



COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
OFFICE OF THE GOVERNOR

March 17, 2021

GOV20-045

The Honorable Frank Pallone
Chairman
House Committee on Energy and Commerce

The Honorable Cathy McMorris Rodgers
Ranking Member
House Committee on Energy and Commerce

The Honorable Anna Eshoo
Chairwoman
House Subcommittee on Health

The Honorable Brett Guthrie
Ranking Member
House Subcommittee on Health

Re: U.S. House of Representatives Committee on Energy and Commerce Hearing “Averting a Crisis: Protecting Access to Health Care in the U.S. Territories”

Dear Chairman Pallone, Ranking Member McMorris, Subcommittee Chairwoman Eschoo, and Subcommittee Ranking Member Guthrie,

First of all, thank you for conducting this hearing, “Averting a Crisis: Protecting Access to Health Care in the U.S. Territories,” to examine the administration of the Medicaid program in the U.S. Territories, the disparities in the program between the States and Territories, and most importantly the current capped funding applicable to the U.S. Territories.

As the Governor of the Commonwealth of the Northern Mariana Islands (CNMI), I write this letter in support of H.R. 265, the “Insular Area Medicaid Parity Act.”

Medicaid is a critical component of the health care landscape of the CNMI, as it funds many of the basic health care services and medical needs of our vulnerable island population. Unfortunately, the current capped level of Medicaid funding set forth in the Section 1108 of the Social Security Act has been a restraint to meeting the broader healthcare needs of the people of the CNMI.

We are very appreciative for recent actions taken by the U.S. Congress following the natural disaster of Super Typhoon Yutu in 2018n and during the COVID-19 pandemic, which have bolstered significantly, albeit temporarily, the CNMI’s resources for healthcare, and helped avert what was a looming health crisis. We are once again at a juncture where we are faced with future critical imbalances between Medicaid-related health needs and costs and an inadequate level of funding resources to address these.

It cannot be stressed enough how critical Medicaid, the Children’s Health Insurance Program

(CHIP), and the Presumptive Eligibility enrollment has been to the health of the people of the CNMI. Since the onset of the COVID-19 pandemic, enrollment in these programs has effectively doubled, from around 16,000 in April of 2020 to over 32,000 in February of 2021.

Medicaid's contribution to the overall health of the CNMI extends beyond Medicaid enrollment. The resources directed through Medicaid support our Commonwealth Healthcare Corporation (CHCC) allowing them to retain the care of professionals including cardiologists and radiologists, and support improvements to health care services, that support the health of the wider community. The ability to keep these specialists in the Commonwealth would not be possible without this indirect support from Medicaid.

Another disparity that should be examined is the application of the Federal Medical Assistance Percentage (FMAP) to the CNMI and other territories, which has set a matching rate for the territories at 55% instead of basing this on per-capita income as is the case in the states. The application of the FMAP based on the CNMI's per-capita income, would result in a significantly greater level of Medicaid reimbursements.

I am in full support of CNMI Delegate Gregorio Kilili Camacho Sablan's bill, H.R. 265, to amend the Social Security Act to eliminate the current funding ceiling for Medicaid in the territories beginning in 2021.

The CNMI has already had to go through the exercise of notifying Medicaid beneficiaries that their assistance for their medical care was sunseting and informing health care providers that the Medicaid program would be unable to cover reimbursements for care. I implore Congress to extend the same level of healthcare assistance to the people of the CNMI and other U.S. Territories as is granted the states, and to apply the same calculation for the FMAP to the territories that is used for the states. U.S. citizens that live in the CNMI and other U.S. Territories, should be afforded no less assistance for healthcare than those that reside in states.

Thank you again for holding this important hearing, and for considering the concerns of the people of the CNMI and the other U.S. Territories.

Sincerely,



RALPH DLG. TORRES

Governor of the Commonwealth of the Northern Mariana Islands