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Open Letter to Government of Guam Employees:

On August 8, 2012, TakeCare Insurance Company, Inc. ("TakeCare") filed a protest against the actions of the Government of Guam's Department of Administration ("DOA") and the Health Insurance Negotiating Team ("Negotiating Team") during the procurement process to select health insurance providers for Government of Guam employees. The protest became necessary because DOA and the Negotiating Team failed to properly promulgate rules of procedure as required by the Guam Legislature, and then violated in material respects the unauthorized rules of procedure that they purported to follow in such a way to discriminate against TakeCare.

TakeCare regrets having to file a protest, but has been compelled to do so as a consequence of the discriminatory and chaotic actions of DOA and the Negotiating Team. For instance, during the procurement process, TakeCare was advised in writing that it was one of the top three bidders, and negotiations with TakeCare were scheduled to commence the next day. However, the next morning, DOA and the Negotiating Team cancelled the scheduled negotiations, and thereafter advised TakeCare that it had re-ranked the proposals and that TakeCare would not be allowed to negotiate any health insurance plan. In simple terms, after carefully reviewing TakeCare's application, and finding TakeCare to be fully qualified, DOA and the Negotiating Team are now refusing to even negotiate with TakeCare.

These actions and others of DOA and the Negotiating Team are in violation of Guam's procurement laws and, more importantly, not in the interest of the Government of Guam employees.

TakeCare is 100% represented and underwritten locally by and for the people of Guam. Negotiating with all four of Guam's health care insurers ultimately promotes maximum competition. Reducing the number of offerors produces anti competitive results since it eliminates competition.

After 40 years of doing business in Guam, and with over 250 employees, TakeCare is one of the largest domestic health insurance companies in Guam providing health insurance to the private sector and federal employees as well as operates and provides exclusive access to one of the largest medical, dental and specialty clinics, FHP, ensuring the highest quality national standards are provided to our island residents. Given such a legacy, to suggest that TakeCare not be allowed to offer health insurance to Government of Guam employee is not in the spirit of the law passed by the Guam Legislature, which was intended to foster and encourage competition.

Therefore, TakeCare will pursue its protest, a full copy of which may be found at or by simply clicking on this link <http://www.takecareasia.com/wp/wp-content/uploads/2012/08/Protest-Letter.pdf>. By doing so, we seek to provide Government of Guam employees with more choice in health insurance coverage and broader access to quality health care clinics and providers.

Regards,

A handwritten signature in black ink, appearing to read "Joseph Husslein".

Joseph Husslein
President / CEO