Office of the Governor of Guahan

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Felix P. Camacho
Governor

Michael W. Cruz, M.D.
Lieutenant Governor

2010 JUL 23 AM 11:02 EAM

JUL 22 2010

The Honorable Judith T. Won Pat, Ed.D.
Speaker
Mina' Trenta Na Liheslaturan Guåhan
155 Hessler Street
Hagåtña, Guam 96910

Dear Speaker Won Pat:

Transmitted herewith is Bill No. 378-30 (LS) "**AN ACT TO AMEND SUBSECTION (a) AND TO ADD A NEW SUBSECTION (g) OF §4301, ARTICLE 3, CHAPTER 4, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO RECOGNIZING THE TREMENDOUS BENEFIT AND IMPORTANCE OF PREVENTIVE HEALTHCARE ACTIVITIES AND PROGRAMS IN PROMOTING HEALTHIER LIVES, THROUGH REQUIRING THAT THE ACQUISITION OF HEALTH OR MEDICAL INSURANCE THROUGH THE GOVERNMENT OF GUAM INCLUDE THE PROVISION OF PREVENTIVE HEALTHCARE, WELLNESS, AND FITNESS**", which I signed into law on July 16, 2010 as Public Law 30-170.

Sinseru yan Magåhet,

MICHAEL W. CRUZ, M.D.
I Maga'låhen Guahan para pa'go
Acting Governor of Guahan

Attachment: copy of Bill

30-10-0617
Office of the Speaker
Judith T. Won Pat, Ed. D.
Date 7/22/10
Time 4:42P
Received by

2119

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2010 (SECOND) Regular Session

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

This is to certify that **Bill No. 378-30 (LS), "AN ACT TO *AMEND* SUBSECTION (a) AND TO *ADD* A NEW SUBSECTION (g) OF §4301, ARTICLE 3, CHAPTER 4, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO RECOGNIZING THE TREMENDOUS BENEFIT AND IMPORTANCE OF PREVENTIVE HEALTHCARE ACTIVITIES AND PROGRAMS IN PROMOTING HEALTHIER LIVES, THROUGH REQUIRING THAT THE ACQUISITION OF HEALTH OR MEDICAL INSURANCE THROUGH THE GOVERNMENT OF GUAM INCLUDE THE PROVISION OF PREVENTIVE HEALTHCARE, WELLNESS, AND FITNESS",** was on the 2nd day of July, 2010, 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 16th day of July, 2010, at 5 o'clock P.M.

Assistant Staff Officer
Maga'lahi's Office

APPROVED:

MIKE W. CRUZ, MD
GOVERNOR OF GUAM ACTING

Date: JUL 16 2010

Public Law No. **P.L. 30-170**

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2010 (SECOND) Regular Session

Bill No. 378-30 (LS)
As amended on the Floor.

Introduced by:

F. B. Aguon Jr.
T. C. Ada
V. Anthony Ada
F. F. Blas, Jr.
E. J.B. Calvo
B. J.F. Cruz
J. V. Espaldon
Judith P. Guthertz, DPA
T. R. Muña Barnes
Adolpho B. Palacios, Sr.
v. c. pangelinan
R. J. Respicio
Telo Taitague
Ray Tenorio
Judith T. Won Pat, Ed.D.

AN ACT TO *AMEND* SUBSECTION (a) AND TO *ADD* A NEW SUBSECTION (g) OF §4301, ARTICLE 3, CHAPTER 4, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO RECOGNIZING THE TREMENDOUS BENEFIT AND IMPORTANCE OF PREVENTIVE HEALTHCARE ACTIVITIES AND PROGRAMS IN PROMOTING HEALTHIER LIVES, THROUGH REQUIRING THAT THE ACQUISITION OF HEALTH OR MEDICAL INSURANCE THROUGH THE GOVERNMENT OF GUAM INCLUDE THE PROVISION OF PREVENTIVE HEALTHCARE, WELLNESS, AND FITNESS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the promotion and application of preventive healthcare, wellness, and fitness activities is one of the best approaches to realizing a healthy community. Activities such as regular physical examinations, proper diet and healthy eating habits, regular exercise, and other similar healthcare activities or programs are very useful in preventing illness. Thus, it would be advantageous that these activities be incorporated into the group health insurance policy that the government of Guam procures on behalf of its employees and retirees. It is believed that by encouraging people in the community to participate in preventive healthcare, wellness, and fitness activities, the costs associated with the direct medical care of these individuals may be significantly less in the long run.

Therefore, it is the intent of *I Liheslaturan Guåhan* to promote, to the greatest extent possible, the application and use of preventive healthcare, wellness, and fitness programs and activities. This can be done through ensuring that preventive healthcare services and programs are included as coverage in any health or medical insurance program that is acquired by the government of Guam on behalf of its employees or retirees. The primary objective is to encourage as many of its employees and retirees to stay healthy and physically fit, through their participation in preventive healthcare, wellness, and fitness activities and programs, eventually reducing major costs associated with personal and family care.

Section 2. Incorporation of Preventive Healthcare, Wellness, and Fitness in the Government of Guam Group Insurance Benefits. Subsection (a) of §4301 of Article 3, Chapter 4, Title 4, Guam Code Annotated, is hereby *amended* to read as follows:

"(a) *I Maga'lahen Guåhan* is authorized to enter contracts and reject proposals, with the written concurrence of the Speaker of *I Liheslaturan Guåhan or* the Presiding Judge of the Superior Court of Guam, whose consents may be withheld in their sole discretion, with one (1) or more insurance companies authorized to do business on Guam, for group insurance, including, but *not limited to,* hospitalization, medical care, life and accident, preventive healthcare, wellness, and fitness, for all employees or separate groups of employees of the government of Guam. *If* the Legislative or Judicial Branches of government elect to enter into separate contracts for their employees as authorized in §4301 (c), *I Maga'lahi shall* obtain the written concurrence of the Branch electing to remain with the Executive Branch before the group insurance contract is entered into or a proposal rejected. The government *shall not* be construed as an agent of any insurance company in negotiating or administering this group insurance program. For purposes of this Subsection (a), the term *preventative healthcare, wellness, and fitness* means services and education programs that promote and encourage good health habits, healthful behaviors and lifestyles that help to prevent the onset or worsening of a health condition, and assists with identifying and minimizing risk factors for disease, improving the course of an existing disease and screening for early detection of disease, including gymnasiums and fitness centers."

Section 3. Requirements of Preventive Healthcare, Wellness, and Fitness Benefits in the Government of Guam Group Insurance Benefits. A new Subsection (g) of §4301 of Article 3, Chapter 4, Title 4, Guam Code Annotated, is hereby *added* to read:

"(g) The negotiating team, as defined in §4302(c), *shall* develop an incentive program for all subscribers and dependents of the government of Guam Group Health Plan that:

(1) promotes wellness;

(2) promotes primary care and preventive care; and

(3) manages and coordinates care for persons with chronic health conditions or acute illness.

The incentive program *shall*:

(1) meet the requirements set forth in the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) for bona fide wellness programs;

(2) provide financial incentives to covered employees or individuals for participating in the program; and

(3) provide to covered employees or individuals for whom it is unreasonably difficult to satisfy the program's applicable standards reasonable alternative methods for achieving program participation.

Carriers that propose to charge additional premiums for the Preventive Healthcare, Wellness and Fitness programs *shall* specify how the premium charged to the government of Guam will vary based on the anticipated efficacy of the program in reducing expected utilization or medical claim costs. The methodology must take into consideration:

(1) the anticipated average percentage of employees or individuals eligible to participate in the program;

(2) the anticipated efficacy of the financial incentives in producing high levels of program participation;

(3) the expected success rate for program participants;

(4) the level of program participation achieved in prior coverage periods; and

(5) the realized savings achieved in prior coverage periods."

Section 4. Effective Date. The provisions contained herein *shall* be applicable and take effect upon the next negotiated term for group health insurance coverage for the government of Guam employees and retirees.

Section 5. Severability Clause. *If* any provision of this Act or its application to any person or circumstances is held invalid, the invalidity shall *not* affect other provisions or applications 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.

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I MINA' TRENTA NA LIHESLATURAN GUÅHAN

2010 (SECOND) Regular Session

Date: 7/2/10

VOTING SHEET

Bill No. 378-30(LS)

Resolution No. _____

Question: _____

_____

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT
ADA, Thomas C.	✓				
ADA, V. Anthony	✓				
AGUON, Frank B., Jr.	✓				
BLAS, Frank F., Jr.	✓				
CALVO, Edward J.B.			E		
CRUZ, Benjamin J. F.	✓				
ESPALDON, James V.	✓				
GUTHERTZ, Judith Paulette	✓				
MUNA-BARNES, Tina Rose	✓				
PALACIOS, Adolpho Borja, Sr.	✓				
PANGELINAN, vicente (ben) cabrera	✓				
RESPICIO, Rory J.	✓				
TAITAGUE, Telo	✓				
TENORIO, Ray	✓				
WON PAT, Judith T.	✓				
TOTAL	14		1		

CERTIFIED TRUE AND CORRECT:

Patricia C. Sanchez

Clerk of the Legislature

*3 Passes = No vote

EA = Excused Absence

2010 APR 26 AM 10:14

MINA'TRENTA NA LIHESLATURAN GUÅHAN
2010 (SECOND) Regular Session

Bill No. 378-30(4S)

Introduced by: **FRANK B. AGUON, JR.**

AN ACT RELATIVE TO RECOGNIZING THE TREMENDOUS BENEFIT AND IMPORTANCE OF PREVENTIVE HEALTHCARE ACTIVITIES AND PROGRAMS IN PROMOTING HEALTHIER LIVES, THROUGH REQUIRING THAT THE ACQUISITION OF HEALTH OR MEDICAL INSURANCE THROUGH THE GOVERNMENT OF GUAM INCLUDE THE PROVISION OF PREVENTIVE HEALTHCARE, WELLNESS, AND FITNESS; AMENDING SUBSECTION (a) OF 54301 GROUP INSURANCE, ARTICLE 3, CHAPTER 4, TITLE 4, GUAM CODE ANNOTATED.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. The Liheslaturan Guahan finds that the promotion and application of preventive healthcare, wellness, and fitness activities is one of the best approaches to realizing a healthy community. Activities such as regular physical examinations, proper diet and healthy eating habits, regular exercise, and other similar healthcare activities or programs are very useful in preventing illness. Thus it would be advantageous that these activities be incorporated into the group health insurance policy that the government of Guam procures

on behalf of its employees and retirees. It is believed that by encouraging people in the community to participate in preventive healthcare, wellness, and fitness activities, the costs associated with the direct medical care of these individuals may be significantly less in the long run.

Therefore, it is the intent of I Liheslaturan Guahan to promote, to the greatest extent possible, the application and use of preventive healthcare, wellness, and fitness programs and activities. This can be done through insuring that preventive healthcare services and programs are included as coverage in any health or medical insurance program that is acquired by the government of Guam on behalf of its employees or retirees. The primary objective is to encourage as many of its employees and retirees to stay healthy and physically fit, through their participation in preventive healthcare, wellness, and fitness activities and programs, eventually reducing major costs associated with personal and family care.

Section 2. **Incorporation of Preventive Healthcare, Wellness, and Fitness in the Government of Guam Group Insurance Benefits.** Subsection "(a)" of s4301, Group Insurance, of Article **3,** Chapter 4, Title 4, Guam Code Annotated, is hereby amended to read as follows:

"(a). The Governor is authorized to enter contracts and reject proposals, with the written concurrence of the Speaker of the Guam Legislature or the Presiding Judge of the Superior Court of Guam whose

consents may be withheld in their sole discretion, with one (1) or more insurance companies, authorized to do business on Guam, for group insurance, including, but not limited to hospitalization, medical care, life and accident, **preventive healthcare, wellness, and fitness,** for all employees or separate groups of employees of the government of Guam. If the Legislative of Judicial Branches of government elect to enter into separate contracts for their employees as authorized in s4301 (c), the Governor shall obtain the written concurrence of the Branch electing to remain with the Executive Branch before the group insurance contract is entered into or a proposal rejected. The government shall not be construed as an agent of any insurance company in negotiating or administering this group insurance program."

Section 3. Effective Date.

The provisions contained herein shall be applicable and take effect upon the next negotiated term for group health insurance coverage for the government of Guam employees and retirees.

Section 4. **Severability Clause.**

If any provision of this Act or its application to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications 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.