# (No. 107)

(Approved June 22, 2000)

## AN ACT

To amend subsection (d) of Section 2 of Article IV and Section 5 of Article VI of Act No. 72 of September 7, 1993, as amended, known as the "Puerto Rico Health Insurance Administration Act", in order to increase the group of beneficiaries of the Health Insurance.

## STATEMENT OF MOTIVES

The Health Services Reform in Puerto Rico, set forth through Act No. 72 of September 7, 1993 as amended, marked the dawn of a new era in medical-hospital services. It is intended to offer all residents of the Island an access to quality medical care, regardless of the financial conditions and capacity to pay of whoever requires them. The creation of the Puerto Rico Health Insurance Administration was the first important step to ensure quality services for the medically indigent.

Section 5 of Article VI of Act No. 72, cited above, provides who shall be beneficiaries of the health insurance set forth in the Act. The persons certified by the Medical Assistance Program of the Department of Health, up to 200% of the local poverty level. The members of the Puerto Rico Police and their families who opt to participate and select the Plan. Veterans and their families, certified by the Federal Medical Assistance Program.

It is our wish that all Puerto Ricans will have access to a health care system of the highest quality. This is part of our interest to continue

improving what began through the Health Reform of 1993. Therefore, this is the proper time to extend the health insurance plan to all employees of the sector, small and medium business employees and veterans.

## BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.- Subsection (d) of Section 2 of Article IV of Act No. 72 of September 7, 1993, as amended, is hereby amended to read as follows:

#### "ARTICLE IV

## PUERTO RICO HEALTH INSURANCE ADMINISTRATION

Section 2.- Purposes, Functions and Powers.-

The Administration shall be the government body in charge of implementing the provisions of this Act. To such effects, it shall have the following powers and functions, which rest on its Board of Directors:

- (a) ...
- (d) The Administration may represent other interested public entities and alliances or private conglomerates that so request it."
- Section 2.- Section 5 of Article VI of Act No. 72 of September 7, 1993, as amended, is hereby amended to read as follows:

## "ARTICLE VI

#### HEALTH INSURANCE PLANS

Section 5.- Health Insurance Beneficiaries.-

All residents of Puerto Rico may be beneficiaries of the health insurance established through the approval of this Act, provided the following requirements are met as pertinent:

(a) Be identified and certified by the Department, as provided by Section 1 of Article VI of this Act. Provided, that all persons eligible to receive Federal health benefits, shall obtain their services as provided through the applicable Federal legislation, or regulations also having the right to

Commonwealth health services that may be available and adequate for their condition, that are not covered under the Federal health benefits.

(b) Members of the Puerto Rico Police, their spouses and children, pursuant to the provisions of Act No. 53 of June 10, 1996, as amended. This benefit shall remain in effect when the member of the Puerto Rico Police dies under any circumstance, provided that the surviving spouse remains unmarried and the children are under twenty-one (21) years of age, or those up to twenty-five (25) years of age who are taking post-graduate studies. The Puerto Rico Police shall consign the funds in its budget to keep the health insurance for said beneficiaries in effect, through a contribution equivalent to the employer's contribution that the member of the Police Force received as health benefits at the time of his/her death.

The Secretary of the Treasury shall transfer to the Administration the total sum of the employer contribution consigned in the General Expense Budget for the coverage of medical-hospital benefits under Act No. 95 of June 29, 1963, as amended, and the corresponding contribution to keep the health insurance benefit for spouses and children in effect, upon the death of the police officer.

The members of the Puerto Rico Police who opt to use the employer's contribution to acquire another medical insurance plan on the market, shall not participate in the plan established in this Act.

(c) The employees of the Central Government of Puerto Rico, their direct dependents and optional dependents, as defined in the Implementation Plan of the Administration. The Secretary of the Treasury shall transfer to the Administration the corresponding sum of the employer's contribution for public employees. The corresponding difference to cover the full cost of the insurance premium for medical-hospital coverage in both individual and

family coverage for employees and their direct dependents shall proceed from funds appropriated by the Office of Management and Budget. In the case of public employees who are husband and wife, both the contributions of both of them shall be transferred to the Administration so that they may be eligible. Public employees who opt to use their employer contribution to acquire another medical insurance plan in the market, and who at the same time have been identified and certified by the Department, as provided by Section I of Article VI of this Act, shall 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, and the employee shall defray the full cost of the coverage.

- (d) The pensioners of the Central Government of the Commonwealth of Puerto Rico, according to the Implementation Plan of the Administration. The Secretary of the Treasury shall transfer to the Administration the corresponding sum of the employer contribution for pensioners of the Central Government agencies. The pensioners shall have the option of extending the medical-hospital coverage to their direct and optional dependents, and the pensioner shall defray the full cost of the coverage. The pensioners who opt to use the employer contribution to acquire another medical insurance plan in the market shall not participate in the plan established herein.
- (e) Employees of small and medium-size businesses, as defined in Section 121 of Title 13 of the Federal Regulation Code, who are interested in subscribing to the plan established herein and should they be entitled, allow their employer to transfer to the Administration or to the Insurer the corresponding sum of the employer contribution, in addition to the payment of the contribution of the employee, until the cost of the insurance premium for hospital medical benefits is covered, both for the individual and family

coverage; except in the case where the employer contribution covers the full cost of the insurance coverage.

- (f) Veterans, their spouses and children, certified by the Federal Medical Assistance Program, pursuant to the provisions of Act No. 13 of October 2, 1980, as amended.
- (g) Veterans, their spouses and children under twenty-one (21) years of age who are dependent on their parents for their care and support, if interested in doing so, may pay the Administration or the Insurer the corresponding sum for the cost of the insurance premium to cover medical-hospital benefits, for both the individual as well as family 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. 107 (S.B. 1860) of the  $7^{th}$  Session of the  $13^{th}$  Legislature of Puerto Rico:

**AN ACT** to amend subsection (d) of Section 2 of Article IV and Section 5 of Article VI of Act No. 72 of September 7, 1993, as amended, known as the "Puerto Rico Health Insurance Administration Act", in order to increase the group of beneficiaries of the Health Insurance,

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

In San Juan, Puerto Rico, today 21<sup>th</sup> of November of 2003.

Elba Rosa Rodríguez-Fuentes Director