



Pacific Island Health Officers' Association

PIHOA Resolution No. 2019-65-01

“Concerning urgent and critical Medicaid reforms in support of the three United States Territories of American Samoa, Commonwealth of the Northern Mariana Islands, and American Samoa, and three Compact of Free Association Treaty Nations of the Federated States of Micronesia, Republic of the Marshall Islands, and the Republic of Palau in alignment with Healthy People 2020 and health as basic human right for all United States citizens and those under its legal protection.”

WHEREAS, the Pacific Island Health Officers' Association (PIHOA) is governed by the Chief and Deputy Health Officials of the three United States Territories of American Samoa, the Commonwealth of Northern Mariana Islands, and Guam; and, the three United States Freely Associated States (Compact of Free Association Treaty Nations) of the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau;

WHEREAS, since 1986 PIHOA's mission is to improve the health and well-being of its Pacific Islander communities by providing, through consensus, a unified credible voice on health issues of regional importance;

WHEREAS, the United States Pacific Territories and Compact Treaty Nations are home to more than 500,000 people, who live on hundreds of islands and atolls spanning millions of square miles of ocean spanning five time zones, an area significantly larger than the continental United States;

WHEREAS, the United States Pacific Territories and Compact Treaty Nations are of critical strategic defense interest to the United States due to their close proximity to East Asia, North Korea, and the Peoples' Republic of China, and are home to significant United States military personnel and assets including: 1) United States Air Force, Army and Naval bases and personnel located on Guam and in the Commonwealth of the Northern Mariana Islands; 2) the Ronald Reagan Ballistic Missile Defense Test Site in the Republic of the Marshall Islands; 3) radar system installations in the Republic of Palau in response to recent North Korean missile threats to Guam and United States soil; and 4) Army Reserve Corps in American Samoa, Commonwealth of the Northern Mariana Islands, and Guam.

WHEREAS, the United States Territory of American Samoa is currently aiding the United States Department of Justice's efforts and investigations, by confining in Pago Pago Harbor, the North Korean cargo ship, *Wise Honest*. The selection of Pago Pago Harbor for these sensitive investigations was due to its strategic location and secure harbor in the central Pacific.

WHEREAS, the United States Pacific Territories and Compact Treaty Nations regularly host and support United States and other Pacific Rim country joint military exercises within their respective Economic Exclusion Zones in an effort to maintain and enhance readiness and security in the Pacific sub-region;

WHEREAS, the United States Pacific Territories and Compact Treaty Nations have the highest recruitment rates into the United States armed forces across the nation, with many of our Pacific daughters, sons, fathers and brothers deployed on multiple engagements in the Middle East, Africa, and other locations around the world in an unconditional effort to ensure United States security, and political and economic interests;

WHEREAS, the United States Pacific Territories and Compact Treaty Nations, have a long history of support for the security and well-being of the American people – first, as unwitting witnesses to and victims of the ravages of global power struggles and warfare during

World War II; second, as underground supporters to the United States military in their effort to take control of the many Pacific fronts at the cost of many lives, many of whom are unknown and unrecorded in the annals of the history, but whom still live in the living memories of survivors and their Pacific Islander families today; third, as global peace brokers by allowing islands in the Republic of the Marshall Islands to be nuclear testing grounds for the United States, whereby a United States Naval Office said to King Juda of Bikini Atoll, “*We are testing these bombs for the good of mankind, and to end all wars*”¹; fourth, as unconditional supporters of the United States Trusteeship of the islands post-World War II up until the 1970s and 1980s when the islands decided to continue to align with the United States as territories, a commonwealth and freely-associated/treaty nations to the United States; and finally, as continued supporters of the United States’ military and economic interests in the Pacific and Asia-Pacific sub-regions, and foreign policy interests in global arenas such as the United Nations;

WHEREAS, the United States Pacific Territories and Compact Treaty Nations have some of the highest prevalence and incidence rates of non-communicable diseases (NCD) and related mortalities in the world, including radiation exposure-related cancers, prompting the PIHOA health leadership to declare a Pacific regional state of NCD emergency crisis in May 2010 under *PIHOA Resolution 48-01: Declaring a Regional State of Health Emergency Due to the Epidemic of Non-Communicable Diseases in the United States-Affiliated Pacific Islands*, and which was subsequently endorsed by the Micronesian Chief Executives (13th Micronesian Chief Executives Summit Communique, June 2010), Micronesian Traditional Chiefs Council (5th Micronesian Traditional Leaders Conference, MTLC Resolution 05-012, November 2010), Association of Pacific Island Legislators (Resolution 31-GA-05, CD1, June 2012), and recognized at the 64th World Health Assembly in Geneva (May 2011);

WHEREAS, the United States Pacific Territories and Compact Treaty Nations have some of the highest prevalence rates of certain communicable and neglected tropical diseases compared to United States national averages - 2.8 cases per 100,000 in the United States for TB in 2017 compared to 352.8 cases per 100,000 in the Marshall Islands, 134.9 cases per 100,000 in the Federated States of Micronesia, 90.9 cases per 100,000 in the Republic of Palau, 68.9 cases per 100,000 in the Commonwealth of the Northern Mariana Islands, 50.2 cases per 100,000 in Guam, and 3.9 cases per 100,000 in American Samoa²;

WHEREAS, in 2018, the Federal Financial Institutions Examination Council developed a “*List of Distressed or Underserved Nonmetropolitan Middle-Income Geographies Source Information and Methodology*” sourced from the 2016 US Census Bureau Small Area Income and Poverty Estimates (SAIPE), whereby the variable used was “Estimated Percent of People of All Ages in Poverty”, and which includes the United States territories of American Samoa, Commonwealth of the Northern Mariana Islands, Guam, and United States Virgin Islands³. As an example, sourced from the 2010 US Census, the Commonwealth of the Northern Mariana Islands reported 52.45% of their population falling under the United States Poverty line, and an estimated 46% of its population remains uninsured.⁴

WHEREAS, in 2018, the Congressional Research Service (CRS) noted that the Federal Medical Assistance Percentages (FMAP) was “designed so that the federal government pays a larger portion of Medicaid costs in states with lower per capita incomes relative to the national average (and vice versa for states with higher per capita incomes)” and that “FMAP rates have a statutory minimum of 50% and a statutory maximum of 83%. For FY2019, regular FMAP rates range from 50.00% to 76.39%...” Generally applied, the CRS further noted that “the FMAP formula compares each state’s per capita income relative to U.S. per capita income. The formula provides higher reimbursement to states with lower incomes (with a statutory maximum of 83%) and lower reimbursement to states with higher incomes (with a statutory minimum of 50%)”⁵;

WHEREAS, in the same 2018 report, the CRS noted the following FMAP exceptions: “Territories and Certain States Territories As of July 1, 2011, FMAP rates for the territories (Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the Virgin Islands) were increased from 50% to 55%. Unlike the 50 states and the District of Columbia, the territories are subject to

¹ Keju-Johnson, Darlene (2003). *For the Good of Mankind*. Seattle Journal for Social Justice: May (Article 59, Vol. 2, Issue 1).

² US Centers for Disease Control and Prevention portal: <https://www.cdc.gov/tb/statistics/default.htm>

³ Sourced from: <https://www.ffiec.gov/cra/pdf/distressedorunderserved2018sourcelist.pdf>

⁴ Neisis, Kaitelyn (2018). CNMI Medicaid and Health Care Financing: Issue Brief. Commonwealth Healthcare Corporation, Commonwealth of the Northern Mariana Islands.

⁵ Mitchell, Alison (2018). Medicaid’s Federal Assistance Percentage. Congressional Research Service (April). <https://fas.org/sgp/crs/misc/R43847.pdf>

federal spending caps...The 55% also applies for purposes of computing the EFMAP rate for CHIP” as set forth under P.L. 111-148, as amended by P.L. 111-152; SSA §1905(b), 1108(f) and (g);⁶

WHEREAS, in the same 2018 report, the CRS noted the following FMAP exception: “As of FY1998, the District of Columbia’s FMAP rate is set at 70% (without this exception, it would be at the statutory minimum of 50%). The 70% also applies for purposes of computing the E-FMAP rate for CHIP” as set forth under P.L. 105-33; SSA §1905(b)⁷. According to the United States Census Bureau, the per capita income for the District of Columbia (in 2017 dollars for the period 2013-16) was \$50,832⁸ compared to the Commonwealth of the Northern Mariana Island’s per capita income in 2014 of \$15,588,⁹

WHEREAS, Medicaid and related federal benefits constitute a significant proportion of revenue for healthcare financing in the United States Territories. As an example, the Commonwealth Healthcare Corporation reported that in 2016 and 2017, 67% and 68%, respectively, of their total Medicaid expenditures were supported through federal funding sources.¹⁰

WHEREAS, in 2010, the United States Government passed into law the Patient Protection and Affordable Care Act, which to some extent, recognized these disparities and provided temporary funding allotments above the federal spending caps to the United States Pacific Territories, but which, in the end, was only partially successful in addressing local health disparities in the long-term due to the high federal matching requirements (as was the case for American Samoa and Guam) that were set unrealistically for small island economies;

WHEREAS, the citizens of the Compact Treaty Nations and legal protectants of the United States, who are residing and working in the continental United States and island Territories, actively serving in the United States armed forces, and who are required to pay United States federal and state taxes, under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, were made ineligible for Medicaid and other federal benefits¹¹, even when prior to 1996 they had been eligible under the law;

NOW THEREFORE BE IT RESOLVED, that given the history and continuing unconditional service and sacrifice of the United States Pacific Territories and Compact Treaty Nations to the security and well-being of all Americans, its legal protectants, and to the United States Government;

NOW THEREFORE BE IT RESOLVED, that continuing and significant health and economic disparities experienced by the United States Pacific Territories and Compact Treaty Nations may constitute critical geo-political instability in the Pacific sub-region that will impact the continued viability of the United States’ Pacific strategic defense corridor to the east of the United States’ borders, and as the Pacific sub-region as a whole begins to look to the East for economic opportunities and other geo-political engagements that may potentially be counter to the United States’ interests;

NOW THEREFORE BE IT RESOLVED, that in order to mitigate geo-political instability in the United States Pacific Territories and Compact Treaty Nations, one of several clear solutions is to strategically address chronic shortfalls in clinical and primary care service financing in an equitable and sustainable manner. As well as saving lives, this will assure the public’s confidence and continued support to the United States Government in the wake of beaoning political and economic opportunities readily available to the East;

NOW THEREFORE BE IT RESOLVED, the United States Pacific Territories and Compact Treaty Nations request an extension of the 2010 Patient Protection and Affordable Care Act allotments to the United States Pacific Territories, including new (additional) funding allotments moving forward and relevant waivers of federal matching requirements, in recognition of our unique island circumstances and contributions;

⁶ Same as above.

⁷ Same as above.

⁸ US Census Bureau (<https://www.census.gov/quickfacts/fact/table/dc,US/PST045218>)

⁹ Neisis, Kaitelyn (2018). CNMI Medicaid and Health Care Financing: Issue Brief. Commonwealth Healthcare Corporation, Commonwealth of the Northern Mariana Islands.

¹⁰ Neisis, Kaitelyn (2018). CNMI Medicaid and Health Care Financing: Issue Brief. Commonwealth Healthcare Corporation, Commonwealth of the Northern Mariana Islands.

¹¹ Including certain types of Veterans Affairs benefits, despite being honorably discharged with their DD214s.

NOW THEREFORE BE IT RESOLVED, the United States Pacific Territories and Compact Treaty Nations request an amendment to the appropriate laws and bills to remove, without prejudice, the United States Pacific Territories' Medicaid federal spending cap requirement;

NOW THEREFORE BE IT RESOLVED, the United States Pacific Territories and Compact Treaty Nations request an amendment to the appropriate laws and bills, without prejudice, to allow for the United States Pacific Territories be assessed their respective FMAPs in a fair and equal application of the law;

NOW THEREFORE BE IT RESOLVED, the United States Pacific Territories and Compact Treaty Nations request that the citizens and United States legal protectants from the Compact Treaty Nations who legally reside in the United States and island Territories, and who contribute to the United States economy and actively serve in the United States armed forces, again be made eligible for Medicaid under the re-appeal of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;

BE IT FURTHER RESOLVED, the United States Pacific Territories and Compact Treaty Nations, in requesting an extension of and additional funding for the 2010 Patient Protection and Affordable Care Act allotments due to expire in December 2019, a fair and equal assessment of FMAP and federal spending caps comparable to other States in similar socio-economic status, and re-instatement of Medicaid eligibility for citizens of the Compact Treaty Nations, deem these requests to be rational and equitable under the law as applied without prejudice;

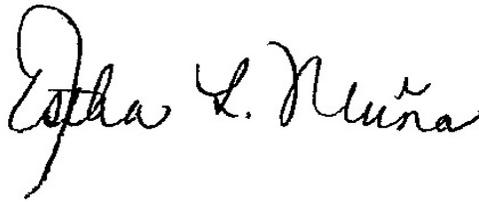
BE IT FURTHER RESOLVED, that the Government of the United States, in supporting these requests, honors the history, sacrifice and continued service to all Americans that the United States Pacific Territories and Compact Treaty Nations have and continue to offer unconditionally to the United States' continued security and well-being.

BE IT FURTHER RESOLVED, that the current FMAP and caps on federal spending to the United States Territories, given their current and continuing health and economic challenges relative to the nation as a whole, legalizes/institutionalizes on-going health inequities and income disparities in the United States Pacific Territories and Compact Treaty Nations, and that this is wholly counter to the principles and tenants of the United States Constitution. In essence, these and other similar laws, legalize the concept of second-class citizens – of United States citizens and its legal protectants who, under the law, meet the all the criteria for need and eligibility, but also because of the law, are also deemed less deserving of the same benefits as befits other United States citizens;

BE IT FURTHER RESOLVED, that we, American citizens and legal protectants of the United States, seek only to be treated equally under the law and the Constitution of the United States;

BE IT FURTHER RESOLVED, that this resolution be transmitted forthwith to the United States House Natural Resources Committee and concerned parties for review and consideration.

On this twenty-second (22nd) day of May in the year 2019, we bear witness and attest to the contents of this resolution:



**The Honorable Esther Muna, Executive Board President
Chief Executive Officer, Commonwealth Healthcare Corporation
United States Commonwealth of the Northern Mariana Islands**



**The Honorable Minister Emais Roberts, Executive Board Vice-President
Minister of Health, Palau Ministry of Health
Republic of Palau**



**The Honorable Magdalena Walter, Executive Board Secretary
Secretary of Health, National Department of Health and Social Affairs
Federated States of Micronesia**



**The Honorable Minister Kalani Kaneko, SFC (Retired US Army), Executive Board Treasurer
Minister of Health, Marshall Islands Ministry of Health
Republic of the Marshall Islands**



**The Honorable Motusa Tuileama Nua, CSM (Retired US Army), Executive Board Member
Director of Health, American Samoa Department of Health
United States Territory of American Samoa**



**The Honorable Linda DeNorcey, Executive Board Member
Director of Health, Guam Department of Public Health and Social Services
United States Territory of Guam**