



THE PARTNERSHIP FOR MEDICAID

September 29, 2022

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Chuck Schumer
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, DC 20510

Dear Speaker Pelosi, Leader Schumer, Leader McCarthy and Leader McConnell:

The undersigned member organizations of the Partnership for Medicaid, a nonpartisan, nationwide coalition made up of organizations representing clinicians, health care providers, safety net health plans, and counties, urge you to address the upcoming Medicaid fiscal cliff in Puerto Rico and the territories in must pass legislation this year. Absent Congressional intervention, each territory's federal medical assistance percentage (FMAP) will be lowered back to 55% this December, which will harm access to care for millions of Medicaid beneficiaries.

While we are thankful for Congress' past work to increase Medicaid funding and support over the years, we hope that Congress will work to pass legislation to finally address the longstanding inequities in Medicaid affecting the territories. We hope that Congress will consider bipartisan legislation introduced in the House of Representatives by the Delegates from the Territories so that these unfortunate and frequent fiscal cliffs are eliminated. **It is time that Americans who reside in American Samoa, Guam, Puerto Rico, the Northern Mariana Islands, and the U.S. Virgin Islands have full access to the benefits of Medicaid. We look forward to working with you to make this legislation a reality.**

The Medicaid program continues to be a vital lifeline for vulnerable individuals, families and children. Our members see the value that Medicaid provides to ensure the optimal health and well-being of beneficiaries enrolled in the program. Unfortunately, due to limitations in the funding statute, the Medicaid program operates differently in the U.S. Territories compared to those of the states through capped funding and a fixed federal medical assistance percentage. This discrepancy results in fewer federal dollars supporting territorial governments which in turn affects the financial viability of their Medicaid programs. At a [meeting](#) last year of the Medicaid and CHIP Payment and Access Commission, Medicaid Directors from the territories outlined the challenges their jurisdictions faced as a result of the inequitable funding mechanism of the Medicaid program as they addressed the dual public health and economic crisis arising from the pandemic.

Numerous reports detail the health and economic disparities that exist for residents of the U.S. territories, whose geographic locations and isolation contribute to more disparities. For example, natural disasters such as hurricanes and earthquakes have struck Puerto Rico, Guam, the U.S. Virgin Islands and the Northern Mariana Islands—with the most recent, Fiona causing widespread damage in Puerto Rico this last month. Additionally, close to a decade ago, American Samoa suffered the devastation of a tsunami. We all understand the importance of Medicaid during these natural disasters, which have provided states with matching funds to help offset unanticipated costs associated with

disasters and in some cases has allowed the program to provide a heightened response, for example by facilitating short-term changes to program rules affecting eligibility, benefits, and provider payment. In terms of economic conditions, all these jurisdictions have experienced prolonged fiscal challenges resulting in rising levels of unemployment and poverty, only made worse by the global pandemic, as evidenced by [population loss](#) in the last decade. Finally, residents of the U.S. territories have experienced more health challenges compared to their counterparts in the states. According to the Kaiser Family Foundation, self-reported health is significantly more likely to be fair or poor in Guam (22%) and Puerto Rico (37%) than in the 50 states and D.C. (18%)¹. Chronic disease disparities also exist with studies showing American Samoa having one of the highest rates of obesity and diabetes in the world.

Lastly, addressing the Medicaid funding limitation in the territories will help advance health equity and aim to correct longstanding disparities in health. The unequal treatment of Americans residing in the territories, of whom 98% are racial or ethnic minorities, is only exacerbated by the capped Medicaid funding which deprives some of the most marginalized populations of the federal support their counterparts living stateside enjoy. We hope that Congress moves to enact policies to promote health justice and advance health equity for Americans in the territories.

Over the years, the Partnership has called on Congress to address the impending Medicaid “fiscal cliff,” that would have resulted in significant decreased funds for the territories. While Congress has acted to increase funds for the Medicaid program over the years through legislation on a short-term basis, we ask that Congress pass legislation to finally correct longstanding discrepancies by eliminating the statutorily set funding caps and FMAP. It is imperative that Congress find a long-term solution for Medicaid beneficiaries residing in the U.S. Territories, while ensuring that territorial governments are given fiscal relief to stabilize the health and economic security of their jurisdictions.

We ask that Congress act with urgency to prevent the Medicaid fiscal cliff in Puerto Rico and the territories this year through must pass legislation. If you have any questions please contact Jonathan Westin at the Jewish Federations of North America, First Co-Chair of the Partnership for Medicaid at Jonathan.Westin@jewishfederations.org. Thank you for the opportunity to share our thoughts on this important issue.

Sincerely,

American Academy of Family Physicians
American Academy of Pediatricians
American College of Obstetricians and Gynecologists
American Dental Association
American Dental Education Association
American Network of Community Options & Resources (ANCOR)
Association of Clinicians for the Underserved
Association for Community Affiliated Plans
The Catholic Health Association of the United States

¹ Kaiser Family Foundation analysis of the 2016 (USVI) and 2017 (50 States and D.C., Guam, Puerto Rico) Behavioral Risk Factor Surveillance System (BRFSS). Significance testing for USVI BRFSS data from 2016 was completed using 2016 BRFSS data for the 50 states and D.C., while significance testing for Guam and Puerto Rico used 2017 BRFSS data. BRFSS data from 2016 and 2017 were not available for American Samoa and Northern Mariana Islands

Easterseals

Jewish Federations of North America

Medicaid Health Plans of America

National Association of Community Health Centers

National Association of Pediatric Nurse Practitioners

National Association of Rural Health Clinics

National Council for Mental Wellbeing

National Health Care for the Homeless Council

National Hispanic Medical Association

National Rural Health Association