FROM THE TOBACCO ASSET BACKED BONDS 2001 SERIES B SUB-ACCOUNTS," was on the 9th day of July, 2014, duly and regularly passed.

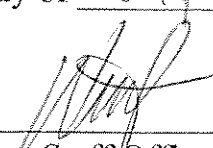


Judith T. Won Pat, Ed.D.
Speaker

Attested:


Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahren Guåhan* this 9 day of July, 2014,
at 5:55 o'clock P.M.


Assistant Staff Officer
Maga'lahi's Office

APPROVED:


EDWARD J.B. CALVO
I Maga'lahren Guåhan

Date: JUL 10 2014

Public Law No. 32-179

I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN
2014 (SEVENTH) Special Session

Bill No. 1 (7-S)

As amended in the Committee of the Whole.

Introduced by:

Dennis G. Rodriguez, Jr.
FRANK B. AGUON, JR.
Chris M. Dueñas
Aline A. Yamashita, Ph.D.
V. Anthony Ada
T. R. Muña Barnes
T. C. Ada
B. J.F. Cruz
Michael T. Limtiaco
Brant T. McCreadie
Tommy Morrison
R. J. Respicio
Judith T. Won Pat, Ed.D.

AN ACT TO PARTIALLY FUND THE BUDGETARY SHORTFALLS WITHIN THE GUAM MEDICAID PROGRAM OF THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES (DPHSS), AND THE NON-COMMUNICABLE DISEASE CONSORTIUM UNDER DPHSS, BY REPROGRAMMING AND APPROPRIATING EIGHT MILLION EIGHT HUNDRED NINETY-FIVE THOUSAND EIGHT HUNDRED THIRTEEN DOLLARS AND SEVENTY-SEVEN CENTS (\$8,895,813.77) FROM THE TOBACCO ASSET BACKED BONDS 2001 SERIES B SUB-ACCOUNTS.

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

1 increasing indigent population, resulting in DPHSS being unable to fulfill their
2 mandated responsibilities.

3 *I Liheslaturan Guåhan* further finds that the dire fiscal situation of the
4 Medicaid program is exacerbating the burden being imposed upon the Guam
5 Memorial Hospital Authority (GMHA), and throughout the already limited pool of
6 private healthcare providers who accept Medicaid patients.

7 Therefore, it is the intent of *I Liheslaturan Guåhan* to provide supplemental
8 funding for the Medicaid program from the Tobacco Asset Backed Bonds 2001
9 Series B. It is further the intent of *I Liheslaturan Guåhan* to develop a financial
10 incentive program that will improve the health and well-being of Medicaid
11 beneficiaries and reduce expenditures associated with preventable conditions.

12 **Section 2.** Reprogramming and Appropriation of Available Funds from
13 the Tobacco Asset Backed Bonds 2001 Series B Sub-Accounts.

14 (a) Notwithstanding any other provision of law, up to but not to
15 exceed the aggregate sum of Eight Million Eight Hundred Ninety-Five
16 Thousand Eight Hundred Thirteen Dollars and Seventy-Seven Cents
17 (\$8,895,813.77) from the Tobacco Asset Backed Bonds 2001 Series B Sub-
18 Accounts is hereby reprogrammed from the following account numbers, and
19 in the amounts listed: #71 02 3000 3 01 (Health Security Trust Fund) - Five
20 Million Nine Hundred Fifteen Thousand Nine Hundred Seventy-Eight
21 Dollars and Fifty-Eight Cents (\$5,915,978.58); #71 04 3000 3 01 (Youth
22 Tobacco Education and Prevention Trust Fund) - One Million Four Hundred
23 Fifty-Three Thousand Two Hundred Fifty-One Dollars and Fourty-Eight
24 Cents (\$1,453,251.48); and #71 06 3000 3 01 (Health and Human Services
25 Fund,) One Million Five Hundred Twenty-Six Thousand Five Hundred
26 Eighty-Three Dollars and Seventy-One Cents (\$1,526,583.71) and is hereby

1 appropriated, as specifically provided for in the following distribution and
2 authorized expenditure schedule:

3 (1) The sum of Seven Million Dollars (\$7,000,000) is hereby
4 allocated to the Guam Medicaid Program of the Department of Public
5 Health and Social Services for financial obligations incurred for FY
6 2014 to be used as local matching requirements with available and
7 authorized federal matching grants-in-aid, provided, however, the
8 expenditure of a portion of the allocation pursuant to this Subsection 1
9 is hereby authorized and may be *solely* utilized to supplement the
10 Guam Cancer Assistance and Treatment Fund program.

11 (2) The sum of Seven Hundred Thousand Dollars (\$700,000)
12 is hereby allocated to the Department of Public Health and Social
13 Services to fund and facilitate the implementation of a “Getting Guam
14 Healthy Incentive Program” (GGHIP) that encourages Medicaid
15 beneficiaries to practice healthy behaviors, and to use the health care
16 system wisely. This initiative *shall* include prenatal development
17 classes, to include training modules that address healthy lifestyle
18 habits, discipline, stress management, diversity, and developmentally
19 appropriate practices in social, emotional, physical, and cognitive
20 development for the growing child into adulthood. These training
21 modules *shall* be required for those Medicaid recipients who are
22 pregnant, and for those Medicaid recipients who are raising children
23 who wish to avail of any GGHIP incentives. The GGHIP *shall* be
24 managed by the Non-Communicable Diseases Consortium under the
25 Bureau of Community Health Services, DPHSS, in collaboration with
26 the Bureau of Healthcare Financing. Funds allocated for this program
27 can only be utilized to provide monetary and/or in-kind proceeds to

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

11 (3) The sum of Three Hundred Thousand Dollars (\$300,000)
12 is hereby allocated to the Department of Public Health and Social
13 Services (DPHSS) to specifically fund the Physical Activity Action
14 Team of the Non-Communicable Diseases Consortium. Funds
15 allocated for this purpose *shall* be used to promote health and
16 wellness, and physical activity for programs at the Guam Department
17 of Education, during and after school, to include the Guam Special
18 Olympics. The Bureau of Healthcare Financing and the Bureau of
19 Community Health Services *shall* work collaboratively with the
20 Physical Activity Action Team of the Non-Communicable Diseases
21 Consortium and shall, within ninety (90) days of the enactment of the
22 Act, submit to the Director of DPHSS for final approval, the proposed
23 terms and conditions of the Program.

24 (4) The sum of Eight Hundred Ninety-Five Thousand Eight
25 Hundred Thirteen Dollars and Seventy-Seven Cents (\$895,813.77),
26 and any interest accrued as of 7/1/14 forward, is hereby allocated to
27 the Guam Memorial Hospital Authority to specifically fund the

1 renovation of the OB/Maternity Ward. The Guam Memorial Hospital
2 Authority *shall* submit a detailed report to *I Maga'lahaen Guåhan* and
3 the Speaker of *I Liheslaturan Guåhan* regarding the expenditure of
4 said funds.

5 (b) The Non-Communicable Diseases Consortium under the
6 Bureau of Community Health Services, DPHSS, *shall* conduct an evaluation
7 as to the effect of the programs funded by Subsections (2) and (3) of Section
8 2(a) of this Act on the health and wellness of Medicaid recipients, and on the
9 healthy behavior and wise use of the health care system of Medicaid
10 recipients. The Consortium *shall* submit its evaluation and report to *I*
11 *Liheslaturan Guåhan* (the Guam Legislature) on July 1st of each year.

12 The Bureau of Healthcare Financing *shall* also submit an evaluation as
13 to the financial impact of the programs funded by Subsections (2) and (3) of
14 Section 2(a) of this Act on the overall Medicaid program. The Bureau *shall*
15 submit its evaluation and report to *I Liheslaturan Guåhan* (the Guam
16 Legislature) on July 1st of each year.

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

21 **Section 3.** The Reprogramming and Appropriation in Section 2 of this Act
22 is conditional upon (1) *I Maga'lahaen Guåhan's* written notification to the Speaker
23 of *I Liheslaturan Guåhan* of adherence to the "proceeds-spent-last-rule"; and (2)
24 the written concurrence of the government of Guam's bond counsel as to the
25 legality of such reprogramming and appropriation, relative to the same rule. Such
26 written concurrence *shall not* be deemed valid unless it is transmitted to the
27 Speaker of *I Liheslaturan Guåhan*.

1 **Section 4. Funds Not Subject to Governor’s Transfer Authority.** The
2 funds reprogrammed and appropriated pursuant to Section 2 of this Act *shall not*
3 be subject to the Governor’s transfer authority, and *shall only* be expended
4 pursuant to the provisions of this Act.

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

10 **Section 6. Effective Date.** This Act *shall* become effective upon
11 enactment.