

February 3, 2010

LATE
Testimony
at hearing

Testimony in Support of H.B. 2467
Relating to Medical Assistance
before the House Committees on Human Services and Health
Thursday, February 4, 2010, 9:00 A.M.

Chair Mizuno, Chair Yamane, and Members of the Committees:

I am Sheldon Riklon MD, a practicing Marshallese family physician in the state of Hawaii and a member of the Micronesian Health Advisory Coalition. I am offering testimony in support of HB2467. As your committees are well aware, there has been a desperate outcry for help by members of the Micronesian community and their supporters when the DHS introduced the Basic Health Hawaii Plan. If it were not for a federal temporary restraining order, the BHH would have taken effect on September 1, 2009.

Compact of Free Association (COFA) migrants currently enrolled in the DHS's MedQuest program were to be transferred to this proposed Basic Health Plan Hawaii. The BHH is a severely limited health plan that will not provide the type of life-saving services or medically appropriate basic clinical services that are currently afforded to them in the MedQuest program. Not only were dialysis and cancer treatment services eliminated, but the number of outpatient and inpatient visits were reduced to twelve(12) and ten(10) respectively per year, and the number of prescription medications were are limited to five (5) per month.

Healthcare providers who care for COFA migrants on a regular basis understand that majority of these patients have multiple chronic medical problems with related complications and require regular close follow up on outpatient basis. If not, they will be admitted into the hospital with complications requiring prolonged hospital stays or multiple hospitalizations throughout the year. It is not uncommon for them to be on more than 5 medications.

The 2007 Compact of Free Association Task Force Report recommended to increase support services to the COFA migrants thru preventive care and to support health services in their home countries. The idea is that if there is more focus on the front end of the health care system & more emphasis focused on prevention, then there will be decreased need to spend funds at the end, which is usually cost more in terms of hospitalizations, medications, management of complications, and the amount of resources required or utilized. The BHH plan is doing the complete opposite in limiting the health care services to this population, which will eventually lead to more costs to the state as a whole.

It should also be noted that all of the COFA migrants in the State are here legally. They are contributing members of society. They are tax-payers. They pay both state & federal taxes. The 2000 US Census revealed that there were 8,725 Micronesians in Hawaii. A paper published in 2003 by Dr. Michael J Levin of Harvard Center for Population and Development Studies estimated that COFA migrants contribute over \$50 million annually to Hawaii's economy. According to the US Census Bureau, there was an estimated more than 12, 000 COFA migrants in Hawaii in 2008. Hawaii is currently receiving \$10-11 million dollars a year from the federal

government as Compact Impact Funds. It is our hope that the amount of this fund will increase based on the upcoming 2010 US Census starting in April 2010.

This bill, as written, would significantly enhance the medical benefits that were either eliminated or limited in the Basic Health Hawaii program for adult Compact of Free Association (COFA) migrants. It should take into account that cancer treatments involve more than chemotherapy. However, there are still some limitations and it is not as comprehensive as the MedQuest program that the COFA migrants are currently enrolled in.

Thus, I recommend that this bill be amended to appropriate funds to keep COFA migrants in the comprehensive QUEST program. Furthermore, that the state administration continues to work with the federal government to live up to its responsibility & pay for healthcare for the COFA migrants by reversing the 1996 Personal Responsibility and Work Opportunity Reconciliation Act that rendered COFA migrants ineligible for fed public assistance.

In the meantime, I urge that the State continue to serve low-income COFA migrants through the MedQuest program.

Thank you for your interest in the welfare of COFA migrants & the opportunity to provide this testimony.

Sheldon Riklon, MD

Member, Micronesian Health Advisory Coalition

LATE
Testimony
verbal

STATEMENT OF JOHN M. SILK
Minister of Foreign Affairs
Government of the Republic of the Marshall Islands
Before the Committee on Human Service and the
Committee on Health, Hawaii State
House of Representatives
04 February 2010
Honolulu, Hawaii

Chair Mizuno, Chair Yamane, and Distinguished Members of the Committees:

On behalf of His Excellency President Jurelang Zedkaia, the Government and people of the Republic of the Marshall Islands, and in particular, the Marshallese community in Hawaii, I am privileged for being given an opportunity to present a statement in support of H.B. 2467 as a means toward improving the proposed establishment of the Basic Health Hawaii (BHH) Program and its impact on the Marshallese community here in Hawaii.

As you are aware, the BHH Program proposes to drastically reduce benefits to the Marshallese enrollees under the QUEST medical program, namely for those covered for dialysis treatment and chemotherapy. As you are also aware, these treatments are critical to the lives of Marshallese patients; without these essential life-saving medical procedures the results would be too cruel to ponder.

Under the Compact of Free Association, as amended, Marshallese citizens are allowed to travel to the United States and reside and work in the U.S. without restrictions. Notwithstanding these current issues, many Marshallese living in the State of Hawaii are paying state and federal taxes, and the BHH Program exemplifies a measure that would remove our citizens from critical social safety net programs that are available to other lawful residents.

Consequently, H.B. 2467 is a crucial step towards the right direction, and we appreciate the assistance of the House of Representatives in this endeavor. Given that people's lives are at stake, I would like to reiterate sentiments expressed in previous hearings and similar forums that we continue to work together in the spirit of cooperation and mutual respect and understanding.

Kommol tata.

This concludes our oral statement. I would like to submit Minister Silk's statement for the record.

STATEMENT OF JOHN M. SILK
Minister of Foreign Affairs
Government of the Republic of the Marshall Islands
Public Hearing
Department of Human Services, Med-Quest Division
January 25, 2010
Honolulu, Hawaii

On behalf of His Excellency President Jurelang Zedkaia, the Government and people of the Republic of the Marshall Islands, and in particular, the Marshallese community in Hawaii, I am most honored to present a statement on the proposed establishment of the Basic Health Hawaii (BHH) Program and its impact on the Marshallese community here in Hawaii.

Before commenting on the proposed Basic Health Hawaii program, I would like to take this opportunity to thank the Hawaii State Department of Human Services for the assistance that it has provided to the Marshallese people under the existing QUEST medical program. Your assistance in providing these essential medical services demonstrates true friendship and commitment that Hawaii provides to its fellow Pacific Island peoples.

We are being told that the new Basic Health Hawaii program cuts back on the services currently provided under the QUEST program and establishes a cap of 7,000 enrollees at any given time. We also have been told that these changes are being made due to budgetary constraints, and the lack of reimbursements from the federal government for costs incurred in support of COFA migrants. I will comment on these points later.

I need, however, to mention for the record that the Republic of the Marshall Islands lacks any dialysis services for severe diabetes or chemo-therapy treatments for cancer. We simply cannot afford them with our limited resources. Our Government receives funding under the Compact of Free Association, and commits a substantial portion of this funding to health and education, but this funding is declining on an annual basis. In short, we lack

the resources to provide the services currently provided our citizens residing in the State of Hawaii.

Our people lawfully reside in the United States, and are allowed to live and work in the U.S. without time limits and restrictions. Many Marshallese living in Hawaii work and pay taxes to the state and federal government and contribute to the state's economy, yet may be denied essential social safety net programs that apply to other people similarly situated.

The Marshall Islands was also the location where the United States conducted 67 atmospheric thermo nuclear tests between 1946-1958, with the equivalent explosive yield of 1.6 Hiroshima bombs *per day* for a period of 12 years. The Marshallese people still live with that legacy today that is manifested in the high rates of cancer that our people have experienced and continue to experience. A recent estimate of the National Cancer Institute shows that the Marshallese people will continue to experience higher rates of cancer into the future as a result of the nuclear testing program.

We wish to be a burden to no one, but the truth is that we need help with the burdens that we carry and our limited resources to provide essential health services to our people. We need to work together in a spirit of partnership and common interest to find solutions to these problems.

As I stated earlier, we were informed that the new BHH program is the result of budget problems and the overall economy. We believe that the federal government needs to weigh in by making reimbursements of these costs incurred by the state of Hawaii. This has been a problem since 1996, when the broad sweep of federal legislation disqualified COFA migrants from essential federal social safety nets such as the Medicaid program. We are hopeful that this eligibility can be restored.

Until that happens, however, we have some questions and concerns about the new Basic

Health Hawaii plan. Presently, over 100 Marshallese receive dialysis treatment under the QUEST Program. Will these people continue to receive the same level of medical care for their conditions under the new BHH? If not, what will be different, given that these people will die without the current levels of dialysis treatment?

In addition, given the high cancer rates suffered by the Marshallese people, will chemotherapy treatments continue under the new BHH? Although this may not be technically considered “emergency” care under prevailing guidelines, I can assure you that many of our people rely on these treatments, and that curtailing chemo-therapy treatments will also result in the untimely and preventable death of our people.

We also note that there is a limitation of 7,000 enrollees in the new Basic Health Hawaii program. We are concerned that people badly in need of coverage will be denied as there is a substantial risk of people competing to get enrolled in the program. What happens to those who qualify, but cannot enroll because the enrollment ceiling has already been reached?

I do not want to sound like I am simply laying all of these problems at the State of Hawaii’s doorstep. To the contrary, there is a problem here and we all need to work on solutions, and that includes my Government. We need to do a better job back in the Marshall Islands of improving the health and education of our people so that when they migrate to the United States, they do not become a burden on state and local governments. We are in the process of doing this through the amended Compact that focuses funding on health and education, and we are starting to show some early positive results. But, it will take time, and more than what we have now, and will require additional resources from the federal government if we are to see our way through this difficult period.

Until we have a broader solution to these problems, I would implore you to continue to provide essential medical care to Marshallese who are lawfully residing in your good

state.

Kommol tata.

This concludes our oral statement. I would like to submit Minister Silk's statement for the record along with two letters. One letter is from President Zedkaia to President Obama and the Congressional leadership, and the other letter is from Senators Akaka, Innoye, Lincoln, and Bingaman to House and Senate Conferees concerning the pending health care legislation.



**REPUBLIC OF THE MARSHALL ISLANDS
MINISTRY OF FOREIGN AFFAIRS**

**PO BOX 1349
MAJURO, MARSHALL ISLANDS 96960**

US/06-10

The Ministry of Foreign Affairs of the Republic of the Marshall Islands presents its compliments to the Embassy of the United States of America and has the honor to provide the latter with the attached letter from President Jurelang Zedkaia to President Barack Obama, the Honorable Speaker of the House Nancy Pelosi, and the Honorable Majority Leader of the Senate Harry Reid regarding the health care reform legislation, specifically Section 1736 of H.R. 3962.

In this regard, the Ministry has the further honor to request the Embassy's kind assistance in transmitting said letter to its most esteemed destinations.

The Ministry of Foreign Affairs of the Republic of the Marshall Islands avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration.

22 January 2010



**Embassy of the United States of America
Majuro, REPUBLIC OF THE MARSHALL ISLANDS**



President

REPUBLIC OF THE MARSHALL ISLANDS

January 22, 2010

**President Barack Obama
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500**

**The Honorable Nancy Pelosi
Speaker of the House
H-236, The Capitol
Washington, D.C. 20515**

**The Honorable Harry Reid
Majority Leader
United States Senate
S-221, The Capitol
Washington, D.C. 20001**

Dear President Obama, Speaker Pelosi and Leader Reid,

We write to you on behalf of the government and people of the Republic of the Marshall Islands, one of three Pacific Island nations in Free Association with the United States concerning present efforts pending in the U.S. Congress to pass health care reform legislation, and specifically to request that Section 1736 of H.R. 3962 be retained in the final bill in order to restore Medicaid payments to states and territories where Compact migrants reside.

The Compact of Free Association between the United States and Marshall Islands creates a very special and unique relationship between both countries which includes the ability for Marshallese to live, work, and reside in the United States without visas, and certain other restrictions. Historically, Marshallese residing in the United States were eligible for Medicaid coverage and assistance. However, the 1996 welfare reform law, the Personal Responsibility and Work Opportunity Act, disallowed Medicaid payments to “non-immigrants”. Unfortunately, included within this broad category is the special group of non-citizens, which includes the Marshall Islands, Federated States of Micronesia, and Palau who by virtue of the Compacts of Free Association are permitted to lawfully reside in the United States.

The Marshallese people have long been the closest of friends and allies of the United States. While under a United Nations Trusteeship, the United States conducted 67 atmospheric thermo-nuclear tests in the Marshall Islands between 1946 and 1958. These tests helped the United States ultimately prevail in the cold war, although the Marshallese people continue to live with the consequences and legacy of these tests today.



The Marshall Islands is proud to host the U.S. Army Strategic Missile Defense Command at the Ronald Reagan Ballistic Missile Defense Test Site that plays an important part in the security of the United States and throughout the world.

Many Marshallese also contribute to our mutual defense by serving in the United States Armed Forces on active duty in Iraq and Afghanistan. Our people are proud to serve in the U.S. military as the numbers of our people joining the military continue to increase.

Our people living in the United States work, pay taxes and want to contribute in a positive manner to the communities where they reside. Nonetheless, we are aware of the financial burdens some of our people impose on certain territories and states where our people have located. The exclusion of Marshallese lawfully residing in the United States from Medicaid coverage denies our people an important and crucial safety net that is available to other people who are lawful residents.

In 2003, Congress enacted Public Law 108-188 that renewed the Compact of Free Association which extends this special and unique relationship well into the future.

Given our shared history and future together, I would respectfully once again ask that Section 1736 of H.R. 3962 to restore Medicaid payments to Marshallese residing in the United States be made part of the final bill.

Thank you very much for this opportunity to express the views of the government and people of the Marshall Islands on this important matter.

Sincerely,

Jurelang Zedkaia
Jurelang Zedkaia
President

United States Senate

WASHINGTON, DC 20510

January 12, 2010

Honorable Harry Reid
Majority Leader
United States Senate
Washington, D.C. 20510

Honorable Max Baucus
Chairman
Senate Committee on Finance
United States Senate
Washington, D.C. 20510

Honorable Tom Harkin
Chairman
Senate Committee on Health, Education,
Labor, and Pensions
United States Senate
Washington, D.C. 20510

Honorable Christopher Dodd
Senior Member
Senate Committee on Health, Education
Labor, and Pensions
United States Senate
Washington, D.C. 20510

Dear Senators Reid, Baucus, Harkin, and Dodd:

We are writing to request the restoration of Medicaid eligibility for citizens of the Freely Associated States (FAS) that reside in the United States in the conference report for health care reform legislation.

The Freely Associated States – the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau – are jurisdictions that have a unique political relationship with the United States under the Compact of Free Association Act of 1985 (P.L. 99-239) and Palau Compact of Free Association Act (P.L. 99-658). The Compacts allow FAS citizens to freely enter, reside, and work in the United States, and authorize their participation in certain federal programs. In particular, FAS citizens were extended Medicaid eligibility as aliens permanently residing under color of law in the United States. Unfortunately, FAS citizens lost many of their public benefits, including Medicaid coverage, under the Personal Responsibility and Work Opportunity Act of 1996.

Access to health care services through the Medicaid program is needed to help states meet the health care needs of FAS citizens residing in the United States. As agreed to in the House, Section 1736 of H.R. 3962, the Affordable Health Care for America Act, would restore Medicaid eligibility for FAS citizens. We sought inclusion of a similar provision in Senate health care reform legislation by filing S.Amdt. 3084 during Senate consideration H.R. 3590, the Patient Protection and Affordable Care Act.

Restoration of Medicaid eligibility for these individuals is crucial for states where FAS citizens reside. Health care providers that operate in areas with high rates of uninsured are having difficulties meeting the health care needs of their communities. FAS citizens contribute to the uncompensated costs that providers are burdened with when they seek health care services.

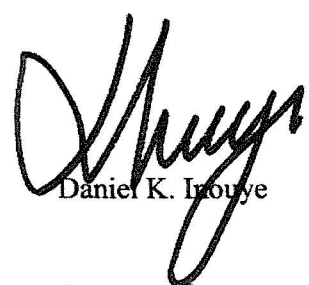
Honorable Harry Reid
Honorable Max Baucus
Honorable Tom Harkin
Honorable Christopher Dodd
January 12, 2010
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We respectfully ask that the House provision to restore Medicaid eligibility for FAS citizens be included in the conference report for health care reform legislation. Thank you for your consideration of this request and for all of your assistance in helping us to meet the health care needs of our communities.

Sincerely,



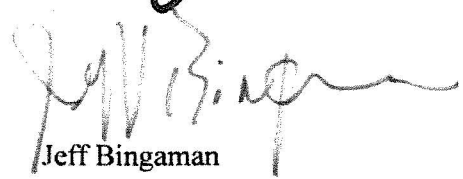
Daniel K. Akaka



Daniel K. Inouye



Blanche L. Lincoln



Jeff Bingaman