

THE BANKING AND INSURANCE BOARD MEETING  
DIRECTOR'S CONFERENCE ROOM MARCH 22, 2012, THURSDAY 2:00 PM

AGENDA

- I. Approval of Minutes for meeting held on December 1, 2011.
- II. Old Business
  1. The Secure and Fair Enforcement for Mortgage Licensing Act or Safe Act was approved as P.L. No. 30-151 on May 25, 2010.

The Guam SAFE Act Regulations were submitted to the Legislature on January 26, 2012 for approval.

2. Vincent Insurance Services Corporation. The main issue is whether or not the Commissioner has the authority to retroactively allow and approve the renewal of the certificates of authority. The company had not filed audited financial statements during the renewal period for certain years.

The Department of Revenue and Taxation hired an outside counsel, Mr. Robert Cruz, to hear the case. The hearing was held on December 12, 2011, and???

3. Status of whether federal credit unions operating in Guam must pay a licensing fee for the establishment and operation of automated teller machines (ATMs). Requested for opinion with the Attorney General's Office.
4. In regards to the letter requiring the Government of Guam autonomous agencies to deposit funds (particularly TCDs) with eligible banks. A request for opinion was submitted to the Attorney General's Office.
5. The Patient Protection Affordable Care Act (PPACA) became law on March 23, 2010. Guam is not included in the Temporary High Risk Pool. However, the Medicaid and Children Health Improvement were increased together with all Territories.

Several grants were applied for and awarded to Guam. In regards to the Exchange Grant Funds that have been awarded, in the event that Guam does not implement an exchange, all funds (that have been expended and not expended) by the Government of Guam must be reimbursed to the federal government. To date, of the \$1 million grant funds for the exchange only \$11,000 have been expended.

Guam does not have a law patterned after the NAIC model act on External Review Process. For this reason, Guam licensed health insurance plans and self-insured plans must either follow the Office of Personnel Management's (OPM) external review process or contract with at least 2 accredited Independent Review Organizations (IRO) by January 1, 2012 and 3 IROs by July 1, 2012. A copy of the HHS Technical Guidance of June 22, 2011 is attached, please see page 9. Also, the appendix shows the forms for external review process to be used by self-insured and the fully insured health insurance plans.

III. New Business

1. Pacific Amusement, Inc., has refused to submit their audited financial statements. The company has retained an attorney to challenge the requirement.
2. The Nationwide Mortgage Licensing System & Registry (NMLS) transition to launch-funds needed to send 1 or 2 examiners for training in Hawaii in April 2012 for the NMLS database requirement.
3. Request for Proposal for Financial Examination of Insurance Companies licensed in Guam.
4. Request for Proposal for Insurance Rate Review for the small employer group and for the individual group.
5. The Financial Crimes Enforcement Network (FinCEN) has issued the Anti-Money Laundering Program and Suspicious Activity Report Filing Requirements for Residential Mortgage Lenders and Originators - Final Rule, dated February 14, 2012.