



Hawai'i Primary Care Association PUBLIC INSURANCE

We ask you to sustain and strengthen public insurance programs because they provide critical access to health care for low-income children and adults. These programs are also vital to the financial well-being of community health centers because they cover most of the cost of care.

Please:

- ❖ Reduce federal document requirements that deny eligible people access to Medicaid coverage.
- ❖ Safeguard Medicaid and SCHIP payments for FQHCs.
- ❖ Advocate for the federal match for Medicaid/SCHIP for migrants from Compact nations.
- ❖ Reauthorize SCHIP with flexible income eligibility criteria.
- ❖ Update the Medicare payment system for FQHCs (S. 2188 and H.R. 2897).

MEDICAID

Medicaid is the major health insurer for low income families. In Hawai'i 1 in 5 Medicaid clients gets care at a Community Health Center. Medicaid has become the financial bedrock of community health centers, accounting for 40% of all Hawai'i CHC funding. Even more than federal or state grants, Medicaid reimbursements keep CHC doors open and ensure access for all underserved people, including the uninsured. We ask for your help with the following Medicaid issues:

- Federal documentation requirements imposed on Medicaid applicants in 2006 are a serious concern because they discourage and/or delay applications for eligible low-income families. They also cost states, health centers, and all others involved more money for processing applications. We urge you to return maximum flexibility to states for Medicaid application processing and documentation requirements.
- We further urge you to continue to safeguard Medicaid funding and provisions that ensure adequate payment to Federally Qualified Health Centers.
- Hawai'i pays an estimated \$40 million per year for Medicaid coverage for migrants who come to Hawai'i under the federally-negotiated Compacts of Free Association. Since 1996 these health care costs have not been shared by the federal government. We ask that you address this inequity by mandating at least the same level of federal participation in Medicaid payments for Pacific island migrants as for US citizens.
- We also support and appreciate your continued efforts to provide equitable Medicaid payments for Native Hawaiians—parallel to federal participation in Medicaid for Native Americans.

SCHIP

The State Children's Health Insurance Program has been highly effective in providing health coverage for virtually all low-income children in Hawai'i and has helped millions of children across the United States.

- It is essential that SCHIP be reauthorized and fully funded. States must be able to increase income eligibility based on local needs. While SCHIP is a Medicaid program in Hawai'i and FQHCs are paid Medicaid rates, this is not the case in other states. We ask you to support all FQHCs in the nation by making sure that SCHIP legislation previously agreed to by the House and Senate becomes law.
- We also ask that the reauthorization provide states the option to offer SCHIP coverage to legal immigrant women and children who meet income eligibility standards.

MEDICARE

Medicare beneficiaries are one of the fastest growing groups served by Community Health Centers. Because of payment caps, Hawai'i's health centers lose more than \$2 million annually on Medicare services, or nearly \$300 per Medicare patient. We ask that you update the payment cap for FQHCs and define Medicare FQHC services as including all Medicare-covered ambulatory care services provided by a health center. These items are addressed in S. 2188 and H.R. 2897.