

STANDING COMMITTEE REPORT NO. 20-50

RE: C.B. NO. 20-89/H&SA

SUBJECT: TO AMEND TITLE 52 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA BY AMENDING SECTIONS 401 TO 409, TO REALIGN THE NAME OF THE PLAN, TO CLARIFY THE ROLES OF THE ADMINISTRATOR, AND TO EXPAND THE ELIGIBILITY REQUIREMENTS.

FEBRUARY 05, 2018

The Honorable Wesley W. Simina  
Speaker, Twentieth Congress  
Federated States of Micronesia  
Third Regular Session, 2018

Dear Mr. Speaker:

Your Committee on Health and Social Affairs, to which was referred C.B. No. 20-89, entitled:

"A BILL FOR AN ACT TO FURTHER AMEND TITLE 52 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED, BY AMENDING SECTIONS 401 TO 409, TO REALIGN THE NAME OF THE PLAN, TO CLARIFY THE ROLES OF THE ADMINSTRATOR, AND TO EXPAND THE ELIGIBILITY REQUIREMENTS, AND FOR OTHER PURPOSES.",

begs leave to report as follows:

The intent and purpose of the resolution are expressed in its title.

Your Committee has held several public hearings and informal meetings regarding this proposed bill, the most recent of which took place on February 2, 2018. The witnesses present for that hearing included the Administrator for the National Government Employees' Health Insurance Plan, and her staff, as well as, members of the Board of Directors of the Plan; the Secretary of the Department of Health and Social Affairs, and representatives from the Department of Justice, the Office

STANDING COMMITTEE REPORT NO. 20-50

RE: C.B. NO. 20-89/H&SA

SUBJECT: TO AMEND TITLE 52 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA BY AMENDING SECTIONS 401 TO 409, TO REALIGN THE NAME OF THE PLAN, TO CLARIFY THE ROLES OF THE ADMINISTRATOR, AND TO EXPAND THE ELIGIBILITY REQUIREMENTS.

FEBRUARY 05, 2018

of the President and the Department of Finance and Administration.

This bill proposes to change the name of the insurance plan along with several other minor administrative amendments. The National Government Employees' Health Insurance Plan has long been known as "MiCare". This informal change came about over ten years ago when the Plan first expanded to allow private businesses to enroll their employees rather than government workers only. The use of MiCare in legal documents over the years has caused confusion, and even legal difficulties, particularly in relation to our overseas medical referrals. All witnesses at the most recent hearing voiced their support for the name change.

A small expansion in the eligible participates is proposed as an amendment. This will allow those individuals previously covered as dependents to continue to be insured provided they pay 100% of the premiums. For example, this would allow the children of a deceased member to continue with coverage. Your Committee and all witnesses agreed that this addition would be beneficial.

Two additional amendments, that were discussed in previous hearings, included the requirement that claim audits identify possible claim fraud and abuse and that those items be reported to the Plan's Board of Directors for action. Another amendment requires the Plan to establish a medicine and pharmaceutical supply price formula so the reimbursed and charged amounts are uniform across healthcare providers. These two amendments have both received positive comment in the past, and this Committee believes that the amendments will strengthen the Plan, and improve service for our insured citizens. The Committee took the opportunity to discuss other related matters with the Plan, including referral facilities and the standards of basic healthcare. The Administrator of the Plan

STANDING COMMITTEE REPORT NO. 20-50

RE: C.B. NO. 20-89/H&SA

SUBJECT: TO AMEND TITLE 52 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA BY AMENDING SECTIONS 401 TO 409, TO REALIGN THE NAME OF THE PLAN, TO CLARIFY THE ROLES OF THE ADMINISTRATOR, AND TO EXPAND THE ELIGIBILITY REQUIREMENTS.

FEBRUARY 05, 2018

was advised that these issues will be the subject of future hearings.

Your Committee is supportive of the National Government Employees' Health Insurance Plan's efforts to provide quality medical insurance for the citizens of our Nation, and it believes that this bill will assist in that effort by providing incremental improvement, and it is therefore, for the reasons set forth above, your Committee on Health and Social Affairs recommends the passage of C.B. No. 20-89 on First Reading and that it be placed on the Calendar for Second and Final Reading in the form attached hereto as C.B. No. 20-89.

Respectfully submitted,

/s/ Ferny S. Perman  
Ferny S. Perman, chairman

/s/ Alik L. Alik  
Alik L. Alik, vice chairman

/s/ Tiwiter Aritos  
Tiwiter Aritos, member

Florencio S. Harper, member

David W. Panuelo, member

/s/ Joseph J. Urusemal  
Joseph J. Urusemal, member

/s/ Derensio S. Konman  
Derensio S. Konman, member