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 allow full time students at post secondary institutions to be eligible to enroll in the National Government Employees' Health Insurance Plan, by emending section 407 to state that the Administrator shall be exempt from the National Public Service System and that Members of the Board of Directors who are not employees of the National or State Governments shall be paid at a rate established by the Board when actually performing their duties, and for other purposes.

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

Section 1. Section 403 of title 52 of the Code of the Federated States of Micronesia, is hereby amended to read as follows:

"Section 403. Eligibility.

(1) All full-time employees of the National Government of the Federated States of Micronesia may participate in the plan.

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

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

(b) The dependents of full-time employees of the National Government, participating agencies and participating businesses;

(c) Members of an employee's household who are
dependent upon the employee, but are not otherwise
defined as "dependents" under the provisions of this
act, if the employee pays 100 percent of the premiums
for such persons to the plan;

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

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

(f) Full-time students enrolled at any post
secondary institution in the FSM, if they pay 100
percent of the premium for themselves to the plan.

Section 2. Section 407 of title 52 of the Code of the
Federated States of Micronesia, as amended by Public Law No. 12-77, is hereby further amended to read as follows:

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

(1) Creation. There is hereby established a
National Government Employees' Health Insurance Plan
Board of Directors to oversee the Plan and the assets of
the Employee's Health Insurance Fund. There is also
hereby established a new full-time position of National
Government Employees' Health Insurance Plan
Administrator. The Administrator shall be appointed by the Board. The Administrator shall serve at the pleasure of the Board of Directors and shall be exempt from the provisions of the National Public Service System Act.

(2) Composition. The National Government Employees' Health Insurance Plan Board of Directors shall consist of not less than seven (7) members, including one representative from each State of the Federated States of Micronesia, who shall be recommended by the Governor of the relevant State; one representative from the National Government of the Federated States of Micronesia; one representative from the private healthcare sector; and the Administrator. Each appointed member of the Board shall be appointed by the President with the advice and consent of the Congress. The Administrator shall serve as ex officio member of the Board. All members of the Board shall be voting members of the Board.

(3) Terms. Each appointed member of the Board shall serve for a period of three (3) years, except that initial appointments to the Board shall be made as follows: two members for a period of one year; two members for the period of two years; and two members for a period of three years. Successor to the first appointees hereunder shall be appointed for terms of
three years each. Vacancies other than by expiration of
term shall be filled by the President by appointment, in
the same manner as the original appointment was made,
for the unexpired term. Appointed members shall not
hold-over at the expiration of their terms, but may be
reappointed to consecutive terms in the manner set forth
in this section.

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

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

(6) Compensation. Members of the Board shall [serve without compensation as such,] be paid at a rate established by the Board when actually performing their duties under this chapter; provided that officials and employees of the State governments or the Government of the Federated States of Micronesia who are members of the Board shall not receive any compensation. All members [but] shall be entitled to receive travel costs and per diem at standard National Government rates when actually attending Board meetings or engaged in the performance of duties authorized by the Board. Any employee of the National Government shall be granted leave with pay when actually attending Board meetings or engaged in the performance of duties authorized by the Board.

(7) General powers and duties.

(a) It shall be the responsibility of the Board to promote the soundness, stability, growth and development of the National Government Employees' Health Insurance Plan and the National Government Employees' Health Insurance Fund. To that end, the Board shall have overall responsibility for administration of the Plan, PROVIDED, however, that day-to-day operations of the Plan shall be the responsibility of Administrator.
The Board shall have such other powers and duties as may be necessary to carry out the purpose of this chapter.

(b) Responsibility for the proper day-to-day operation of the Plan shall be vested in Administrator who shall have power to delegate duties and responsibilities to such employees of the Plan as the Administrator deems feasible and desirable to carry out the provisions of this chapter.

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

(8) Time for Implementation.

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

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

(c) Immediately upon the appointment of the
Administrator, all employees of the Plan who hold a job
title containing and word 'Chief' shall be deleted from
the job title."

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: 5/19/05              Introduced by: /s/ Simiram Sipenuk
Simiram Sipenuk
(by request)