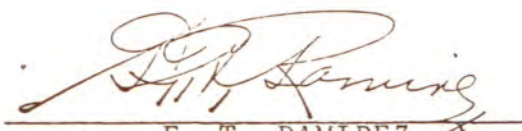


TWELFTH GUAM LEGISLATURE  
1974 (SECOND) Regular Session


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CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill No. 929, "An Act to amend Sections 9990 and 9990.2, to repeal Section 9990.20(b) of the Government Code of Guam and to amend Section 4 of Public Law 12-156 relative to the Health Commission established by Public Law 12-156 and for other purposes", was on the 5th day of December, 1974, duly and regularly passed.

  
F. T. RAMIREZ  
Speaker

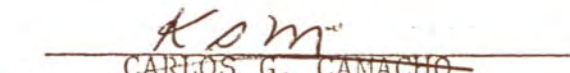
ATTESTED:

  
G. M. BAMBA  
Legislative Secretary

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This Act was received by the Governor this 11<sup>th</sup> day  
of December, 1974 at 10:05 o'clock a. M.

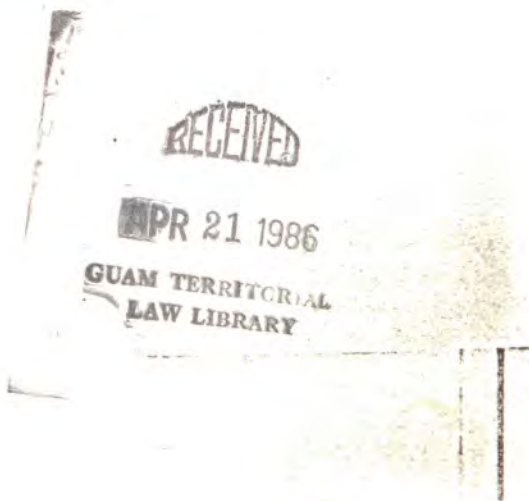
/s/ KEITH L. ANDREWS  
KEITH L. ANDREWS  
Attorney General of Guam

APPROVED:

  
CARLOS G. CAMACHO  
Acting Governor of Guam

DATED: 12/12/74  
10:55 am

#  
P.L. 12-187



TWELFTH GUAM LEGISLATURE  
1974 (SECOND) Regular Session

Bill No. 929  
Substitute bill by Committee  
on Health and Welfare

Introduced by \_\_\_\_\_  
R. F. Taitano

AN ACT TO AMEND SECTIONS 9990 AND 9990.2,  
TO REPEAL SECTION 9990.20(b) OF THE  
GOVERNMENT CODE OF GUAM AND TO AMEND  
SECTION 4 OF PUBLIC LAW 12-156 RELATIVE  
TO THE HEALTH COMMISSION ESTABLISHED BY  
PUBLIC LAW 12-156 AND FOR OTHER PURPOSES.

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

2 Section 1. Section 9990 of the Government Code of Guam is  
3 hereby amended to read as follows:

4 "Section 9990. The Legislature hereby finds and  
5 declares that the cost of health care now exceeds the  
6 ability to pay for the average resident of Guam.  
7 Expanded insurance protection has been seriously retarded  
8 by uncontrolled inflation in health care costs.

9 Factors responsible for the inflationary spiral in  
10 health costs include failure to place primary emphasis  
11 on personal disease prevention, and personal maintenance  
12 of health and ambulatory health care. To improve this  
13 situation, it is necessary to strengthen the planning  
14 of operating health services, guarantee quality and  
15 accessibility of appropriate health care at all times  
16 and require the accountability of the provider to make  
17 available that care plus development of standards of  
18 quality sufficient to adequately protect patients.

19 To assure that citizens of the territory will be  
20 able to obtain as well as afford necessary health services  
21 on an equitable basis, compulsory prepaid health and  
22 sickness coverage, accomplished through payroll deduction  
23 made by employers and employees, is effective on the

1 passage on this Act, and operative on the first day of  
2 the first calendar year after the rates and benefits  
3 proposed by the Commission have been approved by the  
4 Legislature."

5 Section 2. Section 9990.2 of the Government Code of Guam  
6 is hereby amended to read as follows:

7 "Section 9990.2. The Health Commission is hereby  
8 created and is the regulatory body which shall set policy  
9 and determine regulations which relate to the operation of  
10 personal health service of all kinds. The Health Commission  
11 shall consist of seven (7) members, appointed by the  
12 Governor with the advice and consent of the Legislature,  
13 four (4) members of the initial commission to be appointed  
14 for one (1) year, three (3) members to be appointed for  
15 two (2) year terms. The Commission shall choose from  
16 its membership, a chairman. The Director of Public  
17 Health and Social Services shall be the Chief Admini-  
18 trative Officer and shall carry out the decisions,  
19 policies and regulations of the Commission."

20 Section 3. Section 9990.20(b) is hereby repealed in its  
21 entirety.

22 Section 4. Section 4 of Public Law 12-156 is hereby amended  
23 to read as follows:

24 "Section 4. The Health Commission, established by  
25 Section 9990.2 of this Code is directed by to consult  
26 with an actuarial firm to determine the costs of Consumer  
27 Health Protection to persons covered by this Act; their  
28 employers and self-employed persons. Such consultation  
29 shall be completed in a written report prior to 1 September  
30 1975. The Commission shall examine and report on the  
31 feasibility of two types of health program benefits. Type I  
32 shall provide that there will be no deductibles,

1 co-payments, waiting periods, cut-offs or patient  
2 fees. Type II shall provide that deductibles, co-  
3 payments, waiting periods and patient fees will be  
4 allowed in such a manner as affordable by an average  
5 family. The written report shall include a schedule of  
6 recommended fees and incidental costs upon which the  
7 premium shall be based, provided, however that no fee  
8 schedule shall be implemented without the prior approval  
9 of the Legislature."

10 Section 5. Section 9990.3 of the Government Code of Guam  
11 is hereby amended to read as follows:

12 "Section 9990.3. Notwithstanding any other provision  
13 of law, no contract for provision of health care services  
14 executed after the operative date of this Act between  
15 individuals and fiscal intermediaries or groups of any  
16 type and fiscal intermediaries, may be issued or renewed  
17 without approval of the Commission and in compliance with  
18 the standards as set forth in Part III, but all such exist-  
19 ing benefit coverage shall remain in full force and effect  
20 until its date of expiration, provided that such time  
21 period does not exceed a date four (4) years from the  
22 effective date of this Act, except that existing programs  
23 may be renewed if, the Commission has not been established  
24 and has not developed 'standards' as required."