I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

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

This is to certify that **Bill No. 292-31 (LS), "AN ACT TO *AMEND* §3812 OF ARTICLE 8, CHAPTER 3, AND §2912.10 OF ARTICLE 9, CHAPTER 2, ALL OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE COMMUNITY HEALTH CENTERS OF THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES TO OBTAIN REIMBURSEMENT FOR SERVICES RENDERED TO MEDICALLY INDIGENT PROGRAM PATIENTS",** was on the 20th day of January, 2012, 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'lahen Guåhan* this 23rd day of Jan., 2012, at 12:45 o'clock P.M.

Assistant Staff Officer
Maga'lahi's Office

APPROVED:

EDWARD J.B. CALVO
I Maga'lahen Guåhan

Date: _____

Public Law No. _____

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2011 (FIRST) Regular Session

Bill No. 292-31 (LS)
As amended on the Floor.

Introduced by: Dennis G. Rodriguez, Jr.
T. C. Ada
V. Anthony Ada
F. F. Blas, Jr.
B. J.F. Cruz
Chris M. Dueñas
Judith P. Guthertz, DPA
Sam Mabini, Ph.D.
T. R. Muña Barnes
Adolpho B. Palacios, Sr.
v. c. pangelinan
R. J. Respicio
M. Silva Taijeron
Aline A.Yamashita, Ph.D.
Judith T. Won Pat, Ed.D.

AN ACT TO *AMEND* §3812 OF ARTICLE 8, CHAPTER 3, AND §2912.10 OF ARTICLE 9, CHAPTER 2, ALL OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE COMMUNITY HEALTH CENTERS OF THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES TO OBTAIN REIMBURSEMENT FOR SERVICES RENDERED TO MEDICALLY INDIGENT PROGRAM PATIENTS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the Northern and Southern Regional Community Health Centers (CHC)

of the Department of Public Health & Social Services (DPHSS) Bureau of Primary Care are unable to seek compensation for services rendered to patients under the Medically Indigent Program (MIP). The DPHSS Community Health Centers are grantees under the Health Recourses and Services Administration, U.S. Department of Health & Human Services.

This is due to a policy interpretation that since the MIP Reform Act provides in 10GCA, Chapter 2, Article 9, §2912.10, that, "[t]he Medically Indigent Program shall not reimburse Public Health for services provided by Public Health Programs." In effect, all services provided by the Department of Public Health for MIP patients are free (i.e., no reimbursements can be made for services), and, the CHC cannot submit a claim to the MIP program for the reimbursement of the cost of services rendered. This situation is resulting in a continually diminishing balance in the Community Health Center Revolving Fund, and is contrary to the Federal statutory provisions applicable to the CHC's grant award.

I Liheslaturan Guåhan recognizes that the Northern and Southern Regional Community Health Centers are Federally Qualified Health Centers (FQHCs) that are mandated to collect revenues from third party payers (i.e., private insurance indemnities), Medicare, Medicaid, Medically Indigent Program (MIP), and self-pay patients so that the revenues or program income monies generated are to be used exclusively for the operation of the Guam Community Health Centers. And to that end, 10GCA, Article 8, Chapter 3, §3811, provides for the establishment of the Community Health Centers Revolving Fund. Subsection (d) provides that, *"Deposits – All monies deposited in the Fund shall be applied to the expenses of the community center allowable by Federal regulations and guidelines as the non-*

Federal share of project costs in accordance with the Department's grant from the U.S. Department of Health & Human Services."

Further, *I Liheslaturan Guåhan* takes due note of the grant compliance requirements of the Health Resources & Services Administration, U.S. Department of Health &Human Services, as provided pursuant to §330(k)(3)(F) & (G) of the U.S. Public Health Services Act, that grantee health centers have: *Billings and Collections: Health center has systems in place to maximize collections and reimbursement for its costs in providing health services, including written billing, credit and collection policies and procedures.*

It is the intent of *I Liheslaturan Guåhan* that the conflicting provisions of §2912.10 of Article 9 – Medically Indigent Program – Chapter 2, Title 10, Guam Code Annotated, relative to services provided by Public Health, be reconciled with §3812 of Article 8, Chapter 3, Title 10, Guam Code Annotated, relative to DPHSS Regional Community Health Centers fee schedules, so as to allow the CHCs as a Federally Qualified Health Center grantee to conform and comply with the Federal statutory provisions and regulations applicable to its programs.

Section 2. §3812 of Article 8, Chapter 3 of Title 10, Guam Code Annotated, is hereby *amended* to read:

"**§ 3812. Fee Schedule.**

(a) The Department is hereby authorized to implement a fee schedule. The provision of this Act *shall* be repealed upon subsequent submission and approval of the fee schedule through the Administrative Adjudication Law. The fee schedule must give discounts accordingly to the Federal Income Poverty Guideline.

(b) Individuals or families whose income falls below the federal poverty guidelines *shall* apply for subsidized medical services through the Medically Indigent Program or other medically subsidized program.

(1) The Program *shall* submit a billing claim to the Guam Medically Indigent Program Administrator for the necessary amount to recover the cost of services rendered to the Medically Indigent Program patients at the fee schedule rates established for reimbursement pursuant to applicable law, rules and regulations.

(A) Notwithstanding any other provision of law, rule or regulation, for the purposes of billing and collections, the Community Regional Health Centers Program *shall* be deemed apart and separate from the Department, and the Guam Medically Indigent Program *shall* promptly remit payment to the Program as reimbursement for services rendered to MIP patients, for deposit into the Community Health Center Revolving Fund."

Section 3. §2912.10 of Article 9, Chapter 2 of Title 10, Guam Code Annotated, is hereby *amended* to read:

"**§ 2912.10. Services Provided by Public Health.** With the exception of the Regional Community Health Centers of the Department of Public Health & Social Services (DPHSS), the Medically Indigent Program *shall not* reimburse other DPHSS programs for services provided or rendered. It is further provided, that services provided or rendered by the DPHSS Regional Community Health Centers, for patients participating in the Medically Indigent Program for medical, laboratory, and pharmacy services for which a fee is charged, *shall* be eligible for reimbursement by

the Medically Indigent Program and deposited into the Community Health Center Revolving Fund, at the fee schedule rates established pursuant to applicable law, rules and regulations."

Section 4. Severability. *If* any of the provisions of this Act or the application thereof to any person or circumstance are held invalid, such invalidity *shall not* affect any other provision or application of this Act, which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.