

**10 GCA HEALTH AND SAFETY
CH. 6 GUAM MEDICAL ASSISTANCE PLAN**

**CHAPTER 6
GUAM MEDICAL ASSISTANCE PLAN**

NOTE: This Chapter was taken from P.L. 14-94, as amended by P.L. 14-101.

- § 6101. Statement of Policy.
- § 6102. Responsibility.
- § 6103. Plan.
- § 6104. Program Availability.
- § 6105. Title.

§ 6101. Statement of Policy.

The Legislature declares that medicaid recipients receiving medical assistance under Title XIX [federal law] and those persons enrolled under the Medicaid Program of the Social Security Act whose premiums are being paid for by the government of Guam shall be given the opportunity to be enrolled in prepaid health plans as a means of affording them comprehensive health care and related remedial and preventive services.

Prepaid Health Plan (PHP) as used herein means a multi-specialty group practice or an individual practice association developed to provide medical services on a prepaid basis.

The Department of Public Health and Social Services shall contract with a qualified Prepaid Health Plan pursuant to this Chapter and shall award such contract on a non-bid basis.

Each Prepaid Health Plan shall furnish to the Department such information and reports as the Department may find necessary in performing its functions under this Chapter. Such information and reports shall include, but shall not be limited to, statistical information regarding utilization of services, age and sex, specific mortality and morbidity rates, services supplied, manpower resources and costs of health care and administration, compiled from a basic data system as the Department may require. The Prepaid Health Plan and the Department shall maintain such records and afford access thereto to verify the information and reports which may be required under this Chapter. The Department shall annually conduct a survey of beneficiaries to determine their satisfaction with the services provided by the Prepaid Health Plan.

All health care services available under this Chapter shall be equivalent to the level and basic scope of services required under public assistance programs. It is the objective of this legislation that health care, as provided

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in Guam under Title XIX of the Social Security Act, be available and accessible at all times to all qualified recipients. It is further the intent of this Chapter such care shall be of the highest quality.

SOURCE: GC § 9940, as amended by P.L. 14-101.

§ 6102. Responsibility.

The Department shall, in carrying out the intent of this Chapter, contract with a multispecialty group practice of an individual practice association through a Prepaid Health Plan to establish pilot programs which demonstrate the value or lack thereof of such a program in delivering or financing health care services in such a manner. Each pilot program be for a specified duration not to exceed four (4) years and each pilot program shall be evaluated annually for its efficiency, effectiveness and quality. The Department shall pursue the feasibility of establishing the following as pilot program:

A per person risk assuming contract with one (1) or more organization which provide payment to a specified class or classes of providers.

Persons eligible for services under the public assistance program shall be assigned by the Department to a Prepaid Health Plan which affords any qualified medicaid provider within the territory of Guam an opportunity to participate in the plan under reasonable restrictions approved by the Department; provided, however, such persons shall be entitled to request and receive a medicaid card if assignment to a plan does not meet with their satisfaction.

For purposes of this Section "risk assuming" means the pilot program contractor agrees to assume the risk of utilization of services or costs of services, or both.

The Department shall establish, through contracts, health service delivery systems as pilot programs to determine whether high-quality comprehensive medicaid benefits can be provided at a reasonable cost on a prepayment basis on such a system. The pilot programs shall have at least the following characteristics:

The programs shall be operated either by the Department directly or through contracts with Prepaid Health Plans.

The programs shall enroll medicaid recipients and be funded by the Department on a prepayment capitation basis. Such rate of

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payment shall be determined annually and shall be ten percent (10%) less than valid claims incurred by the Department for covered medic-aid recipients projected on an annual basis as reflected by the accrued average monthly claims for the previous six (6) months plus all anticipated increases in costs in the contract year. The rate shall not include any costs of the Department for claims or administrative fees to fiscal intermediaries. The per capita amounts determined shall be based on sound actuarial data and be recognized to vary between the categories of aid to families with dependent children, aid to the totally disabled, aid to the blind, old age security or such other categories as may be determined by the Director of the Department.

The programs shall provide the full range of services offered under the public assistance program and shall meet all statutory requirements and all regulatory and contractual requirements established by the Department for the program.

The programs shall emphasize the innovative use of health personnel including mid-level medical, nursing and dental professionals in ambulatory settings.

Medicaid recipients enrolling in a pilot program pursuant to this Chapter shall be offered a choice of qualified primary care physicians employed or under contractual arrangements with the Prepaid Health Plan to be the recipients' designated primary care physicians.

SOURCE: GC § 9941.

§ 6103. Plan.

Prepaid Health Plans contracting under this Chapter shall guarantee and provide assurances to the Department that all services contracted for shall be readily available and accessible and that further, all medical services covered under the contract which are required on an emergency basis be available on a 24-hour, seven days a week basis, either in the Prepaid Health Plans own facilities or through arrangements with another provider which has been approved by the Department. The Department is hereby directed to establish standards of care and to conduct testing and review procedures to assure compliance with such standards.

It is in the public interest that medical assistance of the proper quality and quantity be provided in the most effective and economical manner consistent with such high quality medical standards. It is further the

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objective of this Chapter that there shall be proper utilization of all health care services.

All administrative powers and duties with respect to Prepaid Health Plans, including determination of per capita payment rates, approval of prepaid health contracts and pilot programs which provide health care services pursuant to prepaid health contracts is hereby vested with the Director of the Department of Public Health and Social Services herein referred to as Director.

The Director is hereby empowered to establish a basic schedule of benefits for prepaid plans conforming to the scope and duration of medicaid health services as set forth in Federal requirements for the territory of Guam to enumerate standards of participation for such Prepaid Health Plans and pilot programs.

In the administration of this Chapter and in the negotiating of contracts thereunder, the Department shall give due consideration to the reputation of the prepaid health organization in providing such benefits, to the accessibility and availability of its facilities and resources for health care to enrolled persons under this Chapter, and to new and innovative concepts in the delivery of health care services.

No contract between the Director and a Prepaid Health Plan shall be approved unless the plan and its facilities meet quality program standards. These standards shall require the Prepaid Health Plan to demonstrate to the Department that it has adequate financial resources, physical facilities, organizational and administrative capacities, and a sound program design to discharge its contractual obligations.

The Prepaid Health Plan will maintain financial records in accordance with applicable Federal guidelines and will also have annual audits performed by an independent certified public accountant. Certified financial statements shall be filed annually as soon as practical after the close of the plan's fiscal year and in any event within a period not to exceed one hundred twenty (120) days thereafter. For good cause, the Department may grant exceptions to the time within which annual financial statements are to be submitted to the Department.

The Prepaid Health Plan shall be liable for all valid out-of-area emergency services which are required by the contract and rendered by another provider. Payment for such services shall cover treatment of emergency conditions provided plan has been notified within seventy- two

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(72) hours of occurrence until such time as the patient may reasonably be transferred to the Prepaid Health Plan's facilities.

The Prepaid Health Plan shall establish procedures for continuously reviewing the quality of care, the utilization of services and facilities and costs. Information derived from such review shall be made available to the Department.

If the enrollee has an unresolved grievance, a fair hearing shall be made available under appropriate provisions of the Government Code of Guam to resolve all grievances regarding care and administration of the plan. Findings and recommendations of the Director based on the results of the fair hearing shall be binding on the plan and the enrollees.

The Director shall report annually to the Legislature on the experience with the prepaid plan with specific reference to consumer satisfaction and dissatisfaction, quality and utilization.

SOURCE: GC § 9942.

§ 6104. Program Availability.

Any provider of medical assistance under the Guam Medical Assistance Plan which has entered into a contract with the Department of Public Health and Social Services pursuant to this Chapter, may make the benefits known to enrollees by means of relevant methods and materials. The materials may be disseminated to enrollees by the Department at the contractor's expense. The contractor shall be responsible for all presentations by such representatives and for all ethical and professional content of the plans materials. Examples of all printed or illustrated material prepared by the contractor shall be submitted prior to dissemination.

SOURCE: GC § 9943.

§ 6105. Title.

This Chapter may be cited as the *Guam Medical Assistance Plan*.

SOURCE: GC § 9945.
