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35GL-19-0702

Congress of the United States
House of Representatives
Washington, DC 20515-990

Speaker Tina Rose Muña Barnes

JUL 0 2 2019
Time 3:12 AM PM
Received By: allen

Dear Speaker Barnes,

I write to update you on current legislation under consideration in the House of Representatives that is pertinent to FY 2020 budget considerations of the Government of Guam. Recent local headlines indicate that the GovGuam Medically Indigent Program (MIP) funding is projected to be adversely affected by FY 2020 GovGuam healthcare budget constraints, with funding prioritized for Medicaid matching funds.

My office is working diligently to support movement in the Congress to introduce legislation to address the Medicaid cliff that would result in Medicaid funding running out by October 1, 2019. This draft legislation currently proposes to fund 100% of Territory Medicaid matching (no match needed) up to the Caps starting October 1, 2019 to September 30, 2021. After this date, Medicaid matching is proposed to go to 83% from October 1, 2021 to September 30, 2024. From there Medicaid matching is proposed to go to 76% from October 1, 2024 to September 2025. Finally, the proposed Medicaid matching will revert to our historic 55% beginning October 1, 2025.

While the aforementioned only presents a temporary relief to our legacy Medicaid matching challenges it does offer us a window to strategize our healthcare spending for a soft landing as opposed to the current cliff and the projected impact on MIP.

In light of this ongoing development, I write to advise FY 2020 GovGuam budget language to include a stop-gap provision that would trigger if the Congress passes a measure that accomplishes the aforementioned, with the recommended stop-gap in the FY 2020 GovGuam budget automatically reverting 100% of the appropriated Medicaid matching funds to the MIP program in order to lifeline our healthcare system. Future budgets can factor adjusted matching rates in subsequent fiscal years.

2019 JUL -3 AM 9:03

This recommended stop-gap language in the FY 2020 GovGuam budget will prevent the recurrence of political reprogramming of scarce local healthcare dollars to non-health related expenses. These healthcare budget allocations are critical to the sustainability of our local healthcare system, with the neediest in our community relying on the availability of these resources, and our overburdened healthcare system depending on their availability for operations.

While the outcome of this Congressional draft is uncertain my office will continue to provide you with timely updates on its progress; in the meantime, I urge you to include the recommended stop-gap language in the FY 2020 GovGuam budget to safeguard healthcare funds for the purposes which they are intended, should this federal relief materialize.

Much Respect,

Michael F.Q. San Nicolas
Member of Congress
Guam

CC: Senator Joe S. San Agustin, Chairman, Committee on Appropriations

GUAM LEGISLATURE
CENTRAL FILES
ACKNOWLEDGEMENT RECEIPT
Received by: JFS
Time: 1132
Date: 7-2-19

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