

**Committee on Natural Resources**  
**1324 Longworth House Office Building**  
**May 23, 2019**  
**10:00 a.m.**

Oversight Hearing on  
*The Insular Areas Medicaid Cliff*

**Questions from Rep. González-Colón of Puerto Rico** for Ms. Angela Avila, Executive Director, Puerto Rico State Health Insurance Administration

1. Ms. Ávila, to have a broader picture of what insufficient funds would look like on the ground, how many people in Puerto Rico will lose their health care coverage if we do not address the impending Medicaid cliff? How many will see their benefits or coverage services reduced?
2. Last Congress, in response to the devastation of Hurricanes Irma and Maria, we successfully secured an increase in the federal cap to \$4.8 billion for Puerto Rico's Medicaid program at 100% FMAP, which expires by the end of this fiscal year. Within this, an increase of \$1.2 billion was to be made available if HHS certified that Puerto Rico had taken steps to report reliable data to the Transformed-Medicaid Statistical Information System and had established a Medicaid Fraud Control Unit.

Has Puerto Rico been able to access the entire \$4.8 billion increase in the cap, including the additional \$1.2 billion?

3. Did HHS certify that Puerto Rico was reliably reporting data and established a Medicaid Fraud Control Unit? What is the status of the implementation of a Medicaid Fraud Control Unit in Puerto Rico?
4. How does the longstanding, unequal treatment under the Medicaid program, and the fact that we are facing a cliff every couple of years, impact the Government of Puerto Rico's ability to budget for, modernize, and reform our health care system? How does it impact your ability to deliver high-quality services to our most vulnerable citizens?
5. Ms. Ávila, as you are aware, over the last couple of years Puerto Rico has been facing a shortage of doctors. Some estimates show that, from 2006 to 2016, the number of physicians and surgeons on the Island dropped from 14,000 to 9,000. This trend was undoubtedly exacerbated by the 2017 hurricanes.

Can you elaborate on how many doctors are currently on the Island and briefly discuss how the Medicaid cliff and the uncertainty of funds contribute to our shortage of physicians? How does it prevent us from attracting new medical professionals?

6. You mentioned in your written statement that due to Puerto Rico's unequal treatment under the Medicaid program and the historically low funding we receive, the Island has been forced to limit Medicaid eligibility to income levels well below the federal poverty level used by the States.

Do you have an estimate of how many Medicaid-eligible individuals are currently not covered in Puerto Rico because of the disproportionately low level of federal funding? In other words, how many more people we would be able to cover if the Island received state-like treatment?

7. It is my understanding that although the federal rules for Medicaid benefits generally apply to the Island, Puerto Rico currently provides only 10 of Medicaid's 17 mandatory benefits, in large part due to insufficient funding.

Could you provide examples of services currently covered by Medicaid in the 50 States but that you aren't able to offer in Puerto Rico due to this unequal treatment?

8. Ms. Ávila, would you agree that not addressing the Medicaid Cliff, in Puerto Rico and the rest of the U.S. territories, will cost the federal government and the American taxpayer more money over time than if we enact a solution now?

For instance, any money that is currently being saved by not giving Puerto Rico equal treatment will likely be at least partially offset by the additional costs borne by the federal government and state governments as a result of conditions-based migration from Puerto Rico to the U.S. mainland.

Isn't it more cost-effective to enact a long-term solution?

9. Over the past few years this Committee has made it a priority to ensure Puerto Rico has the necessary tools to improve our economy and stabilize our finances, although it's important to recognize that this Committee doesn't have jurisdiction over the Medicaid program.

Could you discuss how the Medicaid Cliff hurts these efforts? That is, how does it hurt Puerto Rico's economy and our efforts to balance our budget and stabilize our finances?

10. It has been said that there is no real "Medicaid Financing Cliff" for Puerto Rico because the Financial Oversight and Management Board established by PROMESA has required the Government of Puerto Rico to assume that no further federal financing will be provided and to fund this program as part of the Fiscal Plan.

Why should Congress increase the funding for the Puerto Rico Medicaid program if, according to some, sufficient local funds have been set aside for this purpose?

11. How will the overall healthcare system and the non-Medicaid population in Puerto Rico be affected if Medicaid funding is not increased for FY2020?

12. Currently, the Social Security Act provides for capped Medicaid funding for the territories. For FY2017, the cap in Puerto Rico was \$347.4 million. How much did the Medicaid program benefits actually cost?

**Questions from Rep. González-Colón of Puerto Rico** for Ms. Sandra King Young, Medicaid Director, Medicaid State Agency, American Samoa

1. American Samoa will end this fiscal year with an unused balance of \$153 million in ACA funds. You have explained to us the reasons for this balance but, from your testimony, extending the expiration date on these funds will not get you very far. What are the most important restrictions for the use of these funds that Congress must change in order for American Samoa to effectively use them to improve the provision of healthcare to its residents?
2. How will the overall healthcare system and the non-Medicaid population in American Samoa be affected if Medicaid funding is not increased for FY2020?
3. Currently, the Social Security Act provides for capped Medicaid funding for the territories. For FY2017, the cap in American Samoa was \$11.51 million. How much did the Medicaid program benefits actually cost?
4. Could you please provide the Committee actual examples of how the current statutory FMAP of 55% affects the provision of healthcare in American Samoa?

**Questions from Rep. González-Colón of Puerto Rico** for Ms. Theresa Arcangel, Chief Administrator, Division of Public Welfare, Guam Division of Public Welfare

1. You testified that Guam will be unable to spend the ACA funds before they are set to expire. Why is that? In addition to extending their expiration date, what would Congress need to do to help Guam spend these funds in healthcare services to its residents?
2. How will the overall healthcare system and the non-Medicaid population in Guam be affected if Medicaid funding is not increased for FY2020?
3. Currently, the Social Security Act provides for capped Medicaid funding for the territories. For FY2017, the cap in Guam was \$17.02 million. How much did the Medicaid program benefits actually cost?
4. Could you please provide the Committee actual examples of how the current statutory FMAP of 55% affects the provision of healthcare in Guam?

**Questions from Rep. González-Colón of Puerto Rico** for Ms. Helen Sablan, Director, Commonwealth of the Northern Marianas Islands State Medicaid Agency

1. How will the overall healthcare system and the non-Medicaid population in the Northern Mariana Islands be affected if Medicaid funding is not increased for FY2020?

2. Currently, the Social Security Act provides for capped Medicaid funding for the territories. For FY2017, the cap in the Northern Mariana Islands was \$6.34 million. How much did the Medicaid program benefits actually cost?
3. Could you please provide the Committee actual examples of how the current statutory FMAP of 55% affects the provision of healthcare in the Northern Mariana Islands?