The Virgin Islands Consortium

Bill Making Its Way Through Congress Seeks To Put U.S. Territories On Medicaid Parity With Mainland; Plaskett Says Measure Could Save Lives

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A Medicaid parity bill making its way through Congress has been hailed by Delegate to Congress Stacey Plaskett as a measure that, if signed into law, will save lives. Introduced by Congressman Darren Soto, the measure seeks to provide equal access to federal resources for Medicaid to American citizens living in U.S. territories. To do so, the bill, H.R. 3631, dubbed the Territories Health Care Improvement Act, increases the limit on Medicaid payments and the Federal Medical Assistance Percentage for the five U.S. territories: Puerto Rico, U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands. It also sets stipulations to implement integrity and reporting measures for the programs.

In a statement issued Wednesday, Ms. Plaskett lauded the U.S. House Committee on Energy and Commerce for approving the measure, which now heads to the House of Representatives.

“The legislation prevents many from losing health care coverage, by increasing the limit on Medicaid payments and the Federal Medical Assistance Percentage for all U.S. territories. It also sets stipulations to implement integrity and reporting measures for the programs," said the delegate to Congress. “This legislation will save lives. I am encouraged by the bipartisan support the legislation received in Committee to grant every American citizen the equal access to Medicaid coverage they deserve. Under the current archaic system, unequal access to federal resources puts a strain on the territories’ Medicaid programs, especially areas with ongoing health care crises exacerbated by hurricanes. This plan ensures families have continued access to health care while immediately relieving financial pressures on the territories."

The legislation provides a path away from capped federal funds for Medicaid program to several years of increased allotments, totaling $12 billion for Puerto Rico, $762 million for Guam, $756 million for USVI, $504 million for American Samoa, and $360 million for Northern Marianas. It also implements important program integrity provisions, including a new asset verification system and payment error rate measurements, both already required for state Medicaid programs. All territories will also need to report annually to Congress on the expenditures of increased Medicaid funds.

The measure also creates a new funding structure increasing the matching rate Federal Medical Assistance Percentage (FMAP): Puerto Rico: 83 percent for the first two years of additional funds, and 76 percent for the final two years. Guam, American Samoa, and CNMI: 100 percent for two years, 83 percent for three years, and 76 percent for one year. And the U.S. Virgin Islands: 100 percent for one year, 83 percent for four years, and 75 percent for one year.

This latest effort is not the first time a U.S. lawmaker has attempted to bring Medicaid parity to the U.S. territories. In 2015, U.S. Senator Chuck Schumer introduced legislation to provide parity for the Virgin Islands and other U.S. territories in the federal Medicaid program and other U.S. healthcare programs. The Schumer bill sought to lift the annual cap on federal Medicaid payments to the Virgin Islands and other territories and increase the federal matching rate from the 55 percent level to 83 percent. The bill, however, was not successful.