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Honorable Raúl M. Grijalva
Chair, Committee on Natural Resources
United States House of Representatives
Washington, DC 20515

VIA E-MAIL

Dear Chairman Grijalva,

Thank you again for the opportunity to testify at the Committee's hearing on "The President's FY22 Budget Priority for the Territories: Medicaid, SSI and SNAP Parity." My responses to the questions for the record are attached.

Sincerely,

A handwritten signature in black ink that reads "Judith Solomon". The signature is written in a cursive, flowing style.

Judith Solomon
Senior Fellow

**RESPONSE TO QUESTIONS FOR THE RECORD
COMMITTEE ON NATURAL RESOURCES
HEARING ON “THE PRESIDENT’S FY22 BUDGET PRIORITY FOR THE
TERRITORIES: MEDICAID, SSI, AND SNAP PARITY
JUDITH SOLOMON**

1. What, in your opinion, is the biggest impediment in fulfilling the President’s pledge for parity in Medicaid for the territories?

To achieve parity in Medicaid, the territories need stable and adequate funding. Short-term fixes that don’t provide any change in the statutory block grant and matching rate will never provide the territories with the funding they need to align their programs with the states on eligibility, benefits, and to increase provider reimbursement to ensure that their residents have access to the care they need. To achieve parity, the territories need open-ended federal funding and a matching rate based on their per capita income so that their Medicaid programs can respond to increases in need that occur when there’s a recession, public health emergency, or natural disaster and so that territory policymakers have the stable and adequate funding they need to increase benefits, eligibility and provider payments.

2. Why does flat funding, even in H.R. 4406, the bipartisan Energy and Commerce bill that was reported to the House on July 21, present risks to the territories Medicaid programs?

There are three major problems with flat funding for the territories’ Medicaid programs. First, the funding levels may be inadequate to meet the needs of territory residents over the five- or eight-year period covered by H.R. 4406. Without accounting for inflation and other growth factors flat funding could fall short in funding the territories’ Medicaid programs at current levels. Second, and even more significant, is the very real possibility that need increases due to a recession, public health emergency, including continuation of the current pandemic, or natural disaster. Flat funding doesn’t allow the territories to respond to increased need in the way that open-ended federal funding does. Finally, as explained in response to question #1, flat funding does not allow the territories to work towards aligning their Medicaid programs with those of the states and achieving parity as to eligibility, benefits and access to care.