



**Association of Government Accountants
Guam Chapter**

Advancing Government Accountability

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Minutes of the Chapter General Membership Meeting
Wednesday, October 24, 2007, 12 Noon
Le Premier Restaurant Onward Beach Resort Tamuning

1. Call to Order: President Matthew Quinata called the meeting to order at 12:18 PM
2. Opening Ceremonies – National Anthem and Guam Hymn
3. Introduction of Guests – AGA welcomed former member Rena Borja
4. Approval of Minutes – September 2007 minutes approved subject to correction.
5. Treasurer’s Report - \$53,867 ending net assets as of September 30, 2007 was approved by the membership subject to audit.
6. Guest Speaker – Taling Taitano, CPA CGFM (CFO of Staywell Insurance)
 - a) Ms. Taitano started her speech by disclosing to the membership that she did not partake in the insurance negotiation with the Government of Guam. She then proceeded to say that insurance is used to mitigate risk and help bring the cost of medical expenses down.
 - b) Insurance can be bought by an individual, group, or employers. Insurers sell coverage to the insured. They have been around for a long time and try to predict how many claims members of a group might make, i.e., age and gender. Medical insurance is the exchange for coverage payments is called premiums. Premiums must cover claims, administrative costs, and reserves, and profits.
 - c) StayWell and SelectCare are not insurance companies, but are insurance brokers. StayWell’s insurance is with Zurich. StayWell put proposals together, review invoices and claims, coordinate and contact providers, pay claims, and work with customers. Insurance companies try to minimize amount of claims paid out through plan designs- benefits covered and caps. For instance, transplants are not covered because it is too costly. Co-payments / Co-insurers have participants share costs and reduce claims to insurers. Hospitalization is a large part of insurance claims. One way to mitigate dirty claims is to review the insured’s records.
 - d) Ms. Taitano proceeded to share reasons for the rising medical costs. One of them being is through new technology, pharmaceuticals, malpractice, uninsured population, and profits. Moreover, pharmaceuticals are very aggressive in their media campaigns that “there’s a pill for every ill.”

- e) Drug companies are creating demand for all kinds of drugs. For the uninsured for instance at the Guam Memorial Hospital, a lot of people cannot pay for their medical bills. Hence, these unpaid medical bills are built into the hospital's rates and transferred to those people who can pay.
 - f) The GovGuam Healthcare: Proliferation of Plans (adverse selection) with too many plans or sicker members obtains specific plans and the plan does not do well because it becomes too costly to manage. Such plans at a point are unable to charge enough premiums to cover claims. Retirees vs. active – active ends of subsidizing retirees. Government Contributions and Participation Level – premiums have been increasing due to GovGuam's financial crisis. For this reason, some members drop out of the plan and those who really need it are the ones who stay in the plan. Questions were entertained from the membership.
7. Committee Reports:
- a) Membership Committee – Bobbie reported that AGA currently has 113 members.
 - b) Community Service Committee – Jojo reminded the membership of the upcoming community service of the Habitat for Humanity Quiz Nite. A reminder e-mail will be sent to the membership.
 - c) Education Committee – Zeny reported the planned Spring 2008 training with Drummond Kahn to take place on January 23-24, 2008. The subject of the training is Performance Measurement & Measurekit. More information about the training will be disseminated to the membership. There is also the December 2007 audit updates training by Mr. John Phillips. More information will be disseminated.
 - d) Awards – Taling shared that she is currently working on finalizing the UOG scholarship.
8. CGFM Presentation – Doreen announced to the membership that the application and requirements for the CGFM scholarship is now available for program year 2007-2008. These information can be obtained from her. Yuka Cabrera was acknowledged for passing all 3 parts of the CGFM exam.
9. Raffle – Free lunch for November 2007 Meeting winner is Dr. F. Cantoria.
10. Others/Announcements – 2008 Pacific Emerging Issues Conference (PEIC) Guam scheduled on July 8-11, 2008. Christmas Party is scheduled on December 19, 2007. Angela Quinto announced the 4th Guam International Accounting Forum on October 26, 2007 at the UOG Lecture Hall Room 131.
11. November Meeting – Wednesday November 14, 2007, at the Le Premier Restaurant, Onward Beach Resort.
12. Adjournment – Meeting adjourned at 1:22 PM.

Minutes Prepared by:

/s/ Maripaz N. Perez
AGA Secretary