

The Virgin Islands Consortium

U.S. Senate is Said to Reach Deal Offering Territory Some Certainty in Medicaid Funding Over Next Few Years

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The U.S. Senate is closing in on a deal to provide Medicaid certainty for the territory over the next few years.

“This week, the Senate Finance Committee issued a statement indicating that they reached an agreement on a drug pricing and health extenders bill, which includes a package to extend and increase Medicaid funding in the territories,” said Congresswoman Stacey Plaskett in a statement.

This agreement comes after months of discussion between House and Senate members on the need to resolve the Medicaid Cliff by the end of the year, including increased funding for the territories and a greater percentage of funding from the federal government.

The Senate proposal includes:

- All territories, including the Virgin Islands, will receive a 4- year Medicaid deal.
- A \$126 million annual funding increase for the Virgin Islands for each of fiscal years 2020-2023, which is the same annual increase.
- Federal matching funds for the Virgin Islands will remain at the same rate of 100% through December 20, 2019.
- From December 21, 2019 through the end of 2023, the rate of federal matching funds will be 83% for Virgin Islanders. That's an increase from the previous 55% cap, and it is the highest possible rate that any state may receive.

"The deal and resulting Medicaid bill from the U.S. Senate addresses each of the requests made by me and my colleagues in the House bill, the REACH act, which passed in the House Energy and Commerce Committee in July of this year," Ms. Plaskett said. "Many were unsure what language would come out of the Senate, and this is far better than what had been originally discussed."

The bipartisan Senate bill was sponsored by Sens. Chuck Grassley, an Iowa Republican and Democrat Ron Wyden of Oregon.

" While this is not the number of years we requested, should this bill become law, it ensures that we will be able to continue supporting the thousands of Virgin Islanders currently on Medicaid," according to Ms. Plaskett.