



March 17, 2021

The Honorable Anna Eshoo
Chair, Subcommittee on Health
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Brett Guthrie
Ranking Member, Subcommittee on Health
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

RE: Hearing on “Averting a Crisis: Protecting Access to Health Care in the U.S. Territories”

Dear Chair Eshoo and Ranking Member Guthrie:

On behalf of the Association of Asian Pacific Community Health Organizations (AAPCHO), I thank you for holding today’s hearing, “Averting a Crisis: Protecting Access to Health Care in the U.S. Territories.” AAPCHO commends the subcommittee’s efforts to improve health care access for the more than three million Americans living in American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands. We support the Insular Area Medicaid Parity Act (H.R. 265), and we urge the subcommittee to act swiftly to enact permanent solutions for the territories that eliminates annual Medicaid funding caps, gives parity in the Federal Medical Assistance Percentage, and meets the needs of their communities.

AAPCHO is a national nonprofit association of 34 community-based health care organizations, 29 of which are Federally Qualified Health Centers (FQHCs), that advocates for the diverse health needs of medically underserved Asian Americans, Native Hawaiians, and Pacific Islanders and the community health providers that serve their needs. AAPCHO’s members are critical health access providers to nearly three quarters of a million vulnerable and low-income patients, providing culturally and linguistically appropriate care that is vital to supporting AA, NH, and PI communities every day.

As the subcommittee notes, the territories face a health care crisis at the end of the fiscal year when Medicaid provisions enacted by Congress just two years ago are set to expire. As you know, Medicaid programs in the territories operate differently than they do in the 50 states. Unlike in the 50 states, federal funding available to provide care to low-income Americans who live in the territories is capped and their FMAP—the percentage of how much the federal government will contribute to health care costs—is set in statute rather than taking into account the territories’ low-income population.

Congress made significant improvements and averted a similar health care crisis in 2019, but those changes were temporary and expire in September of this year. Without Congressional action, the territories will face a fiscal cliff that will lead to significant cuts to health care available to residents and force the territories’ governments to divert limited resources from other essential priorities. Prior to the passage of legislation to shore up the territories Medicaid programs in

2019, American Samoa and Guam were unable to provide adequate local matching funds to fully utilize ACA Medicaid funding, and the Northern Mariana Islands had exhausted its additional funds and notified local Medicaid providers that it would not reimburse adult and children outpatient primary care services, forcing providers to either stop providing services or absorb the full costs of these services. Cuts to health care services at this time will be especially dire as the territories, like the rest of the nation and global community, continue to address the COVID-19 crisis and resulting economic challenges.

Additionally, last year Congress made important progress to restore Medicaid eligibility to COFA citizens living in the United States. According to a recent GAO report, about 1 in 5 COFA citizens in the U.S. live in a U.S. territory, primarily in Guam with smaller populations in the Northern Mariana Islands and American Samoa. Congress should ensure that this progress is not jeopardized by the impending Medicaid cliff in September and ensure that the commitments it made to COFA citizens is applied equally throughout the nation.

AAPCHO strongly encourages Congress to make permanent improvements to the territories' Medicaid programs. Congress should ensure the territories' Medicaid programs recognize the unique challenges of their island communities and provide them with long-term stability that addresses the needs of their populations. **Specifically, AAPCHO supports the Insular Areas Medicaid Parity Act (H.R. 265) introduced by Congressman Gregorio Kilili Sablan of the Northern Mariana Islands to remove the territories' annual funding caps. Congress should also remove inequitable matching requirements that are not required of the 50 states.** The territories cannot continue to be hamstrung by inequitable policies that inhibit their residents from having the same access to health care as their fellow Americans in the 50 states.

Again, AAPCHO thanks the subcommittee's efforts to shed light on the health access disparities facing residents of the U.S. territories and working to improve these jurisdiction's Medicaid programs. Now is the time to find permanent solutions to these challenges and for the millions of Americans who call the territories home. AAPCHO is committed to working with you and your Congressional colleagues to improve Medicaid in the American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands in hope of creating a sustainable health infrastructure for the residents of these American island jurisdictions.

Sincerely,



Adam P. Carbullido
Director of Policy and Advocacy