

A BILL FOR AN ACT

To further amend title 52 of the Code of the Federated States of Micronesia, as amended, by amending section 403 to make enrollment in MiCare mandatory for employees of the national government and to require that post secondary institutions enroll in MiCare before students are permitted to enroll, and by amending section 406 to delete the requirement that the Fund maintain separate accounts for each State, and for other purposes.

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

1 Section 1. Section 403 of the title 52 of the Code of the
2 Federated States of Micronesia, as amended by Public Laws Nos. 8-
3 53, 8-133 and 14-49 is hereby further amended to read as follows:

4 "Section 403. Eligibility.

5 (1) All full-time employees of the National Government
6 of the Federated States of Micronesia [~~may~~] shall
7 participate in the plan.

8 (2) Other persons who may participate in the plan are:

9 (a) The full-time employees of each participating
10 agency and business which has entered into a contract
11 with the Director, as administrator of the plan, whereby
12 such agencies or businesses have agreed to participate
13 in the plan.

14 (b) The dependents of fulltime employees of the
15 National Government, participating agencies and
16 participating businesses;

17 (c) Members of an employee's household who are
18 dependent upon the employee, but are not otherwise

1 defined as "dependents" under the provisions of this
2 act, if the employee pays 100 percent of the premiums
3 for such persons to the plan;

4 (d) Government employees whose State or agency
5 does not participate in the plan, and their dependents,
6 if they pay 100 percent of the premiums for themselves
7 and the dependents to the plan; and

8 (e) Former enrollees in the plan, and their
9 dependents, if they pay 100 percent of the premiums for
10 themselves and their dependents to the plan.

11 (f) Full time students enrolled at any post
12 secondary institution in the FSM, if the post secondary
13 institution has entered into a contract of participation
14 with the plan and the students [~~they~~] pay 100 percent of
15 the premiums for themselves to the plan."

16 Section 2. Section 406 of the title 52 of the Code of the
17 Federated States of Micronesia, as amended by Public Laws Nos. 6-
18 114 and 8-53 is hereby further amended to read as follows:

19 Section 406. Disposition of fund.

20 (1) All money deposited in the Employees' Health
21 Insurance Fund shall be used to pay claims, except that
22 a sum representing not more than ten percent of the
23 estimated income for that year from contributions and
24 income on investments may be expended for costs of
25 administration.

~~[(2) The Employees' Health Insurance Fund shall maintain a separate account for each of the States, which shall include all contributions from that State, plus interest, minus administrative costs. A State's account may not be charged for any services rendered to a member who resides in any other State, unless, in the case of a state wide emergency, both States transmit their agreement in writing to the Plan Director.~~

~~(3) If a State's premium payments are current, the Plan may use any amount which remains in a State's account at the end of the fiscal year, and which exceeds 25 percent of the total premium paid by that State in that fiscal year, to purchase hospital supplies, equipment or medicines for that State's hospital."]~~

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: 9/19/07

Introduced by: /s/ Joe N. Suka
Joe N. Suka
(by request)