

For Immediate Release

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Millions Face Prospect of Losing Access to Health Care

Partnership for Medicaid Calls for Extending Supplemental Medicaid Funding

WASHINGTON—More than 1 million Americans face uncertainty surrounding their health care coverage unless Congress acts to continue supplemental Medicaid funding for Puerto Rico, the U.S. Virgin Islands and other U.S. territories. That's the warning in a <u>letter to House and Senate leadership from the Partnership for Medicaid</u>, a nonpartisan, nationwide coalition of health care providers, safety-net health plans, counties and labor organizations.

In the letter to Senate Majority Leader Mitch McConnell, Senate Minority Leader Chuck Schumer, House Speaker Nancy Pelosi and House Minority Leader Kevin McCarthy, the Partnership for Medicaid urged both chambers of Congress to address both short-term and long-term Medicaid financing challenges.

Of immediate concern, the letter says, is the September 30 expiration of additional Medicaid funding provided through the Affordable Care Act to all territories and additional funding to Puerto Rico and the U.S. Virgin Islands. Without an extension of the ACA's temporary Medicaid funding, "the impacts to the territories' budgets, coverage and patients' health will be severe," the Partnership for Medicaid letter says.

Continuing supplemental Medicaid funding is particularly important as people in Puerto Rico and the U.S. Virgin Islands struggle with the ongoing aftermath of Hurricanes Irma and Maria. Destruction of infrastructure, homes, schools and other buildings as well as the loss of jobs and a significant portion of the tourist industry worsened existing fiscal woes and increased strain on the program, according to a 2019 analysis by the Kaiser Family Foundation.

Federal Medicaid payments to U.S. territories are capped at a 55 percent federal match to the amount appropriated by the territorial government. With the ACA's additional contribution, federal support comprises 79% of Puerto Rico's total Medicaid budget and 63% of the U.S. Virgin Islands' total Medicaid budget. Additional temporary, supplemental funds, including those from the Bipartisan Budget Act of 2018, are subject to a 100% federal match.

Loss of the additional funding would slash the federal contribution to Puerto Rico's and the U.S. Virgin Islands' Medicaid budgets to a 55% match. By comparison, 10 U.S. states receive a 70% to 77% percent federal match and 17 states receive a 60% to 69% federal match.

The lower level of federal support for Puerto Rico's Medicaid program "is not sustainable, as it is projected to cover only a fifth of the funding needed during fiscal year 2020," the Partnership for Medicaid letter says. "Should Puerto Rico be limited to its statutory cap of \$380 million at the FMAP of 55 percent for FY 2020, federal funding of Puerto Rico's Medicaid would last only three months without cutting benefits—which are already limited to begin with—or disenrolling beneficiaries from the program.

"...We urge Congress to act ahead of the September 30 deadline to address the pending Medicaid fiscal cliff. Recent disaster relief packages under consideration by Congress have failed to address this issue. We encourage both chambers to come together to address the short-term and long-term Medicaid financing challenges in the territories."

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The Partnership for Medicaid is a nonpartisan, nationwide coalition made up of organizations representing doctors, health care providers, safety net health plans, counties and labor. The goal of the coalition is to preserve and improve the Medicaid program.

The Partnership for Medicaid seeks to raise awareness about the vital role played by the Medicaid program, which provides essential health care services to more than 58 million people. By working in a bipartisan manner with all levels of government and affected constituency groups, we seek to provide viable solutions to improving the quality and delivery of services, with the aim of constraining costs without undermining the program's fundamental goals.

Above all, **The Partnership for Medicaid** is a unified voice to ensure that Medicaid continues its crucial role as a strong safety net for vulnerable Americans.