

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÁHAN

2025 (FIRST) Regular Session

VOTING RECORD

Bill No. 118-38 (COR) As substituted by the Committee on Finance and Government Operations; and further substituted and amended on the Floor.	Speaker Antonio R. Unpingco Legislative Session Hall Guam Congress Building June 3, 2025					
NAME	Yea	Nay	Not Voting/ Abstained	Out During Roll Call	Absent	Excused
Vice Speaker V. Anthony Ada	✓					
Senator Chris Barnett		✓				
Speaker Frank F. Blas, Jr.	✓					
Senator Vincent A.V. Borja	✓					
Senator Shelly V. Calvo			✓			✓
Senator Christopher M. Dueñas	✓					
Senator Eulogio Shawn Gumataotao	✓					
Senator Jesse A. Lujan	✓					
Senator Tina Rose Muña Barnes	✓					
Senator William A. Parkinson	✓					
Senator Sabina Flores Perez	✓					
Senator Sabrina Salas Matanane	✓					
Senator Joe S. San Agustin	✓					
Senator Telo T. Taitague	✓					
Senator Therese M. Terlaje		✓				

TOTAL

12

2

1

1

Yea

Nay

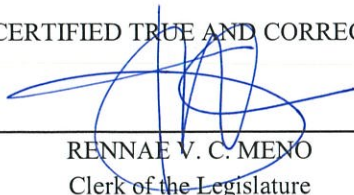
Not Voting/
Abstained

Out During
Roll Call

Absent

Excused

CERTIFIED TRUE AND CORRECT:


 RENNAE V. C. MENO
 Clerk of the Legislature

I = Pass

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2025 (FIRST) Regular Session

Bill No. 118-38 (COR)

As substituted by the Committee on Finance
and Government Operations; further substituted
and amended on the Floor.

*

Introduced by:

Sabrina Salas Matanane
V. Anthony Ada
Christopher M. Duenas
Joe S. San Agustin
Jesse A. Lujan
Frank F. Blas, Jr.
Sabina Flores Perez
William A. Parkinson
Tina Rose Muna Barnes
Vincent A. V. Borja
Eulogio Shawn Gumataotao

**AN ACT TO *ADD* A NEW § 58128.8 TO CHAPTER 58,
TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO
ESTABLISHING AN UNPLEDGED BUSINESS
PRIVILEGE TAX REBATE ON MEDICAID RECEIPTS,
TO BE KNOWN AS THE “GUAM MEDICAID ACCESS
ENHANCEMENT ACT.”**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds
that Medicaid serves as a crucial safety net for many of Guam's most vulnerable
residents, providing essential healthcare services to low-income individuals and
families. However, the availability and accessibility of Medicaid services on Guam
have been limited by several factors, including an insufficient number of healthcare
providers willing to accept Medicaid patients, limited healthcare providers servicing

1 the Medicaid population, and limited locations for Medicaid services across the
2 island.

3 *I Liheslaturan Guåhan* further finds that according to the Guam Department
4 of Public Health and Social Services, there are over thirty thousand (30,000)
5 Medicaid enrollees on Guam, representing nearly twenty percent (20%) of the
6 island's population. Despite this significant enrollment, many eligible residents face
7 challenges in accessing care due to the limited number of healthcare providers and
8 facilities that accept Medicaid patients.

9 *I Liheslaturan Guåhan* further finds that healthcare providers often cite low
10 reimbursement rates and administrative burdens as barriers to participation in the
11 Medicaid program. The current unpledged business privilege tax (BPT) structure
12 further reduces the financial viability of serving Medicaid patients, as providers must
13 pay the full five percent (5%) tax on all Medicaid receipts, despite the already lower
14 reimbursement rates compared to commercial insurance.

15 *I Liheslaturan Guåhan* further finds that creating financial incentives for
16 healthcare providers to participate in the Medicaid program would significantly
17 improve access to care for Medicaid beneficiaries. By establishing a graduated
18 unpledged business privilege tax rebate on Medicaid receipts based on factors such
19 as the number of qualified healthcare professionals and service locations committed
20 to Medicaid, this Act aims to incentivize greater participation in the Medicaid
21 program and expand the network of providers and facilities available to Medicaid
22 beneficiaries. Furthermore, allowing healthcare providers to access these benefits
23 immediately through self-certification will accelerate the entry of new providers into
24 the Medicaid system and support expansion of existing providers while ensuring
25 accountability through verification measures and penalties for non-compliance.

26 *I Liheslaturan Guåhan* further finds that the establishment of a tiered
27 unpledged business privilege tax rebate tied to specific metrics creates a verifiable
28 audit trail that will enhance the government's ability to monitor and prevent

1 Medicaid fraud, ensuring that public funds are properly utilized for their intended
2 purpose of providing healthcare services to eligible residents. This solution
3 corresponds with recent reports from the Public Auditor indicating areas of concern
4 regarding Medicaid claims.

5 *I Liheslaturan Guåhan* further finds that increasing the number of healthcare
6 providers accepting Medicaid patients will reduce the burden on emergency
7 departments and public health facilities, leading to more efficient use of healthcare
8 resources and potentially generating long-term cost savings for the government of
9 Guam.

10 It is, therefore, the intent of *I Liheslaturan Guåhan* to establish the “Guam
11 Medicaid Access Enhancement Act” to provide unpledged business privilege tax
12 rebate on Medicaid receipts to incentivize healthcare providers to participate in the
13 Medicaid program, expand locations servicing the program, and grow the number of
14 providers within the program, thereby improving access to care for Medicaid
15 beneficiaries, creating additional audit trails to prevent fraud, and promoting a more
16 robust and accessible healthcare system for all residents of Guam.

17 **Section 2.** A new § 58128.8 is *added* to Chapter 58, Title 12, Guam Code
18 Annotated, to read:

19 **“§ 58128.8. Unpledged Business Privilege Tax Rebate on**
20 **Medicaid Receipts.**

21 (a) Title. This Section shall be known and may be cited as the “Guam
22 Medicaid Access Enhancement Act.”

23 (b) Definitions. For purposes of this Section:

24 (1) ‘Healthcare provider’ means any individual, partnership,
25 corporation, association, or other entity that is licensed, certified, or
26 otherwise authorized by the government of Guam to provide healthcare
27 services on Guam.

1 (2) ‘Medicaid receipts’ means the gross receipts received by a
2 healthcare provider for services provided to patients enrolled in the
3 Medicaid program, including any federal or local Medicaid expansion
4 or waiver programs.

5 (3) ‘Qualified healthcare professional’ means any individual
6 who is registered with the Guam Board of Medical Examiners, the
7 Guam Allied Health Board, the Guam Board of Nurse Examiners, the
8 Guam Board of Dental Examiners, or the Guam Board of Pharmacy,
9 and who provides services to Medicaid patients.

10 (4) ‘Service location’ means a physical location on Guam
11 where a healthcare provider delivers healthcare services to Medicaid
12 patients. To qualify as a separate service location, each facility must:

13 (A) be physically separate from other qualifying service
14 locations;

15 (B) have regular, published hours of operation;

16 (C) have appropriate facilities and equipment for
17 providing healthcare services; and

18 (D) be staffed by at least one (1) qualified healthcare
19 professional.

20 (c) Unpledged Business Privilege Tax Rebate on Medicaid Receipts.
21 Notwithstanding any other provision of law, a healthcare provider shall be
22 entitled to the following rebates on business privilege taxes owed on Medicaid
23 receipts:

24 (1) Base Rebate: A rebate of twenty percent (20%) of all
25 Medicaid receipts;

26 (2) Professional Rebate: An additional rebate of twenty
27 percent (20%) of all Medicaid receipts for each qualified healthcare

1 professional employed by, or exclusively independently contracted to,
2 the healthcare provider who services Medicaid patients;

3 (3) Location Rebate: An additional rebate of twenty percent
4 (20%) of all Medicaid receipts for each physical service location on
5 Guam that services Medicaid patients; and

6 (4) Any rebate authorized in this Act shall not include the
7 federal share of any Medicaid payment.

8 (d) Maximum Rebate. The total rebate under Subsection (c) shall not
9 exceed the total amount of business privilege tax owed on Medicaid receipts.

10 (e) Application and Certification.

11 (1) The Guam Economic Development Authority (GEDA)
12 shall establish the application requirements and procedures pursuant to
13 the unpledged business privilege tax rebate on medicaid receipts.

14 (2) To claim the rebates provided under this Section, a
15 healthcare provider shall submit an application to the Guam Economic
16 Development Authority on an annual basis, in a form and manner
17 prescribed by the Administrator.

18 (3) The application shall include:

19 (A) documentation of the healthcare provider's
20 total Medicaid receipts for the applicable tax period;

21 (B) a list of all qualified healthcare professionals
22 employed by or affiliated with the healthcare provider who
23 service Medicaid patients, including their license or
24 registration numbers with the applicable professional
25 board;

26 (C) a list and description of all physical service
27 locations on Guam where the healthcare provider delivers
28 services to Medicaid patients; and

1 (D) any other information deemed necessary by
2 the Administrator to verify eligibility for the rebates.

3 (4) The Guam Economic Development Authority shall
4 consult with the Department of Public Health and Social Services to
5 verify the accuracy of information provided in the application.

6 (f) Audit and Compliance.

7 (1) The Guam Economic Development Authority, in
8 coordination with the Department of Public Health and Social Services,
9 shall establish procedures for auditing healthcare providers claiming
10 rebates under this Section to ensure compliance with all requirements.

11 (2) Healthcare providers claiming rebates under this Section
12 shall maintain records sufficient to demonstrate compliance with the
13 requirements of this Section for a period of at least three (3) years after
14 the end of the tax period for which the rebate is claimed.

15 (3) Any healthcare provider who knowingly provides false
16 information to obtain rebates under this Section shall be subject to:

17 (A) repayment of all rebates improperly received, plus
18 interest at the rate of ten percent (10%) per annum;

19 (B) a penalty equal to fifty percent (50%) of all rebates
20 improperly received; and

21 (C) disqualification from receiving any rebates under
22 this Section for a period of five (5) years.

23 (g) Annual Report. The Guam Economic Development Authority, in
24 collaboration with the Department of Public Health and Social Services, shall
25 submit an annual report based on filings pursuant to this Section, to *I*
26 *Maga'hågan/Maga'låhen Guåhan* and *I Liheslaturan Guåhan* by March 31 of
27 each year, beginning in 2026, detailing:

1 (1) the number of healthcare providers claiming rebates under
2 this Section;

3 (2) the total amount of rebates granted under this Section;

4 (3) the number of qualified healthcare professionals servicing
5 Medicaid patients;

6 (4) the number of service locations providing care to
7 Medicaid patients;

8 (5) the number of healthcare providers utilizing the self-
9 certification option and their progress toward meeting certification
10 requirements;

11 (6) the results of audits conducted on self-certified providers,
12 including compliance rates and penalties assessed; and

13 (7) an assessment of the impact of this Section on Medicaid
14 access and service delivery.

15 (h) Rules and Regulations. The Guam Economic Development
16 Authority, in consultation with the Department of Public Health and Social
17 Services, shall promulgate rules and regulations in accordance with the
18 Administrative Adjudication Law to implement the provisions of this Section
19 within ninety (90) days of the effective date of this Act.”

20 **Section 3. Effective Date.** This Act shall be effective upon enactment and
21 shall apply to tax periods beginning on or after January 1, 2025.

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