

(H.B. 1316)
(Conference)

(No. 100)

(Approved August 10, 2001)

AN ACT

To amend subsection (c) of Section 5 of Article VI of the Puerto Rico Health Insurance Administration Act, Act No. 72 of September 7, 1993, as amended, in order to specify the categories, participation and responsibilities for the payment of premiums in those cases of public employees who opt to use the health benefits contribution of the employer to acquire the Health Insurance Plan of the Government of Puerto Rico.

STATEMENT OF MOTIVES

From the moment of its implementation, the Puerto Rico Health Services Reform lacked a solid financial structure. From its inception in fiscal year 1993-1994 its costs continued to increase progressively, accumulating an astronomical debt that was left without resources for repayment and with significantly high expenses.

The excessive increase in health expenses, an annual increase that surpasses the high rate of growth in percentage terms of the budget of the whole country, threatens the stability of the Government's Health Services Reform. It is for this reason that it is indispensable that this Administration assume a forceful and responsible position so as to avoid inflicting continuous economic damages to the Health Services Reform.

Section 5 of Article VI of the Puerto Rico Health Insurance Administration Act, Act No. 72 of September 7, 1993, as amended, provides who shall be the beneficiaries of the Government's Health Insurance. Act No. 107 of June 22, 2000, amended the Puerto Rico Health Insurance Act in order to increase the number of groups that receive Health Insurance benefits to include, among others, government employees. The past Administration failed to provide resources to defray the cost of said legislation.

The public policy of the Commonwealth of Puerto Rico requires that the public employees who qualify for health insurance provided by the government due to their poverty level have access to that benefit. Those who because of their income level and eligibility do not qualify for the benefits provided by the Health Reform card may choose to avail themselves of the government health plan. Those employees who so choose shall receive the corresponding employer contribution which may be applied to the payment of the government health plan premium. Thus, all government employees shall be treated similarly whether they have availed themselves of a private plan or of the Government Health Insurance Plan.

In order to take those steps that would contribute to save the finances of the Health Services Reform it is necessary to amend the provisions of Act No. 72 of September 7, 1993, to provide that those public employees who because of their financial situation do not qualify for the benefits of the health insurance card and whose employer contribution is transferred by the Department of the Treasury to the Health Insurance Administration (ASES, Spanish acronym), shall defray the cost equivalent to the difference between the total cost of the insurance premium for individual and family (including direct and/or optional dependants) coverage and the total amount corresponding to the employer contribution.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.-Subsection (c) of Section 5 of Article VI of Act No. 72 of September 7, 1993, as amended, is hereby amended to read as follows:

“(c)

Those public employees and their direct dependants, who because of their financial situation qualify as beneficiaries of the Health Insurance Plan of the Government of Puerto Rico, shall be entitled to receive this benefit. The corresponding difference to cover the total cost of the insurance premium for the individual and family medical-hospital coverage shall proceed from the funds assigned by the Office of Management and Budget.

Those public employees whose income level does not allow them to be eligible for the Plan may choose to avail themselves of the Government Health Services Plan or to continue under a private plan of their choosing. In case they avail themselves of the Government Health Services Plan, the difference between the contribution of the government and the cost of the premium shall be defrayed by the employees.

In the case of public employees married to one another, they may choose to avail themselves of the Health Insurance Plan combining both their contributions and acting conjointly in order to be eligible. In all cases, the Secretary of the Treasury shall transfer to the Administration the total amount corresponding to the employer contribution of those public employees under the Health Insurance Plan. Those public employees who choose to use the employer contribution to acquire another medical plan in the market and who at the same time have been identified and certified by the Department, according to the provisions of Section 1 of Article VI of this Act, may not participate of the Health Insurance of the Government of

Puerto Rico. Public employees shall have the option of extending the medical-hospital coverage to their optional dependents although the employee shall defray the total cost of the coverage”.

Section 2.-This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 100 (H.B. 1316) (Conference) of the 1st Session of the 14th Legislature of Puerto Rico:

AN ACT to amend subsection (c) of Section 5 of Article VI of the Puerto Rico Health Insurance Administration Act, Act No. 72 of September 7, 1993, as amended, in order to specify the categories, participation and responsibilities for the payment of premiums in those cases of public employees who opt to use the health benefits contribution of the employer to acquire the Health Insurance Plan of the Government of Puerto Rico,

has been translated from Spanish to English and that the English version is correct.

In San Juan, Puerto Rico, today 30th of September of 2004.

Elba Rosa Rodríguez-Fuentes
Director