

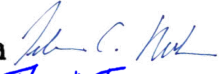








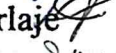
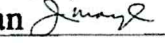
**I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
RESOLUTIONS**

Resolution No.	Sponsor	Title	Date Intro	Date of Presentation	Date Adopted	Date Referred	Referred to	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
42-36 (COR)	Telena Cruz Nelson Therese M. Terlaje Amanda L. Shelton Mary C. Torres Clynton E. Ridgell V. Anthony Ada Joe S. San Agustin Tina Muña Barnes Joanne M. Brown Jose "Pedo" Terlaje James C. Moylan	Relative to expressing the support of <i>I Mina'trentai Sais na Liheslaturan Guahan</i> for the passage of H.R. 265, the "Insular Area Medicaid Parity Act," introduced by the Honorable Delegate Gregorio Kilili Camacho Sablan and the Honorable Delegate Michael F.Q. San Nicolas, which eliminates the general Medicaid funding limitations for U.S. territories; and to further support the protection of access to healthcare and the federal funding that ensures the necessary resources for Medicaid programs benefiting the People of Guam and all U.S. Territories;	3/18/21 9:08 a.m.							

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÁHAN
2021 (FIRST) Regular Session

Resolution No. 42-36 (COR)

Introduced by:

Telena Cruz Nelson 
Therese M. Terlaje 
Amanda L. Shelton 
Mary C. Torres 
Clynton E. Ridgell 
V. Anthony Ada 
Joe S. San Agustin 
Tina Muña Barnes 
Joanne M. Brown 
Jose "Pedo" Terlaje 
James C. Moylan 

Relative to expressing the support of *I Mina'trentai Sais na Liheslaturan Guahan* for the passage of H.R. 265, the "Insular Area Medicaid Parity Act," introduced by the Honorable Delegate Gregorio Kili Camacho Sablan and the Honorable Delegate Michael F.Q. San Nicolas, which eliminates the general Medicaid funding limitations for U.S. territories; and to further support the protection of access to healthcare and the federal funding that ensures the necessary resources for Medicaid programs benefiting the People of Guam and all U.S. Territories;

1 **BE IT RESOLVED BY THE COMMITTEE ON RULES OF *I***
2 ***MINA'TRENTAI SAIS NA LIHESLATURAN GUÁHAN:***

3 **WHEREAS, the Medicaid program was established in 1965 pursuant to U.S.**
4 **Public Law 89-97 and is authorized under Title XIX of the Social Security Act (SSA).**

1 The program serves as the largest source of public health insurance in the nation.
2 Mandatory benefits include but are not limited to lab and X-ray services, inpatient
3 hospital services, home health services, and freestanding birth centers, along with
4 other optional benefits for states and certain territories; and

5 **WHEREAS**, from its establishment, Medicaid worked in service of the elderly
6 and certain low-income individuals. Since then, it has welcomed steady population
7 growth and now covers a wider demographic. Under the Patient Protection and
8 Affordable Care Act (ACA, P.L. 111-148, as amended), Medicaid expanded its
9 programs to a new adult group with incomes below 133 percent of the poverty level.
10 The provision covers low-income adults 65 years and younger, including parents and
11 adults without dependent children; and

12 **WHEREAS**, the Medicaid expansion program known as the Children's Health
13 Insurance Program (CHIP), provides health coverage for enrolled children through
14 both Medicaid and separate CHIP programs. Similar to Medicaid, it is jointly funded
15 by local and federal governments; and

16 **WHEREAS**, an omnibus COVID relief bill signed into law on December 28,
17 2020 extended Medicaid services to Compact of Free Association (COFA) citizens.
18 The law serves an estimated 100,000 COFA migrants who live in the 50 U.S. states
19 and District of Columbia, and who meet all Medicaid eligibility rules; and

20 **WHEREAS**, Medicaid is offered in all U.S. territories, including Guam,
21 American Samoa, the Commonwealth of the Northern Mariana Islands (CNMI), the
22 Commonwealth of Puerto Rico, and the United States Virgin Islands (USVI).
23 Medicaid was established on Guam in 1975 and is administered by the Department of
24 Public Health and Social Services (DPHSS); and

25 **WHEREAS**, the program operates on a fee-for-service (FFS) basis, and nearly
26 21 percent of Guam residents are enrolled in Medicaid. While Guam, Puerto Rico, and
27 the USVI are required to provide mandatory Medicaid benefits, Guam is the only

1 territory to do so, providing also the optional benefits of dental and prescription
2 services; and

3 **WHEREAS**, an increase in Medicaid funding aided one-fifth of the island's
4 population during the unprecedented effects of the COVID-19 pandemic. Guam's
5 primary public hospital, Guam Memorial Hospital (GMH), reported that its Medicaid
6 collections for Fiscal Year (FY) 2020 increased to 26,999,457, which is 9.4 million
7 more than the FY 2019 collections set at 17,579,613. The recent FY 2020
8 appropriations package (P.L. 116-94) and the Families First Coronavirus Response
9 Act (FFCRA, P.L. 116-127) increased Guam's federal Medicaid allotment from \$18.4
10 million to \$130.9 million. The FY 2021 allotment raised from approximately \$18.8
11 million to \$129.7 million; and

12 **WHEREAS**, while Congress has provided limited supplemental federal
13 Medicaid funds to Guam and other territories on several occasions, the territories only
14 have access to federal dollars that are not to exceed the annual, mandatory ceiling
15 amount provided in Section 1108(c)(4) of the SSA. If federal dollars are exhausted,
16 local funds are used to fund the program. This is unlike the states where federal
17 Medicaid spending is open ended; and

18 **WHEREAS**, the Federal Medical Assistance Percentage (FMAP) for Guam
19 and the territories is statutorily set at 55 percent (§1905(b) of the SSA), unlike that of
20 the states, where the FMAP is set using a formula based on state per capita income.
21 For FYs 2020 and 2021, Guam has a temporary FMAP of 83 percent. During the
22 national public health emergency declared in response to the COVID-19 outbreak,
23 Guam received the 6.2 percentage point increase provided by the FFCRA to all states
24 and territories, which went into effect January 1, 2020. This increase brought Guam's
25 FMAP to 89.2 percent. Guam also received a 100 percent CHIP enhanced FMAP
26 during the emergency period. Like the states and other territories, Guam's matching

1 rate for almost all program administrations is set at 50 percent (§ 1903(a)(7) of the
2 SSA); and

3 **WHEREAS**, while Medicaid administered a funding increase for FY 2020 and
4 FY 2021, the annual allotment for the fiscal years succeeding FY 2021 will revert
5 back to a 55 percent federal matching rate. This means that if Guam were to spend
6 \$10 million in local funds for Medicaid services, the federal government would
7 provide 12.2 million, or 55 percent, only 5 percent above the statutory minimum; and

8 **WHEREAS**, H.R. 265 recognizes the need to address the inequitable
9 distribution of federal funds to the territories as they face a unique set of challenges
10 due to their geographic locations. The U.S. Department of Health and Human Services
11 designated Guam as a Health Professional Shortage Area (HPSA) and a Medically
12 Underserved Area (MUA). These designations demonstrate a need for more health
13 care providers, practitioners, and health-related resources. The shortage in certain
14 physician specialists and specialty care nurses is only expected to increase in the
15 succeeding years; and

16 **WHEREAS**, architects and engineers from the Army Corps of Engineers
17 (ACOE) deemed the Guam Memorial Hospital to be in an overall state of failure,
18 citing pre-existing issues that include unsafe infrastructure, an outdated HVAC
19 (heating, ventilation, and air conditioning) system, and a lack of financial resources
20 available to adequately address these pressing issues. The cost of repairs
21 recommended by ACOE is estimated to be \$21 million and would go towards
22 replacing the existing facility and immediately repairing critical life safety items; and

23 **WHEREAS**, adding to the financial strains on the Hospital, Guam Memorial
24 Hospital Authority (GMHA) reported up to \$145.5 million in uncollectable debt for
25 the ending of FY 2019. The average debt acquired from patient receivables is
26 estimated to be \$16.5 million annually, meaning GMHA receives 27 cents per dollar

1 for self-pay patients. With the \$658K decrease in federal grants for FY 2019, the
2 Hospital is further burdened by its negatively operating cash flow; and

3 **WHEREAS**, recognizing the need for additional federal funding for territories,
4 the Honorable Delegate Gregorio Kilili Camacho Sablan from the Commonwealth of
5 Northern Mariana Islands introduced H.R. 265, titled the “Insular Area Medicaid
6 Parity Act.” The bill is further supported by several U.S. state representatives and the
7 Honorable Guam Delegate Michael F.Q. San Nicolas. The Act provides that Section
8 1108, Section 1902, and Section 1903 of the SSA, relative to the allocation of federal
9 funds to territories, be amended to eliminate the cap on Medicaid funding provided by
10 the federal government; and

11 **WHEREAS**, the additional funds would increase the capacity of the medical
12 community to provide a steadier allocation of resources and programs geared toward
13 improving health services. These financial resources could go towards several capital
14 projects that are currently unfunded and address GMH’s dire need for personnel,
15 which would help stabilize the Hospital’s financial health further; and

16 **WHEREAS**, increasing funding that goes towards health care should not be
17 contingent on a pandemic but should be a matter discussed for communities in need
18 even beyond the impacts of COVID-19. The “Insular Area Medicaid Parity Act,”
19 would provide a more equitable distribution of federal funds to territories and ensure
20 that Guam’s FMAP is proportionate to the financial needs of our island. H.R. 265
21 would aid not only the health of low-income individuals, but the wider community as
22 a whole; and

23 **WHEREAS**, despite the persisting challenges to our island’s medical
24 community, the joint efforts of local and federal entities have done much in service to
25 the People of Guam. However, more can and should be done. The continued efforts
26 and support of local and state representatives is crucial to protecting the public’s
27 access to Medicaid and health care; now therefore, be it

1 **RESOLVED**, that the Committee on Rules of *I Mina'trentai Sais Na*
2 *Liheslaturan Guåhan* does hereby, on behalf of the people of Guam, stand in support
3 of H.R. 265, the “Insular Area Medicaid Parity Act,” and of protecting access to
4 healthcare and federal assistance that ensures the necessary resources for Medicaid
5 programs benefiting the People of Guam and all U.S. Territories; and be it further

6 **RESOLVED**, that the Speaker and the Chairperson of the Committee on Rules
7 certify, and the Legislative Secretary attest to, the adoption hereof, and that copies of
8 the same be thereafter transmitted to the U.S. Senate Majority Leader Senator Chuck
9 Schumer, U.S. Senate Minority Leader Senator Mitch McConnell, Speaker of the
10 House Nancy Pelosi, Committee on Energy and Commerce Chairman Congressman
11 Frank Pallone, Jr., Health Subcommittee Chairwoman Congresswoman Anna G.
12 Eshoo, the Honorable Delegate from the Commonwealth of the Northern Mariana
13 Islands Gregorio Kilili Camacho Sablan, the Honorable Delegate from Guam Michael
14 F.Q. San Nicolas; and to the Honorable Lourdes A. Leon Guerrero, *I Maga'hågan*
15 *Guåhan*.

**DULY AND REGULARLY ADOPTED BY THE COMMITTEE ON RULES OF
I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN ON THE DAY
OF MONTH YYYY.**

THERESE M. TERLAJE
Speaker

TINA ROSE MUÑA BARNES
Chairperson, Committee on Rules

AMANDA L. SHELTON
Legislative Secretary