

EXHIBIT N

GOVERNMENT OF GUAM ADMINISTRATIVE PROCEDURES

A. Good Faith Negotiations

Both teams shall be fully committed to good faith negotiations. Both teams shall carefully and respectfully listen to the other and shall make best efforts to reach satisfactory agreements on all issues. Both teams shall fully cooperate in providing any clarification or documentation reasonably requested by the other. If one team disagrees with a position taken by the other, the disagreeing team will detail its concerns, which will be duly considered and responded to by the other team.

B. Expenses

The Government will make every effort to secure a site conducive to negotiations on Government facilities. In the event such arrangements cannot be made, the offerors will make such arrangements. If arrangements are made by the offeror, expenses relating to the accommodations for the negotiations site are the responsibility of the offeror. The site will include basic office equipment and a caucus room for both parties. Equipment includes a flip chart or white board, access to a telephone, facsimile machine and a photocopier machine. The offeror will advise the Government of Guam of the negotiation site for the approval of the Government.

C. Confidentiality

1. During the course of the negotiations, no matters regarding the negotiations shall be discussed with anyone except members of the negotiating teams or officials of either the Government of Guam or the Insurance Company who are directly involved with the negotiations.
2. Utmost care shall be taken to ensure that no other person gains access to any negotiation information or materials.

D. Media/Ex Parte Communications

If any communications are to be made to the media or other persons outside those immediately involved in the negotiations, such communications shall be prepared and presented jointly by the negotiating teams. Further, except for necessary information on benefits and administration, no carrier shall release any information to the media, or to any enrollee or other person regarding any aspect of the plan, including its profitability or the reasons for rate or benefit changes, without the Government of Guam's written approval.

E. Copies

If one team submits a document to the other team, the submitting team shall, at the same time, provide a copy of such document to each member of the other team.

F. Caucusing

1. Either team may call a caucus at any time. However, both teams shall make best efforts to consolidate issues to discuss during caucuses and to use the designated caucus times rather than interrupting the negotiations.
2. The team calling the caucus may remain in the negotiating room and the other team will excuse itself, unless otherwise agreed.

G. Negotiated Changes

Negotiated contractual changes shall be memorialized in writing and signed by the authorized insurance representative and Chairperson during the negotiations and, if needed, taped at the conclusion of the negotiations.

H. Tape Recording

1. In general, the negotiations will not be tape recorded, except that agreements reached during the negotiations may be taped at the conclusion of the negotiations.
2. Notwithstanding the provisions of paragraph H.1 above, either team shall be entitled to tape sections or all of the

negotiations, if they so desire, provided they notify the other team before they begin the taping.

I. Allotted Time

Each offeror's negotiations shall be concluded within three days. If additional time is requested by the plan, such may be granted by the Government of Guam's team at its sole option.

J. Impasses

1. If the teams cannot reach an agreement on a particular issue, that issue shall be set aside, if at all possible, and the negotiations proceeded with. Such issue may be revisited at a later stage in the negotiations.
2. If an agreement is not reached on all issues by the close of the negotiations, the Government of Guam's team will recommend against contracting with such Insurance Company.

K. Approval by the Governor

All written or taped agreements made by the Government of Guam's negotiating team are subject to the final approval by the Governor of Guam.

L. Other Approval

Each insurance company shall have a final decision maker at the negotiating table at all times. However, if the commitments made require approval from a company officer or board not at the negotiating table, the Insurance Company shall disclose the officer's name and title or the name of the board on the following line: _____.

M. Marketing

The plan selected shall comply with the Government of Guam's Marketing Guidelines (Exhibit O). No plan shall market its proposed plan to Government of Guam employees or retirees or dependents thereof prior to receiving written approval from the Director of the Department of Administration.

N. Agreement to Administrative Procedures

The Government of Guam and the Insurance Company shall adhere to these administrative procedures, which are pertinent to the Group Health Insurance Negotiations.

Insurance Company: _____

Print/Signature/Date: _____

EXHIBIT O
GOVERNMENT OF GUAM
MARKETING GUIDELINES FOR HEALTH INSURANCE CARRIERS

These marketing guidelines apply to all Health insurance carriers contracting with or intending to contract with the Government of Guam.

A. MARKETING MATERIALS

1. Each carrier is required to follow the SOB format for publication and inclusion in the marketing brochures. No deviation to the format is allowed. SOB format will be provided by the Government of Guam to carriers awarded a contract.
2. Each carrier shall prepare a Government of Guam plan brochure, setting forth the benefits and conditions of the plan, for distribution to subscribers and prospective subscribers. Brochures must identify items such as cheat sheet, Q & A's, highlights of changes, information on how to access benefits and changes to benefits should they become Medicare eligible, guidance to seek assistance at urgent care as supposed to GMHA in case of non-emergency situations, etc.
3. Carriers must provide a listing of providers who accept Medicare in the RSP brochure.
4. Carriers shall make available, upon requests, marketing products to include provisions of alternative format/services (audio tape, radio announcements, large print braille, and use of ASL Interpreters, open/closed captions for videos, ASCII, HTML or word processing form on a computer diskette or CD, or HTML on an accessible website) upon request.
5. Each carrier may prepare other marketing materials, including newspaper and other media advertising copy, in addition to those required in paragraphs 1 above. Each carrier may also include with the marketing materials company-branded items such as pens, pencils, note pads, ID card wallets, and other similar items. The aggregate value of such items *shall not* exceed Five Dollars (\$5.00) per set of marketing materials.
6. All marketing materials, including company-branded items, must be submitted to the Government of Guam's Director of the Department of Administration or his or her designee with a written statement signed by an appropriate officer of the carrier certifying that the materials have been prepared in accordance with these guidelines.
7. The Government of Guam's Director of the Department of Administration must approve the content of all marketing materials and company-branded items in writing. Such written approval, however, does not guarantee the carrier that its marketing materials will be free from future scrutiny or that the carrier will not attract penalties should the marketing materials later be determined to be out of compliance with these guidelines.
8. Marketing materials and company-branded items which have not been approved for content may not be distributed or displayed. Further, no marketing materials may be distributed or displayed prior to the date specified in writing by the Director of the Department of Administration. No marketing materials will be approved for distribution or display prior to the conclusion of negotiations with all carriers.
9. Once approved for content and distribution and display, all marketing materials, excluding newspaper and other media advertising copy, must be made available to the Government of Guam subscribers, prospective subscribers, agencies and departments as quickly as possible.

B. MARKETING STANDARDS

1. All marketing materials, including newspaper and other media advertising and open enrollment presentations, must be truthful and not misleading.
2. All marketing materials must be worded simply, clearly and concisely so that they are readily understandable.
3. All marketing materials must contain sufficient detail to ensure accuracy.

4. At least the plan brochure should contain a statement that full details of the plan are contained in the carrier's contract with the Government of Guam.
5. If an insurance company markets wrongful products, benefits or advertises in their brochure incorrect information, the insurance company must place at least 2 media advertisements, in addition to giving memos to all enrollees, satisfactory to DOA, of correct version. Plans must also prepare an insert of corrected information and include it in all brochures, if not already corrected the language in the brochure.

D. PENALTIES FOR NON-COMPLIANCE

1. Failure to conform to these guidelines may result in corrective action by the Department of Administration. Such corrective action will be appropriate to the circumstances. For example, if a carrier indicates benefits or other plan provisions that are more favorable to enrollees than those specified in the Government of Guam contract, the carrier will be required to provide those more generous benefits or provisions without additional compensation for the entire contract year(s).
2. Interpretation and enforcement of these guidelines *shall be at the sole discretion* of the Director of the Department of Administration. The Government of Guam shall have no liability with regard to the alleged or actual failure to enforce these guidelines.

E. EXPENSES

1. A Personnel/Payroll Officers meeting will be conducted prior to the Open Enrollment Period. The **purpose of this meeting** is to advise all department representatives of the benefits available and premiums for the Health insurance program. The insurance company awarded the contract will secure and absorb the cost of the Personnel/Payroll Officers Meeting. The insurance company shall make best efforts to limit its costs to those items necessary to meet the purpose of the meeting. Specifications will be provided by the Government.
2. All expenses involved in the preparation and distribution of marketing materials shall be borne by the respective carrier. The Government of Guam shall have no liability with regard to any marketing materials or any costs which may be incurred because of any alleged or actual delay in the approval or a carrier's marketing materials."

F. AGREEMENT TO MARKETING GUIDELINES

By signing below, the offeror agrees to comply with the Marketing Guidelines.

Insurance Company: _____

Print/Signature/Date _____

EXHIBIT P

**GOVERNMENT OF GUAM
GROUP HEALTH INSURANCE PROGRAM
PREMIUM AND RETENTION QUOTATION
FOR CONTRACT YEAR _____ TO _____**

Please see Excel File for Pricing Templates – these must be completed and returned via Excel file as well as PDF file.

Instructions for Completing Form GHI-1
Premium and Retention Quotations

Instructions

1. The following exhibits labeled "Exhibit P" correspond to line items on Exhibit B Part 3. Each following exhibit has also been provided in the Excel file to be completed. Each line item in Exhibit B Part 3 is a plan design scenario to be priced within the appropriate excel sheet provided. For example, line item 1 on Exhibit B Part 3 states "PPO1500 deductible plan: evaluation for total annual premium without adjustments for alternative plan designs 1-9 requested in Exhibit G". The costs for this plan should be provided in the Excel sheet labeled "Exhibit B Part 3 #1".

Line items #1 through #5 have their own Excel sheets. Line items #6 through #15 are combined onto one Excel sheet.

2. Compute the expected annual premium, using the monthly premium rates entered on the form and the enrollment as of December 2014 provided in Exhibit E.
3. Enter the percent of premiums you expect to use to pay for hospital, surgical, medical and similar services.
4. Subtract the percent in 2 from 100.
5. Show the percent of total premiums to be used for each of the various expense categories listed. Show if you will incur no expense in a category.
6. A brief explanation of the method of calculating the items shown should be furnished. An additional page may be used if desired. Where the expense has to be charged to the plan based on cost accounting techniques, as in item E, the method to allocate significant expense categories to the Government of Guam plan should be explained.
7. Some of the expenses listed in item 4 will not ordinarily change proportionally if the premium is more or less than expected. This question is designed to get an understanding of this effect in your organization.
8. Many companies allow interest to a group policyholder on the difference between premiums received and the total of expenses incurred and claims paid. You should indicate if you would allow this interest and the rate applicable for the contract year you are bidding on. If you will allow interest only on part of the funds, such as an unrevealed claim reserve, you should show what funds you do allow interest on.

**Exhibit P (Exhibit B Part 3, #1)
Premium and Retention Quotation for
Contract Year October 2016 to September 2017**

1) GovGuam Proposed FY17 PPO1500 Plan

Monthly Premium Proposed

Class	Active Employees	Retirees below age 65	Retirees age 65 and over
I. Single			
II. Single + Spouse			
III. Single + Child(ren)			
IV. Single + Family			

1. Anticipated total premium in contract year assuming December 2014 enrollment provided in RFP	
2. Percent of premium to be used to pay incurred claims or refunds to employees (assuming December 2014 enrollment provided in RFP)	
3. Balance of premium, in percent	
4. Disposition of balance of premium, in percent:	
A. Commissions	None
B. Administrative Services or other fees	
C. Claim payment expense	
D. Reinsurance expense	
E. General and overhead Expense	
F. Gross receipts tax	
G. Increase in Returnable reserves	
H. Charges for risks or contingencies	
I. Profit	
J. Total (must equal 3 above)	
5. Please explain how items 4C, D, E, G, H and I are computed	
6. How will these expenses in percentages be affected if employees covered are 25% more or less than shown in 2?	
7. Will interest be allowed on unrevealed claim reserves and other funds of the Government of Guam held by the undersigned?	
8. If yes, at what rate?	

**Exhibit P (Exhibit B Part 3, #2)
Premium and Retention Quotation for
Contract Year October 2016 to September 2017**

2) GovGuam Proposed FY17 HSA2000 Plan

Monthly Premium Proposed

Class	Active Employees	Retirees below age 65	Retirees age 65 and over
I. Single			
II. Single + Spouse			
III. Single + Child(ren)			
IV. Single + Family			

1. Anticipated total premium in contract year assuming December 2014 enrollment provided in RFP	
2. Percent of premium to be used to pay incurred claims or refunds to employees (assuming December 2014 enrollment provided in RFP)	
3. Balance of premium, in percent	
4. Disposition of balance of premium, in percent:	
A. Commissions	None
B. Administrative Services or other fees	
C. Claim payment expense	
D. Reinsurance expense	
E. General and overhead Expense	
F. Gross receipts tax	
G. Increase in Returnable reserves	
H. Charges for risks or contingencies	
I. Profit	
J. Total (must equal 3 above)	
5. Please explain how items 4C, D, E, G, H and I are computed	
6. How will these expenses in percentages be affected if employees covered are 25% more or less than shown in 2?	
7. Will interest be allowed on unrevealed claim reserves and other funds of the Government of Guam held by the undersigned?	
8. If yes, at what rate?	

**Exhibit P (Exhibit B Part 3, #3)
 Premium and Retention Quotation for
 Contract Year October 2016 to September 2017**

3) GovGuam Proposed FY17 Dental Plan (for those enrolled in PPO1500 or HSA2000 Plans)

Monthly Premium Proposed

Class	Active Employees	Retirees below age 65	Retirees age 65 and over
I. Single			
II. Single + Spouse			
III. Single + Child(ren)			
IV. Single + Family			

1. Anticipated total premium in contract year assuming December 2014 enrollment provided in RFP	
2. Percent of premium to be used to pay incurred claims or refunds to employees (assuming December 2014 enrollment provided in RFP)	
3. Balance of premium, in percent	
4. Disposition of balance of premium, in percent:	
A. Commissions	None
B. Administrative Services or other fees	
C. Claim payment expense	
D. Reinsurance expense	
E. General and overhead Expense	
F. Gross receipts tax	
G. Increase in Returnable reserves	
H. Charges for risks or contingencies	
I. Profit	
J. Total (must equal 3 above)	
5. Please explain how items 4C, D, E, G, H and I are computed	
6. How will these expenses in percentages be affected if employees covered are 25% more or less than shown in 2?	
7. Will interest be allowed on unrevealed claim reserves and other funds of the Government of Guam held by the undersigned?	
8. If yes, at what rate?	

**Exhibit P (Exhibit B Part 3, #4)
Premium and Retention Quotation for
Contract Year October 2016 to September 2017**

4) Provide the percentage of guaranteed retention for the proposed FY17 PPO1500, HSA2000, Dental, and RSP.

Guaranteed retention:	Percentage
1) PPO1500	
2) HSA2000	
3) Dental	
4) RSP	

**Exhibit P (Exhibit B Part 3, #5a)
 Premium and Retention Quotation for
 Contract Year October 2016 to September 2017**

5a) Quote for a Retiree Supplemental Plan for all eligible retirees, survivors age 65 and older, and eligible retirees and survivors under 65 years of ages with a disability or ESRD. This will be a stand-alone product to be made available to eligible retirees and/or survivors who are insured with Medicare Parts A&B, and to those eligible retirees and survivors who have Medicare Parts A & B due to a disability or ESRD. Assume that an eligible subscriber who would otherwise enroll in Class 1 PPO or HSA plan may only enroll in the Retiree Supplemental Plan (RSP). Include any impact to proposed rates for the PPO1500 and HSA2000 plans.

**Retiree Supplemental Plan
 Monthly Premium Proposed**

Class	Active Employees	Retirees below age 65	Retirees above age 65
I. Single			
II. Single + Spouse			

Adjustment to PPO1500 Plan rates (if any) due to Retiree Supplemental Plan

Class	Active Employees	Retirees below age 65	Retirees above age 65
I. Single			
II. Single + Spouse			

Adjustment to HSA2000 Plan rates (if any) due to Retiree Supplemental Plan

Class	Active Employees	Retirees below age 65	Retirees above age 65
I. Single			
II. Single + Spouse			

**Exhibit P (Exhibit B Part 3, #5b)
 Premium and Retention Quotation for
 Contract Year October 2016 to September 2017**

5b) Dental coverage for Retiree Supplemental Plan participants

**Dental Plan for Retiree Supplemental Plan participants
 Monthly Premium Proposed**

Class	Active Employees	Retirees below age 65	Retirees above age 65
I. Single			
II. Single + Spouse			

Adjustment to Dental Plan rates for Actives (if any) due to Retiree Dental Plan

Class	Active Employees	Retirees below age 65	Retirees above age 65
I. Single			
II. Single + Spouse			

**Exhibit P (Exhibit B Part 3, #6)
Premium and Retention Quotation for
Contract Year October 2016 to September 2017**

6) Foster Plan

**In-Network Benefits Covered at 100%
Monthly Premium Proposed**

a) Medical Plan	Child
I. Single	
b) Dental Plan	Child
I. Single	

**Exhibit P (Exhibit B Part 3, #7 - #13)
Premium and Retention Quotation for
Contract Year October 2016 to September 2017**

Alternative Plan Design Components - Questions #7 to #13 from Exhibit B Part 3

Plan Design Alternative	Provide Rate Impact to:				
	PPO1500 Plan	HSA2000 Plan	Retiree Supplemental	Dental Plan	Foster Plan
7. Proposal for the same plan details as the Proposed FY15 PPO1500 but with a \$1,300 annual individual and \$2,600 annual family deductible. All other plan details remain the same.					
8. Quote for two-year contract term					
9. Treatment for Tuberculosis					
10. Outpatient labs covered at 100%					
11. Dental Plan alternatives: (Note: please specify separate impact to Retirees and Actives, if applicable)					
a) Annual Maximum at \$1,500					
b) Annual Maximum at \$2,000					
12. Dental rates for unbundled coverage from the Medical Plan.					
13. For Major Dental and Replacement care:					
a) Participating provider covered at 70%					
b) Non-participating provider covered at 45%					

EXHIBIT Q

COMPLIANCE WITH Title 4 GCA § 4302 (g)

REPORTING GUIDELINES FOR HEALTH INSURANCE CARRIERS

These reporting guidelines apply to all health insurance carriers (including health insurance companies and health maintenance organizations) contracting with or intending to contract with the Government of Guam.

A. Monthly Reporting

Each carrier shall provide the following reports on a monthly claims paid basis, in electronic format, to The Government of Guam and the Consultant representing the Government of Guam:

1. Paid (not incurred) claims by month, separated by Medical, Drug, Vision, and Dental

Month	Plan	Employer-Payor (Department)	Claim Category	Claim Count	Amount

2. Enrollment by month, by plan, by class/tier and any other subgroup levels as requested by the Government

Month_Year	Payor (Dept)	Member	Plan	Class	Enrollment Total

3. Total paid premiums by month

Date	Payor (Dept)	Premiums Paid

4. Large claim information (dollar amounts, by plan, and diagnosis, not including any personal identifiers)

Claim_ID	Month Year	Plan	Claim Type	Amount	Drug	Diagnosis	Provider

5. Claims by type of service (i.e. hospital, physician, ER, etc.)

Plan	Service	Amount

6. Top Rx usage (highest utilized drugs)

Month Year	Brand Name	Generic Name	Number of Scripts	Total Claim Cost

7. Utilization information (average cost of hospital stay, number of physician visits, etc.)

Utilization	Month Year	HSA2000	PPO1500	Retiree HSA2000	Retiree PPO1500	Retiree RSP
Number Of Hospital Confinements						

Number Of Days Hospitalized						
Average Days Of Confinement						
Average Hospital Charges						
Average Hospital Payments						
Number of Outpatient Physician Visits						
Average Cost of Outpatient Physician Visits						
Average Hospital Charges						
Average Hospital Payments						
Professional Procedures						
Average Cost of Professional Procedures						
Number of Brand Prescriptions Filled						
Number of Generic Prescriptions Filled						
Average Brand Prescriptions Cost						
Average Brand Generic Cost						

8. Gym Utilization

DEPARTMENT	EMPLOYEE Memberships	DEPENDENTS Memberships	MONTHLY Premiums	Premiums To Date
DOA				
GIAA				
GCC				
GHURA				
GUAM HOUSNG				
LEGISLATURE				
GMHA				
GPA				
GPSS				
GVB				
GWA				
PAG				
PUBLIC DEFENDER				
RETIREE/SURVIVOR				
UOG				
RETIREMENT STAFF				
TOTAL				

Attendance by Month

MONTH	GOVGUAM
OCTOBER	
NOVEMBER	
DECEMBER	
JANUARY	

FEBRUARY	
MARCH	
APRIL	
MAY	
JUNE	
JULY	
AUGUST	
SEPTEMBER	

The cumulative data for the current fiscal year is due no later than the 5th of each month, with the run date of the report.

In addition, quarterly data submissions are required by the 5th of the month immediately following the end of the quarter. The penalty for non-compliance of this statutory requirement is 2.5% of monthly premiums. This amount will be refunded to the Government of Guam for each quarter the above data is not provided as specified in Public Law 30-93.

AGREEMENT TO REPORTING GUIDELINES

By signing below, the offeror agrees to comply with the reporting guidelines and that this agreement will be incorporated as an addendum into the contract.

Health Plan: _____

Signature: _____

Title: _____

Date: _____

EXHIBIT R
GOVERNMENT OF GUAM
Data Requirements

Subject to 4 GCA § 4302 (g), the Offeror must satisfy at a minimum the monthly data requirements outlined below. Plans must also submit a corresponding data dictionary describing the data provided.

1. A unique contract identifier that links detailed demographic, claims utilization, and cost information
2. Enrollment by Plan, Tier/Class, Employment Status, and other Subgroups as required by the Government
3. Patient demographics including date of birth, gender, and relationship to subscriber
4. Medical, Dental, Vision and Wellness claims by line detail, including:
 - a. Diagnosis code (ICD9 or ICD10)
 - b. Procedure codes (CPT, HCPC, CDT)
 - c. Revenue codes
 - d. Service dates
 - e. Service provider, including:
 - i. Name
 - ii. Tax ID
 - iii. Provider ID
 - iv. Specialty code
 - v. City
 - vi. State
 - vii. Zip code
 - f. Plan payments
 - g. Member payment responsibility, including:
 - i. Copay
 - ii. Coinsurance
 - iii. Deductible
 - h. Claim paid date
 - i. Type of bill
 - j. Facility type
5. Prescription Drug claims by line detail, including:
 - a. NDC codes
 - b. Formulary tier identifier
 - c. Pharmacy, including:
 - i. Name
 - ii. Provider ID
 - iii. City
 - iv. State
 - v. Zip code
 - d. Plan payments
 - e. Member payment responsibilities, including:
 - i. Copay
 - ii. Coinsurance
 - iii. Deductible
 - f. Claim paid date
 - g. Injectable drug indicator
 - h. GPI number
 - i. Ingredient cost
 - j. Dispensing fee
 - k. Rebate
6. Gym Utilization / Membership
 - a. Data to capture utilization information as follows:
 - i. Number of members per month utilizing the gym;

- ii. Frequency of use per member per month;
 - iii. Census data by age, gender, and by active/retiree/dependents;
 - iv. Same reporting frequency as medical claims data.
7. Any other detailed demographic, claims utilization, or cost information requested by the Invitation to Bid (ITB) negotiation team for the fiscal year following the current fiscal year.

EXHIBIT S
GOVERNMENT OF GUAM

GovGuam PPO1500 Schedule of Benefits

Your Benefits: What your plan covers	Participating Providers	Non-Participating Providers
Deductible Per Individual Member	\$1,500	\$3,000
Deductible Per Family If a member meets their \$1,500 deductible, the plan begins to pay for covered services for that individual	\$3,000	\$9,000
Coverage Maximums Individual member annual maximum	None	None
Out of Pocket Maximums (including accumulated deductible and copays) Per Individual member per policy year Per Family per policy year	\$3,000 \$9,000	No Maximum
Any Services in the Philippines, Hawaii & the U.S. Mainland (Pre-Certification Required)	Requires a referral from your doctor and approval in advance from the plan	
Deductible and Co-Pay do not apply to these benefits when you go to a Participating Provider:	Participating Providers	Non-Participating Providers (after deductible is met)
Preventative Services (Out-Patient Only) In accordance with the guidelines established by the U.S. Preventive Services Task Force (USPSTF) Grades A and B recommendations <ul style="list-style-type: none"> Members may choose to receive age appropriate annual physical in the Philippines with no dollar limit Includes preventive lab tests 	Plan pays 100%	Not Covered
Immunizations/Vaccinations In accordance with the guidelines established by the Advisory Committee on Immunization Practices	Plan pays 100%	Not Covered
Pre-Natal Care Including Routine Labs and 1st Ultrasound	Plan pays 100%	Not Covered
Well-Child Care Infancy (Newborn to nine months) Maximum seven visits Early Childhood (One to four years old) Maximum seven visits Middle Childhood / Adolescence (Five to 17 years old) Maximum one visit/year In accordance with the Bright Futures/American Academy of Pediatrics recommendations for Preventive Pediatric Health Care	Plan pays 100%	Not Covered
Well-Woman Care In accordance with the guidelines supported by the Health Resources and Services Administration (HRSA) Including Tubal Ligation	Plan pays 100%	Not Covered
Deductible does not apply to these benefits when you go to a Participating Provider:	Participating Providers	Non-Participating Providers (after deductible is met)
Annual Eye Exam Once per Member per Plan Year	\$20 Member Co-Pay Covered in Guam Only	Not Covered

Outpatient Physician Care & Services 1. Primary Care Visits 2. Specialist Care Visits 3. Voluntary Second Surgical Opinion 4. Home Health Care Visit 5. Hospice Care in Guam only, maximum 180 days (Pre-Certification Required) 6. Outpatient Laboratory 7. X-Ray Services 8. Injections (Does not include those on the Specialty Drugs List and Orthopedic injections)	\$20 Member Co-Pay \$40 Member Co-Pay \$40 Member Co-Pay \$20 Member Co-Pay \$40 Member Co-Pay \$20 Member Co-Pay \$20 Member Co-Pay \$20 Member Co-pay	Plan pays 70%* Member pays 30% Plan pays 70%* Member pays 30% Plan pays 70%* Member pays 30% Plan pays 70%* Member pays 30% Not Covered Plan pays 70%* Member pays 30% Plan pays 70%* Member pays 30% Plan pays 70%* Member pays 30%
Prescription Drugs 1. Formulary generic drugs per prescription unit 2. Formulary brand name drugs per prescription unit 3. Mail Order 4. Non-Formulary (Medically Necessary Only and Pre-Certification Required) 5. Specialty Drugs (Medically Necessary Only and Pre-Certification Required)	\$15 Member Co-Pay (30 day supply) \$30 Member Co-Pay (30 day supply) \$0 Member Co-Pay \$30 Member Co-Pay (30 day supply) \$60 Member Co-Pay (30 day supply)	Plan pays 50% of Average Wholesale Price Plan pays 50% of Average Wholesale Price Plan pays 50% of Average Wholesale Price Plan pays 50% of Average Wholesale Price Not Covered
Deductible must be met for the following services:	Participating Providers (after deductible is met)	Non-Participating Providers (after deductible is met)
Acupuncture 30 visits per member per plan year	Plan pays 80%; Member pays 20%	Not Covered
AIDS Treatment Exclusive of Experimental drugs	Plan pays 80%; Member pays 20%	Not Covered
Airfare Benefit to Centers of Excellence only For members who meet qualifying conditions, Plan provides roundtrip airfare (Plan Approval Required)	Plan pays 100%	Not Covered
Allergy Testing \$1000 per member per plan year	Plan pays 80%; Member pays 20%	Plan pays 70%*, Member pays 30%
Ambulatory Surgi-center Care (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Blood & Blood Derivatives	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Breast Reconstructive Surgery (In accordance with 1998 W.H.C.R.A)	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Cardiac Surgery	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Cataract Surgery Outpatient Only (including conventional lens)	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Chemical Dependency	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Chemotherapy Benefit	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Chiropractic Care 30 visits per member per plan year	Plan pays 80%; Member pays 20%	Not Covered
Congenital Anomaly Diseases Coverage	Plan pays 80%; Member pays 20%	Not Covered
Diagnostic Testing MRI, CT scan, and other diagnostic procedures (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%

Durable Medical Equipment (DME) The lesser amount between the Purchase or Rental of crutches, walkers, wheelchairs, hospital beds, suction machines, nebulizer machine, C Pap machine or oxygen and accessories when prescribed by a Physician (Pre-Certification Required)	Plan pays 80%; Member pays 20% of the total rental cost or purchase	Not Covered
Elective Surgery (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Emergency Care 1. On/Off Island emergency facility, physician services, laboratory, X-rays 2. Ambulance Services (Ground Transportation Only) For off-island emergencies, Plan must be contacted and advised within 48 hours	Plan pays 80%; Member pays 20%	Plan pays 80% Member pays 20%
End Stage Renal Disease / Hemodialysis	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Hearing Aids Maximum \$500 per member per plan year	Plan pays 80%; Member pays 20%	Not Covered
Hospitalization & Inpatient Benefits 1. Room & Board for a semi-private room, intensive care, coronary care and surgery 2. All other inpatient hospital services including laboratory, x-ray, operating room, anesthesia and medication 3. Physician's hospital services	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Implants Limited to cardiac pacemakers, heart valves, stents, Intraocular lenses, orthopedic internal prosthetic devices (Limitations apply, please refer to contract)	Plan pays 80%; Member pays 20%	Plan pays 50%* Member pays 50%
Inhalation Therapy	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Maternity Care Labor and Delivery	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Mental Health Care	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Nuclear Medicine (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Occupational Therapy 20 Visits per Plan Year (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Not Covered
Organ Transplant – including but not limited to: Heart, Lung, Liver, Kidney, Pancreas, Intestine, Bone Marrow, Cornea	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Orthopedic Conditions Internal and External Prosthesis	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Physical Therapy (Pre-Certification Required)	Plan pays 80% for the first 20 visits and 50% thereafter	Plan pays 70%* Member pays 30%
Radiation Therapy (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Robotic Surgery/Robotics Suite (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%

Skilled Nursing Facility Maximum 60 days per member per plan year (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Sleep Apnea Diagnostics and Therapeutic Procedure (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Not Covered
Sterilization Procedures Vasectomy (Outpatient Only)	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Urgent Care	\$10 Member Co-pay	Plan pays 70%* Member pays 30%
Additional Benefits: What the Plan Covers		
Wellness and Fitness Benefit		
1. Wellness Benefit at a Wellness Center (Pre-Certification Required)	Plan pays 80% of the first \$200 Member pays 20% of the first \$200 Plan pays 50% of charges thereafter	Not Covered
2. Fitness Benefit Plans must base their quote on an enrollment cap of 10,000 members	Plan pays 100%	Not Covered

* Of Eligible Charges

EXHIBIT S (continued)
GOVERNMENT OF GUAM

GovGuam HSA2000 Schedule of Benefits

Your Benefits: What your plan covers	Participating Providers	Non-Participating Providers
Deductible Per Individual Member	\$2,000	\$4,000
Deductible Per Family If a member meets their \$2,600 deductible, the plan begins to pay for covered services for that individual	\$4,000	\$12,000
Coverage Maximums Individual member annual maximum	None	None
Out of Pocket Maximums (including accumulated deductible and copays) Per Individual member per policy year Per Family per policy year	\$4,000 \$12,000	No Maximum
Any Services in the Philippines, Hawaii & the U.S. Mainland (Pre-Certification Required)	Requires a referral from your doctor and approval in advance from the plan	
Deductible and Co-Pay do not apply to these benefits when you go to a Participating Provider:	Participating Providers	Non-Participating Providers (after deductible is met)
Preventative Services (Out-Patient Only) In accordance with the guidelines established by the U.S. Preventive Services Task Force (USPSTF) Grades A and B recommendations	Plan pays 100%	Not Covered
Immunizations/Vaccinations In accordance with the guidelines established by the Advisory Committee on Immunization Practices	Plan pays 100%	Not Covered
Pre-Natal Care Including Routine Labs and 1st Ultrasound	Plan pays 100%	Not Covered
Well-Child Care Infancy (Newborn to nine months) Maximum seven visits Early Childhood (One to four years old) Maximum seven visits Middle Childhood / Adolescence (Five to 17 years old) Maximum one visit/year In accordance with the Bright Futures/American Academy of Pediatrics recommendations for Preventive Pediatric Health Care	Plan pays 100%	Not Covered
Well-Woman Care In accordance with the guidelines supported by the Health Resources and Services Administration (HRSA) Includes Tubal Ligation	Plan pays 100%	Not Covered
Deductible must be met for the following services:	Participating Providers (after deductible is met)	Non-Participating Providers (after deductible is met)
Acupuncture 30 visits per member per plan year	Plan pays 80%; Member pays 20%	Not Covered
AIDS Treatment Exclusive of Experimental drugs	Plan pays 80%; Member pays 20%	Not Covered
Airfare Benefit to Centers of Excellence only For members who meet qualifying conditions, Plan provides roundtrip airfare (Plan Approval Required)	Plan pays 100%	Not Covered
Allergy Testing	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%

\$1000 per member per plan year		
Ambulatory Surgi-center Care (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Annual Eye Exam Once per Member per Plan Year	\$20 Member Co-Pay Covered in Guam Only	Not Covered
Blood & Blood Derivatives	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Breast Reconstructive Surgery (In accordance with 1998 W.H.C.R.A)	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Cardiac Surgery	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Cataract Surgery Outpatient Only (including conventional lens)	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Chemical Dependency	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Chemotherapy Benefit	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Chiropractic Care 30 visits per member per plan year	Plan pays 80%; Member pays 20%	Not Covered
Congenital Anomaly Diseases Coverage	Plan pays 80%; Member pays 20%	Not Covered
Diagnostic Testing MRI, CT scan, and other diagnostic procedures (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Durable Medical Equipment (DME) The lesser amount between the Purchase or Rental of crutches, walkers, wheelchairs, hospital beds, suction machines, nebulizer machine, C Pap machine or oxygen and accessories when prescribed by a Physician (Pre-Certification Required)	Plan pays 80%; Member pays 20% of the total rental cost or purchase	Not Covered
Elective Surgery (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Emergency Care 1. On/Off Island emergency facility, physician services, laboratory, X-rays 2. Ambulance Services (Ground Transportation Only) For off-island emergencies, Plan must be contacted and advised within 48 hours	Plan pays 80%; Member pays 20%	Plan pays 80%* Member pays 20%*
End Stage Renal Disease / Hemodialysis	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Hearing Aids Maximum \$500 per member per plan year	Plan pays 80%; Member pays 20%	Not Covered
Hospitalization & Inpatient Benefits 1. Room & Board for a semi-private room, intensive care, coronary care and surgery 2. All other inpatient hospital services including laboratory, x-ray, operating room, anesthesia and medication 3. Physician's hospital services	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Implants Limited to cardiac pacemakers, heart valves, stents, Intraocular lenses, orthopedic internal prosthetic devices (Limitations apply, please refer to contract)	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Inhalation Therapy	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Maternity Care Labor and Delivery	Plan pays 80%; Member pays 20%	Plan pays 70%* Member pays 30%
Mental Health Care	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Nuclear Medicine (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%

Occupational Therapy 20 Visits per Plan Year (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Not Covered
Organ Transplant – including, but not limited to: Heart, Lung, Liver, Kidney, Pancreas, Intestine, Bone Marrow, Cornea	Plan pays 80%; Member pays 20%	Plan pays 50%*Member pays 50%
Orthopedic Conditions Internal and External Prosthesis	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Outpatient Physician Care & Services 1. Primary Care Visits 2. Specialist Care Visits 3. Voluntary Second Surgical Opinion 4. Home Health Care Visit 5. Hospice Care in Guam only, maximum 180 days (Pre-Certification Required) 6. Outpatient Laboratory 7. X-Ray Services 8. Injections (Does not include those on the Specialty Drugs List and Orthopedic injections)	\$20 Member Co-Pay \$40 Member Co-Pay \$40 Member Co-Pay \$20 Member Co-Pay \$40 Member Co-Pay \$20 Member Co-Pay \$20 Member Co-Pay \$20 Member Co-pay	Plan pays 50%* Member pays 50% Plan pays 50%* Member pays 50% Plan pays 50%* Member pays 50% Plan pays 50%* Member pays 50% Not Covered Plan pays 50%* Member pays 50% Plan pays 50%* Member pays 50% Plan pays 50%* Member pays 50%
Physical Therapy (Pre-Certification Required)	Plan pays 80% for the first 20 visits and 50% thereafter	Plan pays 50%*, Member pays 50%
Prescription Drugs 1. Formulary generic drugs per prescription unit 2. Formulary brand name drugs per prescription unit 3. Mail Order 4. Non-Formulary (Medically Necessary Only and Pre-Certification Required) 5. Specialty Drugs (Medically Necessary Only and Pre-Certification Required)	\$15 Member Co-Pay (30 day supply) \$30 Member Co-Pay (30 day supply) \$0 Member Co-Pay \$30 Member Co-Pay (30 day supply) \$60 Member Co-Pay (30 day supply)	Plan pays 50% of Average Wholesale Price Plan pays 50% of Average Wholesale Price Plan pays 50% of Average Wholesale Price Plan pays 50% of Average Wholesale Price Not Covered
Radiation Therapy (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Robotic Surgery/Robotics Suite (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Skilled Nursing Facility Maximum 60 days per member per plan year (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Sleep Apnea Diagnostics and Therapeutic Procedure (Pre-Certification Required)	Plan pays 80%; Member pays 20%	Not Covered
Sterilization Procedures Vasectomy (Outpatient Only)	Plan pays 80%; Member pays 20%	Plan pays 50%*, Member pays 50%
Urgent Care	\$10 Member co-pay	Plan pays 50%*Member pays 50%
Additional Benefits: What the Plan Covers		
Wellness and Fitness Benefit		
1. Wellness Benefit at a Wellness Center (Pre-Certification Required)	Plan pays 80% of the first \$200 Member pays 20% of the first \$200 Plan pays 50% of charges thereafter	Not Covered
2. Fitness Benefit Plans must base their quote on an enrollment cap of 10,000 members	Plan pays 100%	Not Covered

* Of Eligible Charges

Retiree Supplemental Plan Schedule of Benefits

YOUR BENEFITS: WHAT NETCARE COVERS	When you go to participating provider Retiree Supp Plan pays after Member Share ¹	When you go to participating provider Member pays after deductible
OUT OF AREA SERVICES Any service outside Guam that include but not limited to Philippines, Hawaii, U.S. Mainland, Japan, Taiwan, and any foreign participating providers.	Pre-certification is required for all out of area services.	
Plan Maximum	Unlimited	
	Retiree Supp Plan Pays	Member Pays
PREVENTIVE SERVICES (Outpatient Only) In accordance with guidelines established by the USPSTF Grades A & B, and PPACA. 1. Annual Routine Physical Exam 2. Preventive Laboratory Service 3. Counseling and Health Screenings 4. Philippine Annual Routine Physical Exam <ul style="list-style-type: none"> • May choose age appropriate physical exam • No dollar limit 	Nothing	Nothing
Immunizations/Vaccinations In accordance with guidelines established by the Advisory Committee on Immunization Practices	Nothing	Nothing
WELL-WOMAN CARE In accordance with the guidelines supported by the Health Resources and Services Administration (HRSA) and the Women's Health and Cancer Act	Nothing	Nothing
	Retiree Supp Plan pays after Member Share ¹	Member Pays
ANNUAL EYE EXAM One Exam per Member per Plan Year	Plan Pays 100% Covered on Guam Only	Nothing
OUTPATIENT PHYSICIAN CARE & SERVICES	20% co-insurance	Nothing
1. Primary Care Visit		
2. Specialist Care Visit	20% co-insurance	Nothing
3. Urgent Care Visit	Medicare Part B deductible Then 20% co-insurance	Nothing
4. Voluntary Second Surgical Opinion	20% co-insurance	Nothing
5. Home Health Care Visit	Nothing	Nothing
6. Hospice (Pre-Certification Required) <ul style="list-style-type: none"> • Guam Only 	80% co-insurance	20% co-insurance
<ul style="list-style-type: none"> • Maximum 180 Days 		
7. Outpatient Laboratory (diagnostic or non-preventive labs)	Nothing	Nothing
8. X-ray Services	Medicare Part B deductible Then 20% co-insurance	Nothing

9. Injections	20% co-insurance	Nothing
(Does not include those on the Specialty Drug List and Orthopedic Injections)		
PRESCRIPTION DRUGS		\$15 Co-Pay (30 day supply)
1. Formulary Generic Drugs (per prescription unit)		
2. Formulary Brand Name Drugs (per prescription unit)		\$30 Co-Pay (30 day supply)
3. Mail Order Drugs		\$0 Co-Pay (90 day supply)
4. Non-Formulary Drugs (Medically Necessary Only and Pre-Certification Required)		\$30 Co-Pay (30 day supply)
5. Specialty Drugs (Medically Necessary Only and Pre-Certification Required)		\$60 Co-Pay (30 day supply)
	Retiree Supp Plan pays after Eligible charges after Member share'	When you go to participating provider Member pays after deductible
ACUPUNCTURE 30 visits per member per plan year	Plan pays 80%	Member pays 20%
AIDSTREATMENT Exclusive of Experimental drugs	Plan pays 80%	Member pays 20%
AIRFARE BENEFIT TO CENTERS OF CARE Members must meet qualifying conditions. The Plan provides roundtrip airfare upon required Plan approval.	Plan Pays 100%	Nothing
		GovGuam Retiree Supplemental
	Retiree Supp Plan pays after Eligible charges after Member share'	When you go to participating provider Member pays after deductible
ALLERGY TESTING \$1,000 per member per plan year	Plan pays 80%	Member pays 20%
AMBULATORY SURGI-CENTER CARE (Pre-Certification Required)	Plan pays 80%	Member pays 20%
BLOOD & BLOOD DERIVATIVES	Plan pays 80%	Member pays 20%
BREAST RECONSTRUCTIVE SURGERY In accordance with 1998 W.H.C.R.A.	Plan pays 80%	Member pays 20%
CARDIAC SURGERY	Plan pays 80%	Member pays 20%
CATARACT SURGERY (OUTPATIENT) Includes Conventional Lens	Plan pays 80%	Member pays 20%
CHEMICAL DEPENDENCY	Plan pays 80%	Member pays 20%
CHEMOTHERAPY BENEFIT	Plan pays 80%	Member pays 20%
CHIROPRACTIC CARE 30 Visits per Member per plan year	Plan pays 80%	Member pays 20%
CONGENITAL ANOMALY DISEASES COVERAGE	Plan pays 80%	Member pays 20%
DIAGNOSTIC TESTING (Pre-Certification Required) • MRI, CT Scan, and other diagnostic procedures	Plan pays 80%	Member pays 20%
DURABLE MEDICAL EQUIPMENT (DME) The lesser amount between the purchase or rental when prescribed by a Physician. (Pre-Certification Required) • Crutches • Suction Machine • Walkers • Nebulizer Machine • Wheelchair • Oxygen • Hospital Beds • CPAP Machine	Plan pays 80%	Member pays 20% of the total rental cost or purchase
ELECTIVE SURGERY (Pre-Certification Required)	Plan pays 80%	Member pays 20%
EMERGENCY CARE Plan must be contacted and advised within 48 hours for off-island emergencies 1. On/Off Island emergency facility, physician services, laboratory, x-rays 2. Ambulance Services (Ground Transportation Only)	Plan pays 80%	Member pays 20%

END STAGE RENAL DISEASE / HEMODIALYSIS	Plan pays 80%	Member pays 20%
HEARING AIDS Maximum \$500 per member per plan year	Plan pays 80%	Member pays 20%
HOSPITALIZATION & INPATIENT BENEFITS 1. Room & Board for semi-private room, Intensive care, coronary care and surgery 2. All other inpatient hospital services including laboratory, x-ray, operating room, anesthesia and medication. 3. Physician's Hospital Services	Plan pays 80%	Member pays 20%
IMPLANTS (Pre-Certification Required) Limitations apply, please refer to contract. Limited to the following: • Cardiac Pacemakers • Intraocular Lens • Heart Valves • Orthopedic Internal Prosthetic Devices • Stents	Plan pays 80%	Member pays 20%
INHALATION THERAPY	Plan pays 80%	Member pays 20%
MENTAL HEALTH CARE	Plan pays 80%	Member pays 20%
NUCLEAR MEDICINE (Pre-Certification Required)	Plan pays 80%	Member pays 20%
OCCUPATIONAL THERAPY 20 visits per member per plan year (Pre-Certification Required)	Plan pays 80%	Member pays 20%
ORGAN TRANSPLANT (Donor Expenses are covered) (Pre-Certification Required) Coverage includes but not limited to: • Heart • Kidney • Bone Marrow • Lung • Pancreas • Cornea • Liver • Intestine	Plan pays 80%	Member pays 20%
ORTHOPEDIC CONDITIONS • Internal and External Prostheses	Plan pays 80%	Member pays 20%
GovGuam Retiree Supplemental		
	Retiree Supp Plan pays after Eligible charges after Member share ¹	When you go to participating provider Member pays after deductible
PHYSICAL THERAPY (Pre-Certification Required)	Plan pays 80% for the first 20 visits and 50% thereafter	Member pays 20% for the first 20 visits and 50% thereafter
RADIATION THERAPY (Pre-Certification Required)	Plan pays 80%	Member pays 20%
ROBOTIC SURGERY/ROBOTICSSUITE (Pre-Certification Required)	Plan pays 80%	Member pays 20%
SKILLED NURSING FACILITY • Maximum 60 Days per Member per plan year (Pre-Certification Required)	Plan pays 80%	Member pays 20%
SLEEP APNEA • Diagnostics and Therapeutic Procedure (Pre-Certification Required)	Plan pays 80%	Member pays 20%
STERILIZATION PROCEDURES 1. Vasectomy (Outpatient Only)	Plan pays 80%	Member pays 20%
VISION 1. Eye Glasses • Frames • Eyeglass Fitting 2. Eye Glass Lenses • Single Vision Lenses • Bifocal Lenses • Trifocal Lenses • Lenticular/Aphakic Lenses 3. Contact Lenses	Plan pays 100% up to \$150 per member per plan year	Nothing
ADDITIONAL BENEFITS: What the Plan Covers		
WELLNESS AND FITNESS BENEFIT 1. Wellness Benefit at a Wellness Center Member co-insurance may be reimbursed upon program completion (Pre-Certification Required)	Plan pays 80%	Member pays 20%
2. Fitness Benefit • Gym Enrollment • Plan pays up to \$15 per member per month for gym attendance 8 times per month	Plan pays 100% Plan pays up to \$180 Cash Reward	Not Covered

¹ Member share can be your Medicare Part A or Part B deductible. Once you have been billed \$147 of Medicare approved amounts for covered services, your Part B Deductible will have been met for the calendar year.

EXHIBIT S (continued)
GOVERNMENT OF GUAM
DENTAL

Your Benefits (subject to the specific limitations which are contained in the Group Health Certificate):

**Participating
Providers**

**Non-Participating
Providers**

DIAGNOSTIC & PREVENTIVE CARE		
<ul style="list-style-type: none"> 1. Caries Susceptibility Test 2. Exams (including Treatment Plan) (Once every 6 months) 3. Fluoride Treatment (Annually for children age 19 & under) 4. Prophylaxis (Cleaning and polishing of teeth) once every 6 months 5. Sealants (For permanent molars of children age 15 & under) 6. Space maintainers (For children age 15 & under) includes adjustments within 6 months of installation 7. Study Models 8. X-rays (Bite Wing Maximum of 4 per Plan Year) 9. X-rays (Full Mouth, once every 3 years) 	100% of Eligible Expenses	70% of Eligible Expenses
<p>BASIC & RESTORATIVE CARE</p> <p>General Services</p> <ul style="list-style-type: none"> 1. Emergency Services (during office hours). 2. Pulp Treatment. 3. Routine Fillings (amalgam and composite resin). 4. Simple Extractions. 5. Complicated Extractions. 6. Extraction of impacted teeth. 7. Periodontal Prophylaxis (cleaning and polishing once every six months) 8. Periodontal Treatment 9. Pulpotomy & Root Canals/Endodontic Surgery & Care 10. Conscious Sedation and Nitrous Oxide for children under the age of 13. 	80% of Eligible Expenses	70% of Eligible Expenses
<p>MAJOR & REPLACEMENT CARE</p> <p>Fixed Prosthetics</p> <ul style="list-style-type: none"> 1. Crowns and Bridges 2. Gold Inlays & Onlays 3. Replacement of Crown Restoration (limited once every 5 years) <p>Removable Prosthetics</p> <ul style="list-style-type: none"> 1. Full Dentures (Once every 5 years) 2. Partial Dentures (Once every 5 years) 3. Each anesthesia, but only if medically or dentally necessary 4. Refines 5. Denture Repair 	50% of Eligible Expenses	35% of Eligible Expenses
Deductible	None	None
Registration Fee per visit to Dentist	None	None
Coverage Maximums Per Member per Plan Year	\$1,000	
<p>Terms:</p> <ul style="list-style-type: none"> 1. Unused balances are not transferable to the following year. 2. Charges for Non-participating Providers are limited to the lesser of actual charges or the Company's determination of the usual, customary and reasonable charge in geographic location where the service was rendered, unless otherwise provided in the agreement. 3. The Covered member pays any excess above Eligible Charges. 		

EXHIBIT T – Listing of most utilized providers

Most utilized providers for plan year beginning October 2015
The top providers from the three carriers have been combined into one list.

Medical and Prescription Drug

Provider
CATAMARAN PBM OF ILLINOIS, INC.
GUAM MEMORIAL HOSPITAL
SEVENTH DAY ADVENTIST CLINIC
RSA-GUAM,LLC
ST. LUKE'S MEDICAL CENTER, GLOBAL CITY
GUAM RADIOLOGY CONSULTANTS
GOOD SAMARITAN HOSPITAL
AMERICAN MEDICAL CENTER, LLC
CEDARS SINAI MEDICAL CENTER
CANCER CENTER OF GUAM
DIAGNOSTIC LABORATORY SERVICES
RENAL CENTERS OF GUAM
RSA-TUMON, LLC
INTERNATIONAL HEALTH PROVIDER, LLC
LABTECH, INC.
FITNESS SOLUTIONS, INC. dba
GUAM SURGICENTER, LLC
ISLAND EYE CENTER
ST LUKES MEDICAL CENTER
STRAUB CLINIC AND HOSPITAL
OPTUM RX INC
GUAM MEMORIAL HOSPITAL & BANK OF GUAM
ISLAND CANCER CENTER
ORCHARD PHARMACEUTICALS S
GUAM SPECIALIST GROUP PLLC
CHILDRENS HOSPITAL OF LOS ANGELES
THE DOCTORS' CLINIC
VALLEY HOSPITAL MEDICAL
U.S. NAVAL HOSPITAL, GUAM
FHP PHARMACY GUAM
PACIFIC MEDICAL GROUP
THOMAS SHIEH, M.D.
ISLAND SURGICAL CENTER
PACIFIC CARDIOLOGY CONSULTANTS
ST. LUKE'S MEDICAL CENTER
YBL, PLLC
EXPRESSCARE HEALTH AND SKIN CENTER, INC.
ANNIE U. BORDALLO, MD
MISC. REIMBURSEMENT TO MEMBER - PAR
EUGENE W.M. NG, MD, LLC.
EDGARDO C. HIDALGO, MD
UCSF MEDICAL CENTER
SENTARA VA BEACH GEN
GUAM SEVENTH-DAY ADVENTIST CLINIC
PMC ISLA HEALTH SYSTEMS
Pacific Retina Specialists
SUTTER MEMORIAL HOSPITAL
MARIA B. BLANCAFLOR, MD
RAMEL A. CARLOS, MD
HEALTH SERVICES OF THE PACIFIC

Dental

Provider
CV ALEGRIA, DDS, INC.
ORDOT DENTAL CLINIC, LLP
SEVENTH DAY ADVENTIST DENTAL
ISA DENTAL CLINIC
TIMOTHY P. BRADY, DDS
ROBERT J. YANG, D.M.D.
REFLECTION CENTER DENTAL CARE
BEN MALABANAN, JR, DDS, INC.
PARADISE SMILES
MICHAEL A. FERNANDEZ, DDS
Hafa ADAI FAMILY DENTAL, PC
PEDIATRIC DENTAL CENTER
GENTLE CARE DENTAL ASSOC.
WILLIAM C. HIGHTOWER II, DDS
FAMILY DENTAL CENTER
DARIUS A. RICHARDSON, DMD, MD
STANLEY Y. YASUHIRO, DDS
C.V. ALEGRIA, DDS, INC.
ISA DENTAL
GCIC DENTAL OFFICE
KIM, JONG M.
C.V. ALEGRIA D.D.S., INC.
GAN ADVANCED OSSEOINTEGRATION CENTER, INC
TOM VELORIA, D.D.S.
THOMAS K. LEE, DDS
MISC. REIMBURSEMENT TO MEMBER - NONPAR
SUPIT, COLLETE E.
SULLIVAN, JOHN
TIMOTHY P. BRADY, D.D.S.
MALABANAN, BEN

EXHIBIT U

**GOVERNMENT OF GUAM
GROUP HEALTH INSURANCE
RULES AND REGULATION**

APRIL, 1986

**GOVERNMENT OF GUAM NEGOTIATING TEAM
RULES OF PROCEDURE**

Adopted by virtue of Public Law 32-083

November 2013

100.0 STATUTORY AUTHORITY:

100.1 Pursuant to the authority vested in the Director of Administration by Section 4302 (b), Title 4 of the Guam Code Annotated, as amended by Public Law 18-17:52, the following rules and regulations are promulgated setting forth the information the Director of Administration requires from the companies or legal entities interest in providing health care coverage and the method by which such information shall be reported.

 In accordance with that authority, all information and documentation required to be submitted under these rules and regulations shall be confidential and may not be disclosed or released by the Government of Guam without the prior written approval of the carrier. Note, however, that audited financial statements acquired by the Government of Guam pursuant to Section 4302(a), Title 4 of the Guam Code Annotated, shall be public records.

200.0 PURPOSE AND POLICY:

200.1 The purpose of these rules and regulations is to set up the standardization of the information the Director of Administration shall require from all existing or prospective carriers that desire to provide or continue to provide health care services to the Government of Guam active employees, retired employees, survivors of retired employees and covered dependents thereof.

The government is cognizant that not all carriers, insurance companies or legal entities operate on the same fiscal year or maintain universal fiscal, utilization, claim or similar health care industry required data. Consequently, each carrier shall make a good faith effort to supply the information required under these rules and regulations. If the carrier is unable to comply with a particular requirement, it shall submit a written statement to the Director of Administration prior to the deadline established in Section 300.1 explaining how it was not able to comply and what information it submitted in an effort to satisfy the requirements under these rules and regulations. The negotiating team shall review the documentation and determine whether the carrier has complied with the requirements. Nothing in these rules and regulations shall restrict the negotiating team from requiring additional information in order to ensure that uniform information is provided by each carrier.

200.2 By statue, the negotiating team has the authority to recommend for the scope and content of the Government of Guam group health/dental insurance programs.

200.3 The Director of Administration and the negotiating team are committed to the concept of providing Government of Guam enrollees with comprehensive health benefit plan and ensuring that such benefits are delivered efficiently and economically for all participants in the plan.

200.4 It is the policy of the Government of Guam to provide its enrollees to be covered by health benefits plan to be covered by health benefits plan under a minimum benefits package arrangement. The minimum benefits package is to be used uniformly when soliciting bids from any interested carriers authorized to provide these services pursuant to applicable laws. All benefits in any proposal are to be at least equal to those of the Government of Guam standard medical expense plan as mandated by Section 4302(d), Title 4 of the Guam Code Annotated. The carrier may propose additional benefits.

200.5 The minimum benefit package will be made available to all lawfully authorized carriers interested in providing coverage for the medical expenses of the Government of Guam enrollees.

200.6 The negotiating team shall require sufficient data from each carrier making a bid to be satisfied that the Government of Guam and its enrollees shall receive good value for their premium payments. In addition, each carrier that submits a proposal which has previously provided coverage for the Government of Guam enrollees shall provide reports of its past financial experience of the plan. All procedural and regulatory requirements shall be complied with on or before the deadline described in Section 300.1, unless the Director of Administration or the negotiating team determines that it is in the best interest of the enrollees to grant a waiver.

300.0 DEADLINE FOR SUBMISSION OF PROPOSAL:

300.1 All information required to be submitted by carriers under these rules and regulations shall be submitted no later than ten (10) days prior to the scheduled negotiation or within ten (10) days upon receipt of subsequent written notice of the Director of Administration. If a carrier fails to submit the required information, in part or in whole, the negotiating team need not negotiate or consider the carrier's proposal unless it determines that it is in the best interest of the Government to do so.

400.0 GENERAL BIDDING AND OPERATIONAL REQUIREMENTS:

400.1 Each carrier seeking to contract or continue to contract with the Government of Guam under the group health insurance plan shall provide the information in Section 500 of these rules and regulations and shall also furnish to the negotiating team or Director of Administration, as the case may be; information in writing on the points listed below. If the carrier is currently providing health benefits to GovGuam enrollees, any changes contained in its proposal set forth in items C and E of this paragraph shall be reported in writing to the negotiating team.

- A. A written statement to the negotiating team affirming the financial capacity of the plan to provide the proposed benefits. At a minimum, this demonstration shall include the carrier's audited profit and loss statement sheet and balance sheet for its preceding fiscal year.

If the company is not organized in the United States or Guam, the annual statements of its United States department shall be submitted to the Director of Administration. If the benefits are guaranteed in whole or in part by an insurance company, the post recent "convention form" of annual statement is to be furnished.

If some part or all of the funds of the plan are to be held by an administrator for such purposes as paying claims or refunds, the administrator is to indicate in writing to the negotiating team if he or she is willing to provide a fidelity bond and errors and omissions insurance that will suitably protect the Government of Guam in the event a contract is made with the administrator. The audited financial statements of the administrator for the most recent twelve (12) month period are also to be furnished to the Director of Administration.

- B. Carriers will be required to submit documentation to the Director of Administration that there exists an adequate mechanism for maintaining records on enrollees. The above-mentioned administrator or carrier shall provide a written statement to the negotiating team stating whether or not funds received from the Government of Guam have been maintained in a separate fiduciary account prior to payments made pursuant to its contractual obligation.
- C. Documentation to the Director of Administration that the carrier has an effective program for containing costs for medical services, hospital confinements and any other benefits shall be provided. This includes, but is not limited to, arrangements for:
1. Effective peer review and utilization review mechanisms for monitoring health care costs. This includes pre-admission authorization of the need for and allowable period of hospitalization, and ongoing review of hospital confinements that exceed the pre-authorized periods. Carrier shall be required to submit to the Director of Administration the most recent peer review and utilization report of the Government of Guam's account, but no later than 30 days after the date of the report.
 2. A mechanism for coordinating benefits when a person is insured by more than one health insurance plan for the same condition, to at least keep benefits from exceeding covered expenses incurred.
- D. Each carrier shall submit to the Director of Administration statistical report(s) showing utilization and claims data on the Government of Guam enrollees covered thereunder. If the plan's premium is community-rated, then the carrier shall provide some indication of the percentage the Government of Guam enrollees group represents of the total community covered by the carrier and the percentage of claims and expenses of the carrier incurred by the Government of Guam enrollees. The method of making this allocation is to be equitable and is to be explained to the Director of Administration. Each carrier shall provide specific information about the portion of

costs due to specific benefits. These benefits shall include but are not limited to hospitalization, physical examinations and mental care in and outside the hospital. Each carrier shall also provide enrollment information by age and sex of member, separately for enrollees.

- E. Each carrier shall set forth in writing to the Director of Administration the manner in which it handles medical costs and services provided to an enrolled individual in the event of an accident or illness which occurs while off-island, whether in a state of the United States or a foreign country. The carrier shall also indicate its practice for sending enrollees to a state or foreign country for treatment not obtainable in Guam.

500.0 **RATES AND RETENTIONS:**

500.1 Each carrier shall include in its proposal to the Director of Administration Form GHI-1. Each carrier shall identify whether the rate which will be proposed represents a community rate (actuarially factored if necessary for difference time periods or benefits provisions), or an experience rate based on past claims/benefits adjusted or anticipated experience of the Government of Guam's group. The Director of Administration requires each carrier to factor out the results of the Government of Guam's group when the premium rate structure was based on the total experience of all covered individuals in Guam.

500.2 Each carrier shall submit an explanation to the Director of Administration of how adverse or favorable experience of the GovGuam plan will be reflected in future rates. The plan is ordinarily to be based on the experience of the GovGuam enrollees covered by the carrier under their program. If applicable, the plan must demonstrate and explain differences in assumptions between the Government of Guam program and the community or prospective rated groups.

500.3 If a plan is not experience rated, the carrier must identify the assumptions used to derive the monthly premium rate for or the portion of it due to at least each of the following, plus such others as the carrier considers appropriate. However, whether carrier is experience rated or is not experience rated, it will be required, where applicable, to submit data on the following:

- a. Capitation rate for physician's services
- b. Off-island referrals
- c. Hospitalization
- d. Prescription drugs
- e. Administrative expenses
- f. Specialist referrals (on-island)
- g. Physical examinations
- h. Maternity and obstetrical benefits
- i. Savings from Medicare, coordination of benefits (COB), discounts from PPOs or others.

Each Carrier shall submit additional information to the Director of Administration about features of or conditions developing with its program that warrant consideration by the negotiating team. This could be because of such reasons as actual or potential excessive utilization of the benefit(s) or because new medical developments may warrant changing a benefit. It is expected that the items which will require evaluation of emerging experience will be investigated and reviewed by the consulting actuary of the Government of Guam, who will verify relevant factors such as the reasonableness of trend factors, claim or service costs, and expense charges, and make such necessary recommendations to the negotiating team and the Director of Administration.

500.4 The Director of Administration in concert with the negotiating team may from time-to-time establish the premium categories. Each carrier shall submit its proposal in the following premium class categories, and each carrier in order to contract under the group health insurance program shall provide coverage for each premium class category below as defined in existing contract of participating carriers:

- CLASS I - Single employees
- CLASS II and III - Employee and family

500.5 The following items are required:

- A. Each Carrier shall submit as part of its proposal For GHI-1.
- B. Each Carrier that has previously contracted with the Government of Guam under the group health insurance program must submit Form GHI-2 for the previous contract year. In addition, each Carrier shall submit as far as practicable, a current or updated Form GHI-2.

600.0 OTHER PROVISIONS:

600.1 Severability Clause: If any provision of these rules and regulations, or any rule, regulation or order promulgated hereunder, or the application of any such rule, regulation or order to any person or circumstances shall be held invalid, by a court of competent jurisdiction, the remainder of these rules and regulations or orders to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

600.2 Superseding Clause: These rules and regulations supersede any and all subsequent contracts between the Government and a carrier for the provision of health care service and coverages to Government of Guam employees and retirees; and all administrative rules, regulations, directives, orders and provisions affecting these rules and regulations at the time these rules and regulations are lawfully promulgated under the Administrative Adjudication Law of Guam, and furthermore, that these rules and regulations may be subordinated to legislative laws enacted subsequent to the date of promulgation of these rules and regulations.

700.0 DEFINITIONS:

"Benefits" means hospital services, professional services and other authorized health care services. Alternatively, "benefits" means the various coverages provided by a carrier under the health benefit plan of the Government of Guam.

"Carriers" means a voluntary association, corporation, partnership, or other nongovernmental organization which is engaged in providing, paying for, or reimbursing all or part of the cost of health benefits under group insurance policies and contracts, or under medial or hospital service agreements, in consideration of premiums or other periodic charges payable to the carrier.

"Community rating system" (Community rate) means a system of fixing rates of payments for health services. Under such a system, rates of payments may be determined on a per person or per family basis and may vary with the number of persons in a family, and rates must be equivalent for all individuals and for all families of similar composition. This does not preclude changes in the rates of payments for health services based on a community rating system which are established for new enrollments or re-enrolments and which changes do not apply to existing contracts until the renewal of such contracts.

"Days" means calendar days unless otherwise specified.

"Director of Administration" means the Director of the Department of "Administration.

"Enrollee" means a subscriber or a dependent of a subscriber who is entitled to receive health services under a health insurance contract.

"Enrollment" means the process of converting an eligible population having the HMO or indemnity option to the HMO subscriber population or vice versa; alternatively, the aggregate of subscribers to an HMO or indemnity insurance.

"Subscriber" means an individual who enters into a health service contract, or on whose behalf a health maintenance contract is entered into, with a licensed health maintenance organization or a health insurance carrier and to whom evidence of coverage is issued. "The subscriber is differentiated from the enrollees, who are defined as anyone covered under the contract.

"Utilization review" means prospective, concurrent and retrospective review and analysis of date related to utilization of health care resources in terms of cost, effectiveness, efficiency, control and quality.

EDDIE BAZA CALVO
Governor



RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

NOV 27 2013

Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Dos Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

32-13-1030
Office of the speaker
Judith T. Won Pat, Ed. D.
Date 11.29.13
Time 9:57am
Received by J

2013 NOV 29 AM 11:12

Dear Madame Speaker:

Transmitted herewith is Bill No. 160-32 (COR) "AN ACT TO ADOPT THE RULES OF PROCEDURE FOR THE GOVERNMENT OF GUAM HEALTH INSURANCE NEGOTIATING TEAM AND THE CONDUCT OF THE ANNUAL SOLICITATION OF HEALTH INSURANCE COVERAGE FOR GOVERNMENT OF GUAM ACTIVE EMPLOYEES, RETIREES, AND THEIR DEPENDANTS" which I signed into law on November 27, 2013 as Public Law 32-083.

Senseramente,

EDDIE BAZA CALVO



I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN
2013 (FIRST) Regular Session

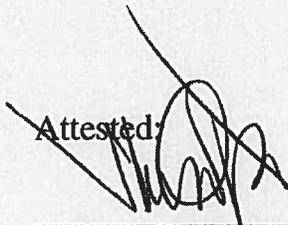
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that Bill No. 160-32 (COR), "AN ACT TO ADOPT THE RULES OF PROCEDURE FOR THE GOVERNMENT OF GUAM HEALTH INSURANCE NEGOTIATING TEAM AND THE CONDUCT OF THE ANNUAL SOLICITATION OF HEALTH INSURANCE COVERAGE FOR GOVERNMENT OF GUAM ACTIVE EMPLOYEES, RETIREES, AND THEIR DEPENDANTS", was on the 12th day of November 2013, duly and regularly passed.



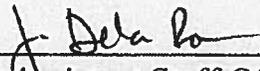
Judith T. Won Pat, Ed.D.
Speaker

Attested:



Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahaen Guåhan* this 15th day of Nov.,
2013, at 11:28 o'clock A.M.



Assistant Staff Officer
Maga'lahi's Office

APPROVED:


EDWARD J.B. CALVO
I Maga'lahaen Guåhan

Date: NOV 27 2013

Public Law No. 32-083

**I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN
2013 (FIRST) Regular Session**

Bill No. 160-32 (COR)

As amended on the Floor.

Introduced by:

Dennis G. Rodriguez, Jr.
T. C. Ada
V. Anthony Ada
FRANK B. AGUON, JR.
B. J.F. Cruz
Chris M. Dueñas
Michael T. Limtiaco
Brant T. McCreadie
Tommy Morrison
T. R. Muña Barnes
Vicente (ben) C. Pangelinan
R. J. Respicio
Michael F. Q. San Nicolas
Aline A. Yamashita, Ph.D.
Judith T. Won Pat, Ed.D.

**AN ACT TO ADOPT THE RULES OF PROCEDURE
FOR THE GOVERNMENT OF GUAM HEALTH
INSURANCE NEGOTIATING TEAM AND THE
CONDUCT OF THE ANNUAL SOLICITATION OF
HEALTH INSURANCE COVERAGE FOR
GOVERNMENT OF GUAM ACTIVE EMPLOYEES,
RETIREEES, AND THEIR DEPENDANTS.**

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that on July 19, 2013, the Government of Guam Health Insurance Negotiating
4 Team submitted the proposed Rules of Procedure to the Legislature. The authority
5 and mandate to establish the Rules of Procedure is provided for pursuant to
6 §4302(c) of Article 3, Chapter 4, Title 4, Guam Code Annotated. The rules are

1 intended to provide for the orderly and equitable process by which the Negotiating
2 Team *shall* annually seek to acquire healthcare insurance coverage for active and
3 retired government of Guam employees, and their dependants.

4 *I Liheslaturan Guåhan* takes due notice that the annual process relative to
5 the solicitation, receipt, review and contract award process for health insurance
6 coverage is currently being conducted under interim rules of procedure, pending
7 formal legislative action.

8 It is, therefore, the intent of *I Liheslaturan Guåhan* to adopt the Rules of
9 Procedure, appended to this Act as **Exhibit "A"**.

10 **Section 2. Adoption of Rules.** Notwithstanding any other provision of
11 law, rule, regulation and executive order, the Rules of Procedure of the
12 Government of Guam Health Insurance Negotiating Team, and attached hereto as
13 **Exhibit "A"**, are hereby adopted by *I Mina Trentai Dos Na Liheslaturan Guåhan*,
14 and *shall* be codified under a new Chapter 13 of Division 4, Title 2, Guam
15 Administrative Rules and Regulations.

16 **Section 3. Amendment of Rules.** The government of Guam Health
17 Insurance Negotiating Team *shall*, in keeping with the provisions of Article 3 of
18 Chapter 4, Title 4 GCA, and pursuant to Article 3 - rule making procedures, of
19 Chapter 9, Title 5, Guam Code Annotated, review and amend, as *may* be
20 necessary, the Rules of Procedure adopted pursuant to Section 2 of this Act.

21 **Section 4. Severability.** *If* any provision of this Act or its application to
22 any person or circumstance is found to be invalid or contrary to law, such
23 invalidity *shall not* affect other provisions or applications of this Act which can be
24 given effect without the invalid provisions or application, and to this end the
25 provisions of this Act are severable.

26 **Section 5. Effective Date.** This Act *shall* become effective upon its
27 enactment.

1 Exhibit "A"

2 **Administrative Rules of Procedure**

3 **FOR**

Government of Guam Health Insurance Negotiating Team

4 **[Authority: §4302(c) of Article 3, Chapter 4, Title 4, Guam Code Annotated]**

5 **Department of Administration**

6
7 **PROPOSED - Rules of Procedure for Negotiating Team [as amended in**
8 **response to Public Hearing]**

9 **Approved by Negotiating Team on July 9, 2013.**

10 **I. Authority.** The Negotiating Team for the government of Guam,
11 responsible for the solicitation of group health insurance benefits for
12 employees and retirees of the government, is established by statute.
13 Pursuant to law, the Negotiating Team shall develop its rules of procedure in
14 accordance with the Administrative Adjudication Law. 4 GCA § 4302(c).

1 The responsibilities and roles of the Negotiating Team are those set out by
2 law at Title Four, Chapter Four, Article Three, of the Guam Code Annotated
3 (“Group Benefits Laws”). At any time that these Rules of Procedure come
4 into conflict with the Group Benefits Laws, the Group Benefits Laws shall
5 preempt these rules.

6 **II. Membership.**

7 A. The Negotiating Team is comprised of individuals identified by statute at
8 4 GCA §4302(c).

9 B. The Negotiating Team may obtain technical support from other financial,
10 legal and health-related agencies. The Director of Administration, upon
11 the approval of the Negotiating Team, may invite representatives of
12 government departments, agencies, bureaus and other government
13 entities to Negotiating Team meetings as seen fit to serve as consultants
14 in aid of the Negotiating Team in its duties. No unilateral consultations
15 shall be conducted by the Chairperson or any member of the Negotiating
16 Team nor shall they hold independent meetings or consultations with
17 persons outside of the Negotiating Team and its consultants prior to the
18 conclusion of the Negotiating Team proceedings.

19 C. The Attorney General or his designee shall act as legal advisor during all
20 phases of the solicitation or procurement process for group health
21 insurance benefits for employees and retirees of the government.

22 D. Non-delegation of representation. The following members of the
23 Negotiating Team are not permitted, by law, to delegate to another
24 individual the authority to serve in their stead as a substitute or proxy for
25 purposes of participation in Negotiating Team activities:

26 1. Director of Administration

- 1 2. The employee representative of the Judiciary of Guam to be
2 appointed by the Chief Justice of the Supreme Court of Guam.
- 3 3. The employee representative of the Legislative Branch to be
4 appointed by the Speaker of *I Liheslaturan Guåhan*.
- 5 4. The retiree who is a member of the Government of Guam
6 Retirement Fund appointed by the Board of Trustees of the
7 Government of Guam Retirement Fund.
- 8 5. The member of the general public appointed *by I Maga'låhen*
9 *Guåhan*.

10 E. Delegation of representation. The following members of the Negotiating
11 Team are permitted, by law, to delegate to another individual the
12 to serve in their stead as a substitute or proxy for purposes of
13 participation in Negotiating Team activities:

- 14 1. The Administrator of the Department of Integrated Services for
15 Individuals with Disabilities.
- 16 2. The Director of the Bureau of Budget and Management Research.
- 17 3. The Superintendent of the Department of Education.
- 18 4. The Director of the Government of Guam Retirement Fund.
- 19 5. The Chairperson of the Committee on Health or the successor
20 committee of *I Liheslaturan Guåhan*.
- 21 6. The Chairperson of the Committee on Appropriations, or the
22 successor committee of *I Liheslaturan Guåhan*.

23 F. Delegation in writing. A member of the Negotiating Team who is
24 permitted, by law, to delegate to another individual the authority to serve
25 in their stead as a substitute or proxy shall designate such delegation in
26 writing and have such written delegation delivered to the Chairperson of

1 the Negotiating Team prior to the delegation being effective. Any
2 member of the Negotiating Team with the authority to delegate shall
3 delegate only one representative for the entire process to ensure for
4 continuity of communications and to safeguard the dissemination of
5 information. A written delegation may be repealed in writing.

6 **III. Voting.**

7 A. Voting Members. The following members of the Negotiating Team are
8 voting members:

- 9
- 10 1. The Director of Administration, who shall be Chairperson of the
11 Negotiating Team.
 - 12 2. The employee representative from the Judicial Branch appointed
13 by the Chief Justice of the Supreme Court of Guam.
 - 14 3. The employee representative of the Legislative Branch to be
15 appointed by the Speaker of *I Liheslaturan Guåhan*.
 - 16 4. The retiree who is a member of the Government of Guam
17 Retirement Fund to be appointed by the Board of Trustees of the
18 Government of Guam Retirement Fund.
 - 19 5. The member of the general public, appointed *by I Maga'låhen*
20 *Guåhan*.
 - 21 6. The Administrator of the Department of Integrated Services for
22 Individuals with Disabilities, or his or her designee.
 - 23 7. The Director of the Bureau of Budget and Management Research,
24 or his or her designee.
 - 25 8. The Superintendent of the Department of Education, or his or her
26 designee.

1 9. The Director of the Government of Guam Retirement Fund, or his
2 or her designee.

3 B. Non-Voting Members. The following members of the Negotiating Team
4 are non-voting members:

5 1. The Chairperson of the Committee on Health or the successor
6 committee of *I Liheslaturan Guåhan*, or his or her designee.

7 2. The Chairperson of the Committee on Appropriations or the
8 successor committee of *I Liheslaturan Guåhan*, or his or her
9 designee.

10 **IV. Confidentiality.** Members, delegates of members, consultants of the
11 Negotiating Team, and applicable Department of Administration staff as
12 determined by the Director of Administration must adhere to the strictest of
13 confidentiality and acknowledge that the proposals received are confidential
14 in nature. Team members, delegates of members, consultants, and
15 applicable Department of Administration staff acknowledge that no
16 information contained in the proposals, meetings or negotiations can be
17 divulged to any person outside of the Negotiating Team. Team members,
18 delegates of members, consultants and applicable Department of
19 Administration staff must sign a confidentiality agreement attesting to such.
20 Confidentiality agreements shall be signed prior to the predetermined
21 meeting date and time for opening proposals referenced in Section IX. A
22 delegate may brief the member of the Negotiating Team who made the
23 delegation about the business of the Negotiating Team but both parties are
24 subject to strict confidentiality throughout the entire process. Copies of all
25 correspondence between the negotiating team and the Judiciary or Governor,
26 shall also be transmitted to the Legislature.

1 **V. No conflict-of-interest.** A member, consultant or advisor of the Negotiating
2 Team that has a conflict of interest (as understood and regulated by 5 GCA
3 §§ 5625-5633) because of a financial interest with an offeror or due to
4 employment of a family member shall recuse him or herself from being a
5 member, consultant or advisor of the Negotiating Team during the pendency
6 of the solicitation. Members, consultants and advisors of the Negotiating
7 Team must sign an affidavit that no conflict of interest exists with any
8 offerors once knowledge of the names of the carriers who submitted
9 proposals is known and prior to receiving any information contained in the
10 proposals. Any member, consultant or advisor who later realizes that a
11 conflict of interest exists must recuse himself or herself from being a
12 member of the Negotiation Team.

13 **VI. Meetings.** Meetings of the Negotiating Team shall be called by the
14 Chairperson, or by a majority of the voting members of the Negotiating
15 Team.

16 A. The Chairperson shall set the time, day and place of meetings with the
17 intent to permit the largest number of voting members of the Negotiating
18 team to attend the meeting. The Chairperson shall establish an agenda
19 for each meeting. The agenda shall be adopted or amended by the
20 Negotiating Team at the start of a meeting.

21 B. Notice of meetings of the Negotiating Team shall be provided to each
22 member of the Negotiating Team in writing, by business email, and by
23 other acceptable written or telephonic format as may be determined by
24 the Negotiating Team from time to time, at least one business day in
25 advance of the meeting.

1 C. Notwithstanding the foregoing, the Negotiating Team, at a properly
2 noticed meeting with a quorum present, may adjourn its business and
3 schedule a subsequent meeting for a time, day and place certain even
4 though notice as prescribed here cannot be given one business day before
5 the meeting. Nonetheless, written notice, by business email of such
6 subsequent meeting shall be provided to each member. Nothing here
7 prohibits additional forms of providing notice to ensure that all members
8 receive actual notice of a scheduled meeting.

9 D. The Chairperson is responsible for providing timely notice to all
10 members of the Negotiating Team of each meeting, as provided for in
11 this rule.

12 **VII. Quorum.** The Negotiating Team may conduct official business if a quorum
13 of its voting members is present at any properly noticed meeting. A quorum
14 of the Negotiating Team is seven (7) voting members.

15 **VIII. Decisions.** At any properly noticed meeting of the Negotiating Team where
16 a quorum is present, the Negotiating Team shall make decisions based upon
17 an affirming vote of at least five (5) of the voting members present, after a
18 motion is made by any member, and seconded by any other member. In any
19 circumstance, a failure to get an affirming vote of at least five (5) of the
20 voting members present shall mean that the motion being voted on fails for
21 lack of a majority. Upon the casting of votes, team members shall sign off
22 on a voting sheet to document the decision made.

23 **IX. Opening of Proposals.** Provisions shall be made in each Request For
24 Proposals that establish the process for receiving proposals, documenting the
25 reception of proposals, the initial opening of proposals to ensure a proper
26 count, documenting the count, and for adequately securing proposals

1 received so that they shall only be viewed by persons having legitimate
2 access to proposals. Provisions made for the initial opening of proposals
3 may include the involvement of the Negotiating Team and/or representatives
4 of offerors, as determined by the Negotiating Team and set out in the
5 Request For Proposals.

6 **X. Communication by Offerors and Sub-contractors.** Unsolicited
7 communication by offerors and sub-contractors by phone, mobile phone,
8 email, or any other mode of delivery about any facet of the RFP prior to
9 negotiations is prohibited and may result in disqualification of proposals of
10 any offending offeror. Prior to disqualification, the Negotiating Team shall
11 request the Attorney General's office to conduct an investigation to verify
12 the veracity of such communication and shall provide its recommendation to
13 the negotiating team for action.

14 **XI. Authority to Clarify Proposals.** The Negotiation Team shall request any
15 documents or information for any proposals received and deemed to be non-
16 responsive or not qualified that will cause said proposals to be responsive
17 and qualified. A proposal shall only be disqualified or rejected if any offeror
18 fails to submit the requested information to the Negotiating Team within
19 three business days after request.

20 **XII. Proceeding to the Next Phase.** After the conclusion of each phase
21 identified in the RFP, Team Members must acknowledge, via signature, such
22 approval or disapproval to proceed to the next phase.

23 **XIII. Weighting and Ranking.** During the planning stage of each solicitation for
24 group health and dental insurance, the Negotiating Team shall establish the
25 processes and mechanisms for evaluating proposals submitted in response to
26 a solicitation for the purpose of the ultimate ranking of proposals, to include

EXHIBIT V

GOVERNMENT OF GUAM MANDATORY CONTRACT REQUIREMENTS FY 2017 GROUP HEALTH INSURANCE PROGRAM

PPACA Requirements

Offerors must comply with the PPACA requirements for summary of benefits and uniform glossary of terms included on the following website: <http://www.cciio.cms.gov/resources/other/index.html#sbcug>

It is the intent of this contract to provide all of the benefits, rights and responsibilities afforded as a result of the Patient Protection and Affordable Care Act (Public Law 111-148), and the regulations promulgated under the authority of this Act, notwithstanding the outcome of any federal court case that is now pending before a court of the United States, or may be brought before a court of the United States concerning this Act.

Participating Contract

A fully participating contract will be implemented effective 10/1/16 that allows for an annual accounting settlement – no later than 4/1/18 – which will produce either a positive or negative balance after accounting for Incurred claims and guaranteed retention. This surplus will be returned to GovGuam either toward reducing any needed rate increase or in cash. If the result is a deficit, the amount of the deficit will be added to any needed rate increase for FY 2019 provided the incumbent vendor continues to be the insurance provider.

Guaranteed Renewability of Health Insurance Coverage

In the event that the government of Guam invokes the protection afforded by the Health Insurance Portability and Accountability Act of 1996, as amended, found at Section 2712 of the Public Health Services Act, and its regulations, for the guaranteed renewability of health insurance coverage the parties agree that coverage would be continued until a new contract is in place with the first ninety (90) days of coverage guaranteed at the same rate and plan designs.

Important Requirement of any Certificate of Insurance or Group Health Insurance Agreement:

The process to resolve disputes between the insurance carrier and the covered person (the subscriber and eligible dependents) related to denial of coverage by the insurance provider, to include rescissions, eligibility, pre-exclusion, medical necessity denial, and post-service reimbursement, must be consistent with the Patient Protection and Affordable Care Act and applicable regulations to include 45 CFR 147.136 and 29 CFR 2560.503. Requirements or provisions for an arbitration process to resolve disputes related to denial of coverage by the insurance carrier, to include rescissions, eligibility, pre-exclusion, medical necessity denial, and post-service reimbursement are not acceptable and will not be agreed to.

EXHIBIT W

Government of Guam Health Insurance Plan RFP and Negotiations Process

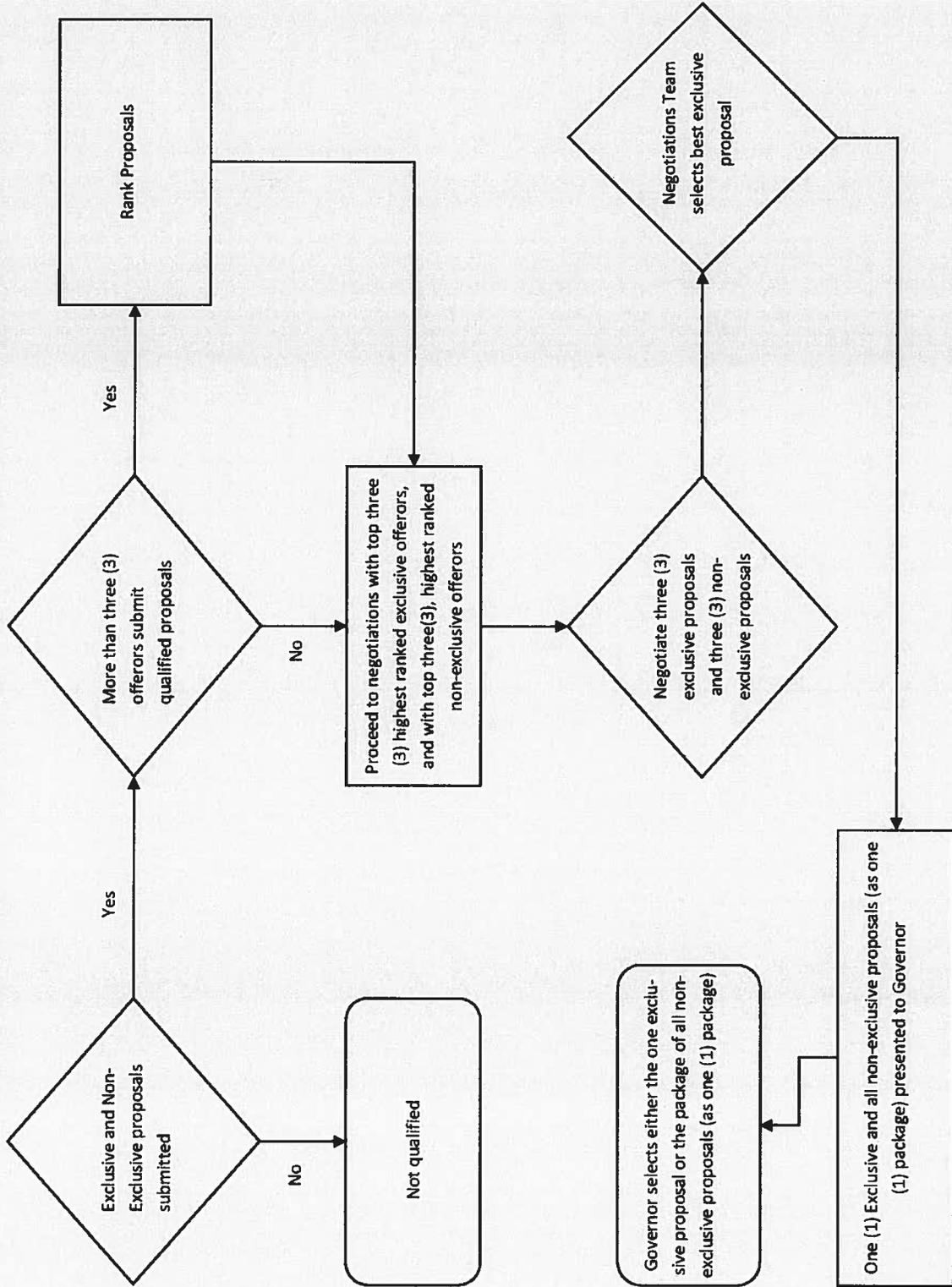


EXHIBIT X

AFFIRMATION THAT PLAN DESIGNS ARE CONSISTENT IN ALL MATERIAL RESPECTS WITH THE REQUEST FOR PROPOSALS

I affirm, on behalf of _____ [Company Name], by submitting these proposals for an exclusive contract and for a non-exclusive contract, that the plan designs being submitted are consistent in all material respects with the plan designs solicited in the FY 2017 Health Insurance Program Request For Proposal DOA/HRD-RFP-GHI-17-001 and that the Government of Guam Negotiating Team may rely upon this affirmation in its evaluation of these proposals, to include evaluation of rates. It is understood that any discrepancies between the plan designs in these proposals and the plan designs solicited by FY 2017 Health Insurance Program Request For Proposal DOA/HRD-RFP-GHI-17-001 are to be resolved during future negotiations, if any negotiations are to take place, without any concession on the part of the Government of Guam that proffered plan designs inconsistent with the Schedule of Benefits or the Request For Proposals are acceptable.

Furthermore, the government requires an "ALL OR NONE" proposals. All carriers are notified, that by signing below, the Government is requesting that any quote or proposal include all plans (i.e. RSP, Foster, 1500, 2000 and dental) and items or none at all. Except in the event the Government subscribes with one insurance carrier for insurance coverage for qualified foster children, the Government will not award on an itemized basis.

Plan Name: _____
Authorized Signature: _____
Print Name: _____
Title: _____
Contact Number: _____
Email Address: _____

EXHIBIT Y

WELLNESS & FITNESS BENEFIT must include at least the following:

- A) Cardiovascular Training;
- B) Resistance and Strength Training;
- C) Flexibility Training;
- D) Regular Group Exercise Classes with options to provide additional classes to organized groups of subscribers upon request to be determined in coordination with the Dept. of Administration;
- E) Nutrition Classes, Counseling and Access to Nutritional Information Material;
- F) Health Risk Assessments;
- G) Fitness Assessments including Body Mass Index (BMI);
- H) Assistance to individuals with physical or mental impairments to meet the laws on equal access and comply with Americans with Disabilities Act (ADA) regulations;
- I) Gym Utilization / Membership
 - J) Data to capture utilization information as follows:
 - a. Number of members per month utilizing the gym;
 - b. Frequency of use per member per month;
 - c. Census data by age, gender, and by active/retiree/dependents;
 - d. Same reporting frequency as medical claims data.
- K) Utilization of the above should be accessible to subscribers and dependents.
- L) Plans must base their quote on an enrollment cap of 10,000 members.

AFFIRMATION

I affirm, on behalf of _____ [Company Name] that the proposal submitted and the insurance plans to be provided pursuant to this RFP will include an integrated program of wellness and fitness benefits, to include gym membership.

Plan Name: _____
Authorized Signature: _____
Print Name: _____
Title: _____
Contact Number: _____
Email Address: _____

EXHIBIT Z

See attached for contracts

1500, 2000HSA, Retiree Supplemental Plan, Dental and Foster Plan