



Territory of Guam
Territorio Guam

OFFICE OF THE GOVERNOR
OFISINAN I MAGALAHI
AGANA, GUAM 96910, U.S.A.

RECEIVED
OFFICE OF THE SPEAKER
DATE: 4/5/94
TIME: 10:10 am
RECD BY: [Signature]

MAR 31 1994

The Honorable Joe T. San Agustin
Speaker, Twenty-Second Guam Legislature
155 Hesler Street
Agana, Guam 96910

RECEIVED
[Signature]

Dear Mr. Speaker:

Transmitted herewith is Bill No. 911 which I have signed into law this date as
Public Law 22-101.

Sincerely yours,

[Signature]
JOSEPH F. ADA
Governor of Guam

221608


Attachment

CERTIFICATION OF EMERGENCY CONDITIONS
WITH RESPECT TO BILL NO. 911, AN ACT TO ADD A
NEW CHAPTER 95 TO TITLE 10, GUAM CODE
ANNOTATED, ON MEETING THE REQUIREMENTS
OF THE OMNIBUS BUDGET RECONCILIATION ACT
OF 1993.

[§2103, Title 2, Guam Code Annotated]

I, the Speaker and presiding officer of the Twenty-Second Guam Legislature, hereby CERTIFY, pursuant to §2103 of Title 2, Guam Code Annotated, that emergency conditions exist involving danger to the public health and safety, so that the statutory requirement of a public hearing for Bill No. 911 may be waived. Such emergency conditions result from the prospective loss of federal Medicaid matching funds if such bill is not enacted into law by April 1, 1994. The loss of such funds would jeopardize the health and safety of the people of Guam. Therefore, I CERTIFY that (i) immediate action must be taken on Bill No. 911, and (ii) there is no time for a public hearing thereon.

DATED this 8th day of March, 1994.




JOE T. SAN AGUSTIN
Speaker

TWENTY-SECOND GUAM LEGISLATURE
1994 (SECOND) Regular Session

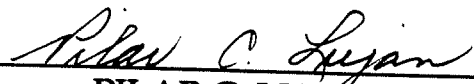
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 911 (LS), "AN ACT TO ADD A NEW CHAPTER 95 TO TITLE 10, GUAM CODE ANNOTATED, ON MEETING THE REQUIREMENTS OF THE OMNIBUS BUDGET RECONCILIATION ACT OF 1993," was on the 14th day of March, 1994, duly and regularly passed.



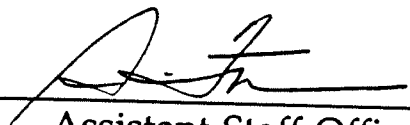
JOE T. SAN AGUSTIN
Speaker

Attested:



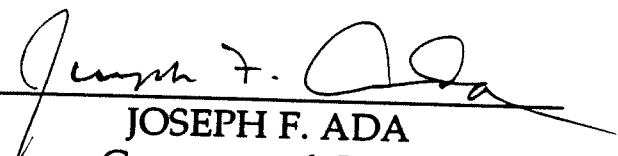
PILAR C. LUJAN
Senator and Legislative Secretary

This Act was received by the Governor this 21st day of March,
1994, at 11:17 o'clock A.M.



Assistant Staff Officer
Governor's Office

APPROVED:



JOSEPH F. ADA
Governor of Guam

Date: MAR 31 1994

Public Law No. 22-101

TWENTY-SECOND GUAM LEGISLATURE
1994 (SECOND) Regular Session

Bill No. 911 (LS)
As substituted by the
Committee on Rules

Introduced by:

J. T. San Agustin
C. T. C. Gutierrez
M. Z. Bordallo
T. C. Ada
J. P. Aguon
E. P. Arriola
H. D. Dierking
P. C. Lujan
T. S. Nelson
V. C. Pangelinan
D. Parkinson
E. D. Reyes
F. E. Santos
D. L. G. Shimizu
J. G. Bamba
A. C. Blaz
D. F. Brooks
F. P. Camacho
M. D. A. Manibusan
T. V. C. Tanaka
A. R. Unpingco

AN ACT TO ADD A NEW CHAPTER 95 TO TITLE 10,
GUAM CODE ANNOTATED, ON MEETING THE
REQUIREMENTS OF THE OMNIBUS BUDGET
RECONCILIATION ACT OF 1993.

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

2 Section 1. Legislative finding. The federal Omnibus Budget
3 Reconciliation Act of 1993 ("OBRA") imposed requirements upon states and

1 territories that must be complied with by April 1, 1994, failing which could
2 result in the loss of federal Medicaid matching funds. The Legislature finds
3 that OBRA must be complied with in order for Guam to continue to obtain
4 federal Medicaid assistance, and that action must be taken before April 1,
5 1994.

6 **Section 2.** A new Chapter 95 is hereby added to Title 10, Guam Code
7 Annotated, to read:

8 **"CHAPTER 95**

9 **COORDINATION OF BENEFITS**

10 **§95100. Coordination of benefits with Medicaid.** (a) "Insurer" means
11 for purposes of this chapter any health insurer (including a group health plan,
12 as defined in §607(1) of the Employee Retirement Income Security Act of 1974),
13 health maintenance organization, or hospital and medical service plan. An
14 insurer is prohibited from considering the availability or eligibility for medical
15 assistance in Guam or any other state under §1396a, Title 42 United States
16 Code, (§1902 of the Social Security Act), such assistance being herein referred
17 to as "Medicaid", when considering eligibility for coverage or making
18 payments under its plan for eligible enrollees, subscribers, policyholders or
19 certificate holders.

20 (b) To the extent that payment for covered expenses has been made
21 under Guam's Medicaid program for health care items or services furnished
22 to an individual, in any case where a third party has a legal liability to make
23 payments, Guam is considered to have acquired the rights of the individual to
24 payment by any other party for those health care items or services.

25 **§95101. Coverage of children.** (a) An insurer shall not deny
26 enrollment of a child under the health plan of the child's parent on the
27 grounds that:

- 1 (1) The child was born out of wedlock;
- 2 (2) The child is not claimed as a dependent on the parent's
- 3 Guam tax return;
- 4 (3) The child does not reside with the parent or in the insurer's
- 5 service area;
- 6 (4) The child has a pre-existing or excluded medical condition;
- 7 or
- 8 (5) The child is adopted or is the subject of adoption
- 9 proceedings.

10 (b) Where a child has health coverage through an insurer of a

11 noncustodial parent the insurer shall:

12 (1) Provide such information to the custodial parent as may be

13 necessary for the child to obtain benefits through that coverage;

14 (2) Permit the custodial parent (or the provider, with the

15 custodial parent's approval) to submit claims for covered services

16 without the approval of the noncustodial parent; and

17 (3) Make payments on claims submitted in accordance with

18 subparagraph (2) of this section directly to the custodial parent, the

19 provider or the state Medicaid agency.

20 (c) Where a parent is required by a court or administrative order to

21 provide health coverage for a child, and the parent is eligible for family

22 health coverage, the insurer shall be required:

23 (1) To permit the parent to enroll, under the family coverage,

24 a child who is otherwise eligible for the coverage without regard to

25 any enrollment season or open enrollment restrictions;

26 (2) If the parent is enrolled but fails to make application to

27 obtain coverage for the child, to enroll the child under family

1 coverage upon application of the child's other parent, the local
2 agency administering the Medicaid program or the local agency
3 administering §§651 to 669, Title 42 United States Code, the child
4 support enforcement program; and

5 (3) Not to disenroll (or eliminate coverage of) the child unless
6 the insurer is provided satisfactory written evidence that:

7 (i) The court or administrative order is no longer in
8 effect; or

9 (ii) The child is or will be enrolled in comparable health
10 coverage through another insurer which will take effect not
11 later than the effective date of disenrollment.

12 (d) An insurer may not impose requirements on a territorial agency,
13 which has been assigned the rights of an individual eligible for medical
14 assistance under Medicaid and covered for health benefits from the insurer,
15 that are different from requirements applicable to an agent or assignee of any
16 other individual so covered.

17 **§95102. Employer obligations.** Where a parent is required by a court or
18 administrative order to provide health coverage, which is available through
19 an employer doing business in Guam, the employer is required:

20 (a) To permit the parent to enroll under family coverage any
21 child who is otherwise eligible for coverage without regard to any
22 enrollment season or open enrollment restrictions;

23 (b) If the parent is enrolled but fails to make application to
24 obtain coverage of the child, to enroll the child under family
25 coverage upon application by the child's other parent, by the Guam
26 agency administering the Medicaid program or the Guam agency

1 administering §§651 to 669, Title 42 United States Code, the child
2 support enforcement program;

3 (c) Not to disenroll (or eliminate coverage of) the child unless
4 the insurer is provided satisfactory written evidence that:

5 (i) The court order is no longer in effect;

6 (ii) The child is or will be enrolled in comparable coverage
7 which will take effect no later than the effective date of
8 disenrollment; or

9 (iii) The employer has eliminated family health coverage
10 for all of its employees.

11 (d) To withhold from the employee's compensation the
12 employee's share (if any) of premiums for health coverage and to pay
13 this amount to the insurer.

14 **§95103. Recoupment of amounts spent on child medical care.** The
15 government of Guam may garnish the wages, salary or other employment
16 income of, and withhold amounts from territorial tax refunds to, any person
17 who:

18 (a) Is required by court or administrative order to provide
19 coverage of the cost of health services to a child eligible for medical
20 assistance under Medicaid; and

21 (b) Has received payment from a third party for the costs of
22 such services but has not used the payments to reimburse either the
23 other parent or guardian of the child or the provider of the services;

24 To the extent necessary to reimburse the Guam Medicaid agency for its costs,
25 but claims for current and past due child support shall take priority over these
26 claims.

27 **§95104. Adopted child coverage: Definitions.** As used in this chapter:

1 (1) "Child" means, in connection with any adoption, or
2 placement for adoption of the child, an individual who has not
3 attained the age of eighteen (18) as of the date of the adoption or
4 placement for adoption.

5 (2) "Placement for adoption" means the assumption and
6 retention by a person of a legal obligation for total or partial support
7 of a child in anticipation of the adoption of the child. The child's
8 placement with a person terminates upon the termination of such
9 legal obligations.

10 **§95105. Requirements for coverage of an adopted child.** (a) Coverage
11 effective upon replacement for adoption. In any case in which a group health
12 plan provides coverage for dependent children of participants or
13 beneficiaries, the plan shall provide benefits to dependent children placed
14 with participants or beneficiaries for adoption under the same terms and
15 conditions as applied to the natural, dependent children of the participants
16 and beneficiaries, irrespective of whether the adoption has become final.

17 (b) **Restrictions based on preexisting conditions at time of placement**
18 **for adoption prohibited.** A group health plan may not restrict coverage under
19 the plan of any dependent child adopted by a participant or beneficiary, or
20 placed with a participant or beneficiary for adoption, solely on the basis of a
21 preexisting condition of the child at the time that the child would otherwise
22 become eligible for coverage under the plan, if the adoption or placement for
23 adoption occurs while the participant or beneficiary is eligible for coverage
24 under the plan."

TWENTY-SECOND GUAM LEGISLATURE

1994 (SECOND) Regular Session

Date: 3/14/94

VOTING SHEET (AS REVISED)

Bill No. 911

Resolution No. _____

Question: _____

NAME	AYE	NO	NOT VOTING/ ABSTAINED	ABSENT/ OUT DURING ROLL CALL
ADA, Thomas C.	✓			
AGUON, John P.	✓			
ARRIOLA, Elizabeth P.	✓			
BAMBA, J. George			✓	
BLAZ, Anthony C.	✓			
BORDALLO, Madeleine Z.	✓			
BROOKS, Doris F.	✓			
CAMACHO, Felix P.	✓			
DIERKING, Herminia D.	✓			
GUTIERREZ, Carl T. C.	✓			
LUJAN, Pilar C.	✓			
MANIBUSAN, Marilyn D. A.	✓			
NELSON, Ted S.	✓			
PANGELINAN, Vicente C.	✓			
PARKINSON, Don	✓			
REYES, Edward D.	✓			
SAN AGUSTIN, Joe T.	✓			
SANTOS, Francis E.			✓	
SHIMIZU, David L. G.	✓			
TANAKA, Thomas V. C.	✓			
UNPINGCO, Antonio R.	✓			


TOTAL 19 0 2 _____

MAR 08 '94

TWENTY-SECOND GUAM LEGISLATURE
1993 (FIRST) Regular Session

Bill No. 911(LS)

Introduced by:


J. T. San Agustin

C. T. C. Gutierrez

M. Z. Bordallo 

AN ACT TO ADD A NEW CHAPTER 95 TO TITLE 10,
GUAM CODE ANNOTATED, ON MEETING THE
REQUIREMENTS OF THE OMNIBUS BUDGET
RECONCILIATION ACT OF 1993.

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

2 **Section 1. Legislative intent.** The Omnibus Budget Reconciliation Act
3 of 1993 ("OBRA") was passed by Congress and imposed requirements upon
4 states and territories that must be complied with by April 1, 1994, the failure
5 of which could result in the loss of federal Medicaid match funding. The
6 Legislature finds that OBRA '93 must be complied with in order to continue
7 with the Medicaid assistance. It is the intent of the Legislature to have in
8 place the law required by OBRA.

9 **Section 2. Coordination of benefits with Medicaid.** (a) Any health
10 insurer (including a group health plan, as defined in Section 607(1) of the
11 Employee Retirement Income Security Act of 1974), health maintenance
12 organization, or hospital and medical service plan, is prohibited from
13 considering the availability or eligibility for medical assistance in Guam or
14 any other state under §1396a, 42 U.S.C., (Section 1902 of the Social Security

1 Act) herein referred to as Medicaid, when considering eligibility for coverage
2 or making payments under its plan for eligible enrollees, subscribers,
3 policyholders or certificate holders.

4 (b) To the extent that payment for covered expenses has been made
5 under Guam's Medicaid program for health care items or services furnished
6 to an individual, in any case where a third party has a legal liability to make
7 payments, Guam is considered to have acquired the rights of the individual to
8 payment by any other party for those health care items or services.

9 **Section 3. Coverage of children.** (a) An insurer shall not deny
10 enrollment of a child under the health plan of the child's parent on the
11 grounds that:

12 (1) The child was born out of wedlock;

13 (2) The child is not claimed as a dependent on the parent's
14 Guam tax return; or

15 (3) The child does not reside with the parent or in the insurer's
16 service area.

17 (b) Where a child has health coverage through an insurer of a
18 noncustodial parent the insurer shall:

19 (1) Provide such information to the custodial parent as may be
20 necessary for the child to obtain benefits through that coverage;

21 (2) Permit the custodial parent (or the provider, with the
22 custodial parent's approval) to submit claims for covered services
23 without the approval of the noncustodial parent; and

24 (3) Make payments on claims submitted in accordance with
25 subparagraph (2) of this section directly to the custodial parent, the
26 provider or the state Medicaid agency.

1 (c) Where a parent is required by a court or administrative order to
2 provide health coverage for a child, and the parent is eligible for family
3 health coverage, the insurer shall be required:

4 (1) To permit the parent to enroll, under the family coverage,
5 a child who is otherwise eligible for the coverage without regard to
6 any enrollment season restrictions;

7 (2) If the parent is enrolled but fails to make application to
8 obtain coverage for the child, to enroll the child under family
9 coverage upon application of the child's other parent, the local
10 agency administering the Medicaid program or the local agency
11 administering §§651 to 669, 42 U.S.C., the child support enforcement
12 program; and

13 (3) Not to disenroll (or eliminate coverage of) the child unless
14 the insurer is provided satisfactory written evidence that:

15 (i) The court or administrative order is no longer in
16 effect; or

17 (ii) The child is or will be enrolled in comparable health
18 coverage through another insurer which will take effect not
19 later than the effective date of disenrollment.

20 (d) An insurer may not impose requirements on a state agency, which
21 has been assigned the rights of an individual eligible for medical assistance
22 under Medicaid and covered for health benefits from the insurer, that are
23 different from requirements applicable to an agent or assignee of any other
24 individual so covered.

25 **Section 4. Employer obligations.** Where a parent is required by a court
26 or administrative order to provide health coverage, which is available
27 through an employer doing business in Guam, the employer is required:

1 (a) To permit the parent to enroll under family coverage any
2 child who is otherwise eligible for coverage without regard to any
3 enrollment season restrictions;

4 (b) If the parent is enrolled but fails to make application to
5 obtain coverage of the child, to enroll the child under family
6 coverage upon application by the child's other parent, by the local
7 agency administering the Medicaid program or the Guam agency
8 administering §§651 to 669, 42 U.S.C., the child support enforcement
9 program;

10 (c) Not to disenroll (or eliminate coverage of) the child unless
11 the insurer is provided satisfactory written evidence that:

12 (i) The court order is no longer in effect;

13 (ii) The child is or will be enrolled in comparable coverage
14 which will take effect no later than the effective date of
15 disenrollment; or

16 (iii) The employer has eliminated family health coverage
17 for all of its employees.

18 (d) To withhold from the employee's compensation the
19 employee's share (if any) of premiums for health coverage and to pay
20 this amount to the insurer.

21 **Section 5. Recoupment of amounts spent on child medical care.** The
22 government may garnish the wages, salary or other employment income of,
23 and withhold amounts from state tax refunds to, any person who:

24 (a) Is required by court or administrative order to provide
25 coverage of the cost of health services to a child eligible for medical
26 assistance under Medicaid; and

1 (b) Has received payment from a third party for the costs of
2 such services but has not used the payments to reimburse either the
3 other parent or guardian of the child or the provider of the services.

4 To the extent necessary to reimburse the state Medicaid agency for its
5 costs, but claims for current and past due child support shall take priority over
6 these claims.

7 **Section 6. Adopted child coverage. (a) Definitions.** As used in this
8 section:

9 (1) "Child" means, in connection with any adoption, or
10 placement for adoption of the child, an individual who has not
11 attained the age of eighteen (18) as of the date of the adoption or
12 placement for adoption.

13 (2) "Placement for adoption" means the assumption and
14 retention by a person of a legal obligation for total or partial support
15 of a child in anticipation of the adoption of the child. The child's
16 placement with a person terminates upon the termination of such
17 legal obligations.

18 **Section 7. Requirements for coverage of an adopted**
19 **child. (a) Coverage effective upon replacement for adoption.** In any case in
20 which a group health plan provides coverage for dependent children of
21 participants or beneficiaries, the plan shall provide benefits to dependent
22 children placed with participants or beneficiaries for adoption under the same
23 terms and conditions as applied to the natural, dependent children of the
24 participants and beneficiaries, irrespective of whether the adoption has
25 become final.

26 (b) **Restrictions based on preexisting conditions at time of placement**
27 **for adoption prohibited.** A group health plan may not restrict coverage under

1 the plan of any dependent child adopted by a participant or beneficiary, or
2 placed with a participant or beneficiary for adoption, solely on the basis of a
3 preexisting condition of the child at the time that the child would otherwise
4 become eligible for coverage under the plan, if the adoption or placement for
5 adoption occurs while the participant or beneficiary is eligible for coverage
6 under the plan.