A BILL FOR AN ACT

To further amend title 52 of the Code of the Federated States of Micronesia, as amended, by amending sections 402 and 409, as amended for the purpose of extending MiCare coverage to all medical treatment, setting a limit on annual benefits, and for other purposes.

BE IT ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA:

Section 1. Section 402, as amended by Public Laws Nos. 7-16, 8-53, 8-133, and 12-77 is hereby amended to read as follows:

"Section 402. Definitions.

As used in this chapter:

(1) 'Administrator' means the National Government Employees' Health Insurance Plan Administrator established by the provisions of this chapter.

(2) 'Agency' means any municipal, State or National Government public agency, institution or entity.

(3) 'Board' or 'Board of Directors' means the National Government Employees' Health Insurance Plan Board of Directors established under the provisions of this chapter.

(4) 'Business' means any quasi-public or private business entity which is duly licensed to do business under, and is doing business under, the laws of the Federated States of Micronesia or its political subdivisions, which is also a participant in the Social Security system of the Federated States of Micronesia,
and which has been qualified to participate in the plan pursuant to the regulations promulgated by the Director under section 409 of this chapter.

(5) 'Costs of administration' means the following costs of administering the plan:

(a) wages or salaries for personnel engaged in administering the plan;

(b) necessary travel for personnel engaged in administering the plan;

(c) costs and expenses for training of personnel engaged in administering the plan;

(d) the costs of processing claims;

(e) the costs of printing informational booklets, claim forms, and other necessary materials;

(f) the costs of necessary supplies and equipment;

(g) the costs of communications necessary to the operation of the plan;

(h) the costs of professional services necessary to the operation of the plan.

(6) 'Covered person' means any eligible person who has properly enrolled in the Plan and for whom the required premiums have been paid, who is therefore covered by the rules and benefits of the Plan.

(7) 'Dependents' means:
(a) the members of an employee's immediate family, including grandchildren, dependent parents, and dependent parents-in-law.

'Employee' means an employee of the National Government of the Federated States of Micronesia, an employee of a participating agency, or an employee of a participating business.

'Full-time employee' means an employee who works at least thirty-two hours of the regular and scheduled workweek.

'Full-time student' means a student who currently enrolled in classes totaling 12 or more semester units at an accredited post-secondary educational institution.

'Participating agency' or 'participating agencies' means any public agency, public institution or other public entity, either municipal, State or National, participating in the plan pursuant to section 403 of this chapter.

'Participating business' or 'participating businesses' means any business entity, whether quasi-public or privately owned, participating in the plan pursuant to section 403 of this chapter.

'Plan' means the National Government Employees' Health Insurance Plan."
Section 2. Section 409, as amended by Public Laws Nos. 8-53, 8-133, and 12-77 is hereby amended to read as follows:

"Section 409. Promulgation of regulations.

(1) The Board, with the approval of the President, shall promulgate regulations, pursuant to chapter 1 of title 17 of this code, governing the amount of the premium for insurance under the plan, the procedure for making claims under the plan, the amount and type of benefits under the plan, the policy limits under the plan, the maximum per annum benefit per covered person, and such other matters as may be consistent with the contents and purpose of this chapter, including the implementation of those provisions of this chapter pertaining to participating agencies and participating businesses.

(a) The Board shall promulgate no regulation allowing a claim for benefits under the plan to be denied on the grounds that the medical condition giving rise to the claim existed before the person making the claim began participating in the plan. Any such existing regulation is hereby retroactively repealed for a period of six months from the date this act becomes law.

(b) The board shall promulgate no regulation limiting the types of medical treatments, care, and
conditions covered by the Plan. Any such existing regulation is hereby repealed.

(2) The plan may:

(a) provide, arrange for, pay for, or reimburse the costs of medical, dental and vision treatment and care, hospitalization, surgery, prescription drugs, medicine, prosthetic appliances, out-patient care, and other medical care benefits, in cash or the equivalent in medicines and supplies;

(b) provide life insurance benefits;

(c) contract with private sector insurance companies to provide benefits; and

(d) contract for other services as needed.

Section 3. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

Date: 5/20/10

Introduced by: /s/ Joe N. Suka

Joe N. Suka