

#### **COMMITTEE ON RULES** *I Mina'trentai Tres na Liheslaturan Guåhan* • The 33rd Guam Legislature 155 Hesler Place, Hagåtña, Guam 96910 • *www.guamlegislature.com* E-mail: *roryforguam@gmail.com* • Tel: (671)472-7679 • Fax: (671)472-3547

Senator Rory J. Respicio CHAIRPERSON MAJORITY LEADER

January 6, 2015

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# MEMORANDUM

**To: Rennae Meno** *Clerk of the Legislature* 

> **Attorney Therese M. Terlaje** *Legislative Legal Counsel*

From: Senator Rory J. Respicio Chairperson, Committee on Rules

## Subject: Referral of Bill No. 12-33(COR)

As the Chairperson of the Committee on Rules, I am forwarding my referral of **Bill No. 12-33(COR)**.

Please ensure that the subject bill is referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Tres na Liheslaturan Guåhan*.

Should you have any questions, please feel free to contact our office at 472-7679.

Si Yu'os Ma'åse!

Attachment

### MINA' TRENTAI TRES NA LIHESLATURAN GUAHAN 2015 (FIRST) Regular Session

Bill No. <u>12</u>-33 (COR)

Introduced by:

D.G. RODRIGUEZ, JR $D\gamma$ 

AN ACT TO ADD A NEW ITEM (1) TO SUBSECTION (a) OF § 4301 OF ARTICLE 3, CHAPTER 4, 4 GCA, TO PROVIDE FOR THE ISSUANCE OF A SEPARATE REQUEST FOR PROPOSAL FOR THE SOLICITATION OF HEALTH **INSURANCE OR PROVISION OF HEALTH CARE FOR** FOSTER CHILDREN IN THE CARE OF THE GOVERNMENT **ON TERMS COMPARABLE TO THE GOVERNMENT PLAN** FOR ACTIVE AND RETIRED EMPLOYEES AND THEIR **DEPENDENTS.** 

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

Section 1. Legislative Findings and Intent: I Liheslaturan Guåhan finds 2 that the provision of healthcare insurance coverage those foster children under the 3 legal custody of the Child Protective Services Division of the Department of Public 4 Health and Social Services, as provided pursuant to Article 3 of Chapter 4, 4 GCA 5 (P.L. 32-189), is appropriate. As a practical matter, however, is may be more 6 appropriate that the solicitation for health care insurance coverage be obtained 7 under a separate Request for Proposals, and managed under a separate contract 8 agreement. 9

Unlike the government of Guam Group Health Insurance Plan members, the foster children will have one hundred percent (100%) of all costs covered by the government. Further, foster children will be continually added and removed from plan coverage as their custody status changes. Tracking of varying costs and membership will be more problematic if co-mingled with the Government of Guam Group Health Insurance Plan for active employees, retirees and dependents', who remain on their selected plan for the entire fiscal year, and for which the
government has a known fixed cost only for its share of the members' premium.
Copayments and deductibles remain solely the responsibility of the member.

It is, therefore, the *intent* of *I Liheslaturan Guåhan* to authorize *I Maga'lahi* to obtain health insurance coverage for foster children under a separate request for proposals, provided however, it contains the same desired scope of coverage benefits as is sought for active and retired employees of the government of Guam and their dependents.

9 Section 2. A new Item (1) is hereby ADDED Subsection (a) of § 4301 of
10 Article 3, Chapter 4, Title 4, Guam Code Annotated, to read:

"(a) I Maga'lahi (the Governor) is authorized to enter contracts and reject 11 proposals, with the written concurrence of the Speaker of *I Liheslaturan Guåhan* 12 (the Guam Legislature) or the Presiding Judge of the Superior Court of Guam 13 whose consents may be withheld in their sole discretion, with one (1) or more 14 insurance companies, authorized to do business in Guam, for group insurance, 15 including, but not limited to, hospitalization, medical care, life, and accident, for 16 all employees or separate groups of employees, and foster children, of the 17 government of Guam. If the Legislative or Judicial Branches of government elect 18 to enter into separate contracts for their employees as authorized in § 4301(c), I 19 Maga'lahi shall obtain the written concurrence of the Branch electing to remain 20 with the Executive Branch before the group insurance contract is entered into or a 21 proposal rejected. The government *shall not* be construed as an agent of any 22 insurance company in negotiating or administering this group insurance program. 23 Health benefits provided under this authority may be self funded and administered 24 by a third party if it is determined to be cost-effective. 25

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1	(1) Notwithstanding any provision of law, rule, regulation or this
2	Article 3, I Maga'lahi shall be authorized to issue a separate Request for
3	Proposals (RFP) for an exclusive medical and dental group health insurance
4	plan for foster children. The desired terms and scope benefits of the
5	requested exclusive medical and dental insurance plan in the RFP shall be
6	the same as those requested in the RFP for active employees, retirees and
7	dependents of the Government of Guam Group Health Plan. Should I
8	Maga'lahi elect to issue a separate RFP pursuant to this Item 1, then, the
9	Chief Administrator of the Division of Public Welfare of the Department of
10	Public Health and Social Services, or his or her designee and the Director of
11	the Department of Administration, or his or her designee shall develop the
12	request for proposals, publish it, rate the best three (3) offerors and
13	subsequently negotiate a single contract for the healthcare coverage under an
14	exclusive contract plan for those foster children under the legal custody of
15	the Child Protective Services Division of the Department of Public Health
16	and Social Services.

# All benefits and provisions of coverage for foster children pursuant to this Article *shall* be applicable."

19 Section 3. Severability. If any provision of this Act or its application to 20 any person or circumstance is found to be invalid or contrary to law, such 21 invalidity shall not affect other provisions or applications of this Act which can be 22 given effect without the invalid provisions or application, and to this end the 23 provisions of this Act are severable.

24 Section 4. Effective Date. This Act shall become immediately effective
25 upon enactment.

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