

Congressman Brett Guthrie

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

As Prepared for Delivery

Thank you to the witnesses for being here today. Medicaid funding for five U.S. territories expires September 30th, and I’m concerned the result of such an expiration would have a devastating impact on the residents in each of the territories. I am committed to working together in a bipartisan way to find a solution that avoids this funding cliff, but unfortunately the two bills we’re discussing today miss the mark and are not bipartisan. I want to examine how these programs are working for people in the territories, while also improving program integrity and maintaining congressional oversight. We should be working together to achieve these goals to ultimately help these Americans.

The hearing today is on the Medicaid programs in US Virgin Islands, American Samoa, N. Mariana Islands, Guam, and Puerto Rico. The federal government is projected to spend around \$3 billion on these programs this year, or roughly half of the annual budget of the Food and Drug Administration. These 5 programs cover a little over 1.3 million people, but over 90 percent of those are in Puerto Rico. For comparison, in my home state of Kentucky, around 1.5 million people participate in Medicaid.

This Committee has a proud history of working together on these programs. Two years ago, we passed unanimously out of Committee a bill that would have increased funding for four years in Puerto Rico and six years for the other territories. These bipartisan extensions included new program integrity measures for each program to make sure federal dollars being spent on the people in these programs. Congress ended up only increasing funding for two years for all five programs, so we are again here to examine ways to move forward

However, I must point out that technically this hearing is a legislative hearing. Although Congress recently passed, in a bipartisan way, the most substantial increase in funding ever to these programs, before us are two partisan bills that remove any guardrails on the amount of federal spending. We anticipate these bills will cost tens of billions of dollars and include no policy changes to address program integrity, health outcomes, and a framework for increased flexibility. Instead of this partisan approach, we should first look at how the bipartisan measures of increased funding and accountability have worked, and what measures should be continued.

It is my hope that the Majority will return to the bipartisan tradition of working together on this issue moving forward.

Although it's unfortunate the Majority chose to start the discussion on these programs with a partisan legislative hearing, today's hearing is important to discuss the territories' specific needs. Too often Congress lumps all five programs together, but as we know, we have five distinct populations with five distinct

programs with five sets of challenges and program designs. Understanding the differences in the programs and making sure any extension considers the unique needs of each population will be key.

We also want to have an open and robust conversation on the program integrity measures that the territories have been working on over the past two years. The Government Accountability Office is here today to discuss their report on the contracting issues Puerto Rico and Center for Medicare and Medicaid Services have had with Puerto Rico's contracting practices. In addition to the work GAO is doing, the Department of Health and Human Services Office of Inspector General (OIG) is also conducting two audits of Puerto Rico's Medicaid program. Working with them this spring and summer will be of paramount importance as we want to be sure that any issues identified are addressed as we work to continue this important funding.

Finally, I just want to reiterate my strong desire for this work to be bipartisan. We've seen time and time again that simply pouring money into something doesn't fix the underlying problem. We can address funding needs for U.S. territories, while also ensuring programs better serve residents and program integrity measures are in place. We can do this in a bipartisan way like we have in the past.

I look forward to the discussion and I yield back.