

Opening Statement
Chairwoman Anna G. Eshoo
Subcommittee on Health
Committee on Energy and Commerce
Hearing on “Strengthening Health Care in the U.S. Territories for Today and Into the
Future”
June 20, 2019

At the end of this coming September, the five U.S. territories face a “Medicaid cliff,” which means the supplementary Medicaid funding provided to the territories through the Affordable Care Act will run out. Without this federal funding, over 1.5 million enrollees, including many children, could lose their health care.

Each is an American citizen and they’re being treated differently than the constituents of every Member in this room.

For too long the territories have struggled with inadequate federal funding for their Medicaid programs because federal law caps Medicaid funding for the territories. The territories also receive a fixed federal Medicaid match that is lower than the rate they would receive if they were states.

Due to these restrictions, the territories routinely run out of Medicaid funds. Over the past decade, Congress has voted on five separate occasions to provide stopgap funds to certain territories.

Even with these supplements, the funding for the territories is well below what a state Medicaid program would receive. In the territories, Medicaid spends an average of \$1,866 per enrollee. In the states, on average, Medicaid spends more than four times that amount.

In the states, the Medicaid program has a flexible financing structure. This structure guarantees funding if more individuals enroll due to an economic downturn, an epidemic, or a natural disaster.

The territories do not have a guarantee. When disaster strikes, as it did with the 2017 hurricanes and the 2018 typhoons, the territories were forced to make hard decisions about coverage and services at the worst possible time.

Simply put, the territories’ Medicaid funding does not meet their needs.

In Puerto Rico, 85% of residents report they’re worried that they’ll be unable to access health care if they need it. A recent study found breast cancer patients in the territories were 82% less likely to receive timely radiation therapy. In American Samoa, Guam, and the Northern Mariana Islands, the public hospitals face staff shortages due to low salaries, poor infrastructure, and high rates of uncompensated care.

All of these challenges exist before the Medicaid cliff hits on September 30th. If we allow

that to happen, Puerto Rico would go from \$2.3 billion in federal funding to just \$360 million. The other territories would have similar cuts of upwards of 70% of their Medicaid funding. These cuts would have dire consequences to hundreds of thousands American citizens. This is a crisis.

Today we must ask a vital question: How can we fail to care for so many American citizens based solely on where they live?

I want to hear from the witnesses what the loss of the Medicaid funds will mean to the people you serve and what Congress should do to improve the situation both in the immediate future and in the long-term. Thank you for travelling to be with us today.

I now recognize Congressman Ben Ray Luján for the remainder of my time.