
A BILL FOR AN ACT

To further amend title 52 of the Code of the Federated States of Micronesia, as amended, by amending Section 407 with respect to the term of members of the Board of MiCare, and for other purposes.

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

1 Section 1. Section 407 of title 52 of the Code of the
2 Federated States of Micronesia, as amended by section 4 of Public
3 Law Nos. 12-77 and 14-49, is hereby further amended to read as
4 follows:

5 "Section 407. Health Insurance Plan Board of Directors
6 and Administrator.

7 (1) Creation. There is hereby established a National
8 Government Employees Health Insurance Plan Board of
9 Directors to oversee the Plan and the assets of the
10 Employees Health Insurance Fund. There is also hereby
11 established a new full-time position of National
12 Government Employees Health Insurance Plan
13 Administrator. The Administrator shall be appointed by
14 the Board. The Administrator shall serve at the pleasure
15 of the Board of Directors and shall be exempt from the
16 provisions of the National Public Service System Act.

17 (2) Composition. The National Government Employees
18 Health Insurance Plan Board of Directors shall consist
19 of not less than seven (7) members, including one
20 representative from each State of the Federated States

1 of Micronesia, who shall be recommended by the Governor
2 of the relevant State; one representative from the
3 National Government of the Federated States of
4 Micronesia; one representative from the private
5 healthcare sector; and the Administrator. Each
6 appointed member of the Board shall be appointed by the
7 President with the advice and consent of the
8 Congress. The Administrator shall serve as ex officio
9 member of the Board. All members of the Board shall be
10 voting members of the Board.

11 (3) Terms. Each appointed member of the Board shall
12 serve for a period of three (3) years, except that
13 initial appointments to the Board shall be made as
14 follows: two members for a period of one year; two
15 members for the period of two years; and two members for
16 a period of three years. Successors to the first
17 appointees hereunder shall be appointed for terms of
18 three years each. Vacancies other than by expiration of
19 term shall be filled by the President by appointment, in
20 the same manner as the original appointment was made,
21 for the unexpired term. The rights and powers of a
22 member whose term has expired shall remain in effect
23 until the first meeting of the Board following the
24 appointment of that member's successor; except that no
25 member shall remain in office in this manner for longer

1 than one year after the end of his term. Appointed
2 members [shall not hold-over at the expiration of their
3 terms, but] may be reappointed to consecutive terms in
4 the manner set forth in this section.

5 (4) Organization. The Board shall provide for its own
6 organization and procedure, except that the Board shall,
7 at a minimum, designate a Chairman and a Secretary. The
8 Secretary shall keep all records of, and actions taken
9 by, the Board. These records shall be open to the
10 public for public inspection. The Secretary of Justice
11 of the Federated States of Micronesia shall act as legal
12 advisor to the Board.

13 (5) Meeting. The board shall meet at least once every
14 6 months. Meetings may be held at any time or place
15 within the FSM to be determined by the Board upon the
16 call of the Chairman or upon written request of any four
17 (4) members. All meetings shall be open to the public
18 and public notice of the time and place of such meetings
19 shall be posted in public places and shall be announced
20 on radio and television throughout the FSM and in
21 newspapers of general circulation in the FSM. Four (4)
22 members of the Board shall constitute a quorum for the
23 transaction of business.

24 (6) Compensation. Members of the Board shall be paid
25 at a rate established by the Board when actually

1 performing their duties under this chapter; provided
2 that officials and employees of the State governments or
3 the Government of the Federated States of Micronesia who
4 are members of the Board shall not receive any
5 compensation. All members shall be entitled to receive
6 travel costs and per diem at standard National
7 Government rates when actually attending Board meetings
8 or engaged in the performance of duties authorized by
9 the Board. Any employee of the National Government
10 shall be granted leave with pay when actually attending
11 Board meetings or engaged in the performance of duties
12 authorized by the Board.

13 (7) General powers and duties.

14 (a) It shall be the responsibility of the board
15 to promote the soundness, stability, growth and
16 development of the National Government Employees Health
17 Insurance Plan and the National Government Employees
18 Health Insurance Fund. To that end, the Board shall
19 have overall responsibility for administration of the
20 Plan, PROVIDED, however, that day-to-day operations of
21 the Plan shall be the responsibility of Administrator.
22 The Board shall have such other powers and duties as may
23 be necessary to carry out the purposes of this chapter.

24 (b) Responsibility for the proper day-to-day
25 operation of the Plan shall be vested in Administrator

1 who shall have power to delegate duties and
2 responsibilities to such employees of the Plan as the
3 Administrator deems feasible and desirable to carry out
4 the provisions of this chapter.

5 (c) The Board shall periodically consult with,
6 and seek the advice of, interested members of the public
7 in each respective State of the Federated States of
8 Micronesia regarding the operation of the Plan and shall
9 endeavor to ensure that such consultations are done with
10 persons broadly representative of actual and potential
11 participants in the Plan, including representative of
12 the medical profession and participating businesses.

13 (8) Time for Implementation.

14 (a) All nominations for all positions on the
15 Board shall be transmitted to Congress within ninety
16 (90) days of the date this act becomes law.

17 (b) The Board shall appoint an Administrator
18 within 90 days of the date all Board members have been
19 appointed by Congress. If no Administrator is appointed
20 within this time, the Board shall submit to Congress a
21 detailed account of the steps it is taking to appoint an
22 Administrator and the reasons why it has not done so.

23 (c) Immediately upon the appointment of the
24 Administrator, all employees of the Plan who hold a job

1 title containing the word Chief shall be deleted from
2 the job title.

3 Section 2. This act shall become law upon approval by the
4 President of the Federated States of Micronesia or upon its
5 becoming law without such approval.

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7 Date: 5/9/06

Introduced by: /s/ Simiram Sipenuk
Simiram Sipenuk
(by request)

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