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## HOUSE RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A REVIEW ON THE EFFECT OF THE  
TRANSFER FROM MEDICAID TO PLANS ON THE HAWAII HEALTH  
CONNECTOR FOR NON-ELIGIBLE MEDICAID COMPACT OF FREE  
ASSOCIATION RESIDENTS.

1           WHEREAS, the United States, in the 1950s, conducted nuclear  
2 bomb testing within the Pacific region including sixty-seven  
3 nuclear atmospheric bomb tests in the Marshall Islands, which is  
4 equivalent to seven thousand two hundred Hiroshima bombs,  
5 spreading far reaching nuclear fallout; and  
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7           WHEREAS, the radiation levels in the area remain extremely  
8 high resulting in the Marshallese people suffering high rates of  
9 cancer and other radiation-related diseases and a significant  
10 number of migrants from the impacted island nations continue to  
11 suffer from radiogenic diseases, birth defects, and chronic  
12 illnesses which are directly tied to the nuclear testing; and  
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14           WHEREAS, in 1986, Congress passed the Compact of Free  
15 Association (COFA) with the Federated States of Micronesia, the  
16 Republic of the Marshall Islands, and the Republic of Palau,  
17 which is an agreement to provide economic assistance to the  
18 populations of these nations by allowing them to enter, reside,  
19 and work in the United States and to participate in certain  
20 federal programs such as Medicaid in exchange for the  
21 militarization and environmental degradation of their island  
22 homes; and  
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24           WHEREAS, Title 4 of the Personal Responsibility and Work  
25 and Opportunity Reconciliation Act of 1996, restricts access to  
26 federal public benefit programs and effectively limits COFA  
27 migrants from access to Medicaid, including making them  
28 ineligible for the expanded Medicaid benefits under the  
29 Affordable Care Act; and  
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1           WHEREAS, effective March 1, 2015, coverage under the  
2 State's Medicaid managed care program terminated for certain  
3 adult noncitizen residents who are not pregnant, aged, blind, or  
4 disabled and who would otherwise be eligible for Medicaid except  
5 for citizenship or immigration status; and  
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7           WHEREAS, under the Affordable Care Act passed in 2010, COFA  
8 residents and other lawfully present noncitizens are eligible to  
9 purchase health insurance through the State's health insurance  
10 exchange, the Hawaii Health Connector, which will potentially  
11 save the State approximately \$27,000,000 per year by shifting  
12 costs to the Federal government; and  
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14           WHEREAS, the shift of health care coverage to the Hawaii  
15 Health Connector will have a detrimental financial impact on  
16 affected individuals because Medicaid-ineligible noncitizens  
17 with incomes of less than one hundred percent of the federal  
18 poverty level may be required to pay premiums, deductibles, and  
19 copays and individuals with incomes between one hundred to one  
20 hundred thirty-eight percent of the federal poverty level may  
21 not qualify for the Premium Assistance Program; and  
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23           WHEREAS, the Department of Human Services estimates that,  
24 in Hawaii, there are approximately seven thousand five hundred  
25 non-pregnant, non-aged, non-blind, and non-disabled adult COFA  
26 noncitizens who currently receive Medicaid-like coverage and who  
27 will need to be transferred to the Hawaii Health Connector, and,  
28 additionally, there are approximately one thousand other non-  
29 pregnant, non-aged, non-blind, and non-disabled adult, lawfully  
30 present, noncitizen residents who are otherwise ineligible for  
31 Medicaid; and  
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33           WHEREAS, without full coverage of, and access to, medical  
34 services without copays and premiums, this population will  
35 suffer increases in mortality and morbidity rates while the  
36 amount of uncompensated care provided at community health  
37 centers could possibly grow to an unsustainable level; now,  
38 therefore,  
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40           BE IT RESOLVED by the House of Representatives of the  
41 Twenty-eighth Legislature of the State of Hawaii, Regular



1 Session of 2015, that the Auditor is requested to conduct a  
2 review of the effect on COFA migrants living in Hawaii of the  
3 transfer from Medicaid to plans purchased through the Hawaii  
4 Health Connector for the period of fiscal years 2015-2016 and  
5 2016-2017; and

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7 BE IT FURTHER RESOLVED that the Auditor is requested to  
8 include in the review the following:

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- 10 (1) Determination of cost implications of the termination  
11 of full Medicaid benefits in terms of increased  
12 utilization of a higher level of medical and  
13 behavioral health services, including increased usage  
14 of emergency room services, increased utilization of  
15 911 and EMS services, and increased dialysis  
16 utilization as reflected by utilization claims  
17 reviews;
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- 19 (2) Investigation of increases in mortality and morbidity  
20 related to delayed treatment and barriers to timely  
21 care;
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- 23 (3) Determination of costs of uncompensated care to  
24 community health centers, acute hospitals, out-patient  
25 surgery and treatment centers, urgent care centers,  
26 and other identified treatment centers that treat  
27 these identified populations; and
- 28
- 29 (4) Identification of any workable mechanisms for  
30 financing full payment of all premiums and co-pays for  
31 Medicaid ineligible non-citizens including redirecting  
32 a portion of the proposed \$27,000,000 in savings from  
33 the cessation of Medicaid benefits for health care  
34 coverage for identified populations and tapping into  
35 existing federal Compact Impact funding for all or  
36 part of the costs to COFA enrollees of obtaining  
37 health coverage through the Hawaii Health Connector;  
38 and
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40 BE IT FURTHER RESOLVED that the Auditor is requested to  
41 report findings and recommendations to the Legislature no later



1 than twenty days before the convening of the Regular Session of  
2 2017; and  
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4 BE IT FURTHER RESOLVED that certified copies of this  
5 Resolution be transmitted to the Office of the Auditor, Director  
6 of Health, and Director of Human Services.  
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OFFERED BY:



Allen A. Bellotti

John D. White



L. H.

MAR 13 2015

