



The Senate
NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
P.O. BOX 500129
SAIPAN, MP 96950

STANDING COMMITTEE REPORT NO. 22-15
Date: May 13, 2021
RE: House Joint Resolution No. 22-4

S-Adopted 5/18/21

Honorable Jude U. Hofschneider
President of the Senate
Twenty-Second Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

Dear Mr. President:

Your Committee on Fiscal Affairs, to which was referred House Joint Resolution, entitled:

“To authorize the establishment of an additional sixteen (16) positions as needed by the CMA and partially funded by the CMS program for Compliance and Medicaid Enterprise Systems (MES); and for other purposes.”

begs leave to report as follows:

I. RECOMMENDATION:

After considerable discussion and deliberation, your Committee recommends passing House Joint Resolution 22-4 in the form of Senate Draft 1.

II. ANALYSIS:

A) Purpose:

The purpose of House Joint Resolution 22-4 is to establish sixteen (16) additional positions as needed by the Commonwealth Medicaid Agency (CMA) and partially funded by the Centers for Medicare and Medicaid Services (CMS) program for Compliance and Medicaid Enterprise Systems (MES).

B) Committee Findings:

Your Committee finds that, pursuant to the Further Consolidated Appropriations Act (PL 116-94), the U.S. Congress increased the caps in Section 1108 and the Federal Medical Assistance Percentage (FMAP) for the Medicaid program of the Commonwealth of the Northern Mariana Islands (CNMI). Additionally, the U.S. Congress included provisions that require the Commonwealth Medicaid Agency to submit data to the Transformed Medicaid Statistical Information System (T-MSIS), appoint a Program Integrity (PI) Lead for the Office, establish a Medicaid Fraud Control Unit (MFCU), submit data to the Centers for Medicare and Medicaid Services (CMS) Unified Program Integrity Contractor (UPIC) West, report any instances of suspected fraud, waste, and abuse, and to further administer and comply with the Medicaid Program as provided for in Title XIX of the Social Security Act and the regulations of the CMS.

On March 17, 2021, the U.S. Congress held a hearing on “Averting a Crisis: Protecting Access to Health Care in the U.S. Territories” where the members stated their support for the Territories to receive the same funding as the states in regards to healthcare, but also stated their concerns about program administration, integrity, and compliance within the Territories. Your Committee further finds that submitters from the CNMI have proclaimed that the Medicaid Enterprise System (MES) has been making “reasonable and appropriate progress” to resolve the concerns of the U.S. Congress members by establishing the following: a Medicaid Management Information System (MMIS) that is designed to submit data collected to the Transformed Medicaid Statistical Information System (T-MSIS) system; the designation of a Program Integrity Lead, and establishing a Joint Operating Agreement (JOA) with the CMS Unified Program Integrity Contractor (UPIC) West which reports to the CMS for fraud, waste, abuse and other related compliance; the establishment of a new Medicaid budget category for “MES and Compliance” and provides the authority of the Medicaid Director to prioritize MES to ensure progress is continually being made.

Your Committee finds that the CMS approved of the plans submitted by CMA that was created to implement an Eligibility and Enrollment (E&E) and Medicaid Management Information System (MMIS), a Decision Support System/ Data Warehouse (DSS/DW), and a Health Information Technology (HIT) program grant that reflects the progress made.

Your Committee convened on May 13, 2021 to discuss the provisions of House Joint Resolution No. 22-4. Senator Justo S. Quitugua stated he received a letter from the Director of the Medicaid Office which recommended that the House must initiate a resolution that requires to establish a computerized management system. In addition, the Medicaid Office notably requested for more FTEs in the 2021 budget, but the Legislature did not allocate funds due to a limited budget. In response to this, the Medicaid Office is requesting for more FTEs again. It is for this reason that your Committee recommends passage of the proposed provisions in the form of House Joint Resolution No. 22-4, Senate Draft 1.

C) Legislative History:

Representative Leila H.F.C. Staffler formally introduced House Joint Resolution No. 22-4 on April 23, 2021, and was passed by the House of Representatives on April 23, 2021 during its First Day, First Special Session in its current form.

House Joint Resolution No. 22-4 was transmitted to the Senate on April 26, 2021 and subsequently referred to the Senate Standing Committee on Fiscal Affairs for disposition.

D) Public Hearing and Comment:

Although a public hearing was not scheduled for House Joint Resolution 22-4, a Committee Meeting which is open to the public, was held on May 13, 2021 to deliberate on the provisions stated in the proposed legislation. The meeting notices and agenda were officially posted on various legislative forums and social media to invite members of the general public to provide comments as indicated under *Item IV. Comments* of the agenda; however, no written comments were received by your Committee.

E) Estimated Fiscal Cost:

The passage of House Joint Resolution No. 22-4, Senate Draft 1 may result in additional costs to the CNMI government for the purpose of fulfilling the intent of funding the additional sixteen positions as needed by the CMA as needed by the CMS program for Compliance and Medicaid Enterprise Systems (MES).

F) Summary of Committee Amendments:

Amendment Notes:

- *Single Underline and ~~Strikethrough~~: Proposed amendments by Committee.*

Your Committee agreed to the proposed amendments as follows:

1. Corrected typographical error on page 1, line 1 to line 5 to read:

“**WHEREAS**, Pursuant to U.S. Public Law 116-94, the Further Consolidated Appropriations Act, FY 2020 (PL116-94), the members of the U.S. Congress increased Section 1108 caps the caps set in Section 1108 in addition to and the Federal Medical Assistance Percentage (FMAP) for the Medicaid program of the Commonwealth of the Northern Mariana Islands; and,”

2. Corrected typographical error of page 2 beginning from line 1 to line 6, to read as follows:

“**WHEREAS**, the U.S. Congress held a House Committee Hearing on Wednesday March 17, 2021 to discuss the topic of “Averting a Crisis: Protecting Access to Health Care in the U.S. Territories”. ~~where~~ During this hearing, members of the U.S. Congress expressed support for enabling the Territories to be funded in the same manner as states, but expressed explicit concerns with regards to program administration, program integrity, and compliance in the Territories; and,”

3. Corrected typographical error on Page 2, Line 18 to 19 to read as follows, beginning from page 2, line 18 to page 3, line 2:

“**WHEREAS**, ~~the CMA submitted and the CMS approved plans submitted by the CMA to plan~~ The CMS approved plans that were submitted by the CMA to and implement an Eligibility and Enrollment (E&E) and Medicaid Management Information System (MMIS), a Decision Support System/Data Warehouse (DSS/DW), and a Health Information Technology (HIT) program grant that demonstrates reasonable and appropriate progress; and,”

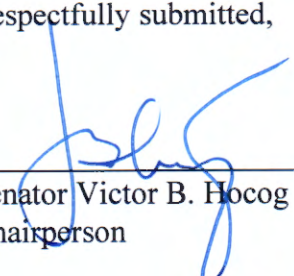
4. Corrected technical and typographical errors on Page 3, Lines 8, 9, and 10 to read as follows beginning on Page 2, Line 7 to Line 13:

“**WHEREAS**, the Medicaid program requires personnel that are ~~part~~ partially funded by the CMS to administer the Medicaid program, and continue to make reasonable and appropriate progress ~~to comply~~ in compliance with U.S. PL 116-94, the Further Consolidated Appropriations Act, FY 2020, and as well as other federal laws requiring states and territories to implement program integrity measures and provide accurate reporting of program administration and financial management; and,”

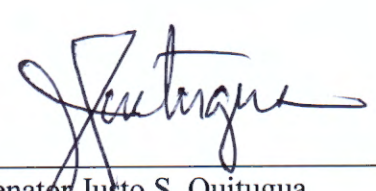
III. CONCLUSION:

Your Committee agree with the intent and purpose of this resolution and recommends its passage, in the form of House Joint Resolution No. 22-4, Senate Draft 1.

Respectfully submitted,



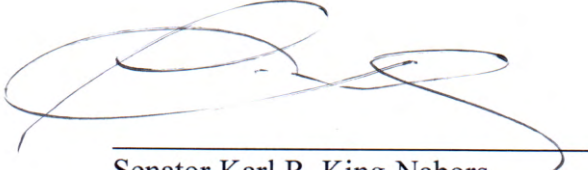
Senator Victor B. Hocog
Chairperson



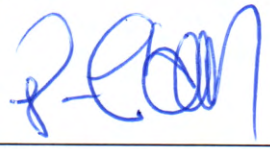
Senator Justo S. Quitugua
Vice Chairperson



Senator Francisco Q. Cruz
Member

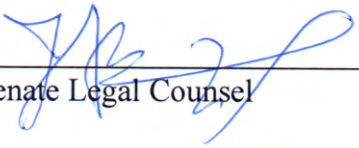


Senator Karl R. King-Nabors
Member



Senator Vinnie F. Sablan
Member

Reviewed by:



Senate Legal Counsel

TWENTY-SECOND NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

APRIL 23, 2021

First Special Session, 2021

H. J. R. 22-4, SD1

A HOUSE JOINT RESOLUTION

To authorize the establishment of an additional sixteen (16) positions as needed by the CMA and partially funded by the CMS program for Compliance and Medicaid Enterprise Systems (MES); and for other purposes.

1 **WHEREAS, Pursuant to U.S. Public Law 116-94, the Further Consolidated**
2 **Appropriations Act, FY 2020 (~~PL116-94~~), the members of the U.S. Congress**
3 **increased ~~Section 1108 caps~~ the caps set in Section 1108 in addition to and the**
4 **Federal Medical Assistance Percentage (FMAP) for the Medicaid program of the**
5 **Commonwealth of the Northern Mariana Islands; and,**

6 **WHEREAS, the U.S. Congress included specific provisions that require**
7 **the Commonwealth Medicaid Agency (CMA) to submit data to the Transformed**
8 **Medicaid Statistical Information System (T-MSIS), appoint a Program Integrity**
9 **(PI) Lead for the Office, establish a Medicaid Fraud Control Unit (MFCU), submit**
10 **data to the Centers for Medicare and Medicaid Services (CMS) Unified Program**
11 **Integrity Contractor (UPIC) West, report any instances of suspected fraud, waste ,**
12 **and abuse, and to further administer and comply with the Medicaid Program as**
13 **provided for in Title XIX of the Social Security Act and the regulations of the CMS;**
14 **and,**

1 **WHEREAS**, the U.S. Congress held a House Committee Hearing on March
2 17, 2021 to discuss the topic of “Averting a Crisis: Protecting Access to Health
3 Care in the U.S. Territories”. where During this hearing, members of the U.S.
4 Congress expressed support for enabling the Territories to be funded in the same
5 manner as states, but expressed explicit concerns with regards to program
6 administration, program integrity, and compliance in the Territories; and,,

7 **WHEREAS**, the statements provided to the House Committee of Energy
8 and Commerce, the committee of jurisdiction, and the House Committee on Health
9 by submitters from the CNMI attested to progress in the areas of Medicaid
10 Enterprise Systems (MES) in making “reasonable and appropriate progress” to
11 establish a Medicaid Management Information System (MMIS) capable of
12 submitting data to the T-MSIS system; designating a Program Integrity Lead, and
13 in establishing a Joint Operating Agreement (JOA) with the CMS UPIC-West that
14 reports directly to the CMS for fraud, waste, abuse and related compliance; the
15 establishment of a new Medicaid budget category for “MES and Compliance” and
16 provides the authority of the Medicaid Director to prioritize MES and compliance
17 in order to continue to make progress; and,

18 **WHEREAS**, ~~the CMA submitted and the CMS approved plans submitted~~
19 ~~by the CMA to plan~~ The CMS approved plans that were submitted by the CMA to
20 ~~and~~ implement an Eligibility and Enrollment (E&E) and Medicaid Management
21 Information System (MMIS), a Decision Support System/Data Warehouse

1 (DSS/DW), and a Health Information Technology (HIT) program grant that
2 demonstrates reasonable and appropriate progress; and,

3 **WHEREAS**, as part of the CMS approved MES and Compliance grants
4 and activities, and PL 21-28, the Commonwealth Medicaid Agency has already lost
5 six months of time in hiring the personnel needed to move forward the project and
6 program administration activities; and,

7 **WHEREAS**, the Medicaid program requires personnel that are part
8 partially funded by the CMS to administer the Medicaid program, and continue to
9 make reasonable and appropriate progress ~~to comply~~ in compliance with U.S. PL
10 116-94, the Further Consolidated Appropriations Act, FY 2020, and as well as other
11 federal laws requiring states and territories to implement program integrity
12 measures and provide accurate reporting of program administration and financial
13 management; and

14 **WHEREAS**, Public Law 21-35 titled, "To Make Appropriations for the
15 Operations and Activities of the Government of the Commonwealth of the Northern
16 Mariana Islands, its Agencies, Instrumentalities, and Independent Programs, and to
17 Provide Budget Authority for the Government Corporations for Fiscal Year 2021"
18 in Section 301 titled "Appropriation and Budget Authority" provides that:
19 "[e]xpenditures in excess of the budget authority approved herein for agencies to
20 which public funds are appropriated shall not be incurred or committed and hiring
21 in excess of the number of positions authorized by this Act is prohibited, unless

1 authorized by a legislative joint resolution in accordance with Section 7, Article X
2 of the N.M.I. Constitution”;

3 **NOW, THEREFORE, BE IT RESOLVED**, by the House of
4 Representatives of the Twenty-Second Northern Marianas Commonwealth
5 Legislature, the Senate concurring, that the Legislature in accordance with Section
6 7, Article X of the N.M.I. Constitution authorizes:

7 1. In addition to those NOPs authorized by P.L. 21-35, the
8 establishment of an additional sixteen (16) positions as needed by the CMA and
9 partially funded by the CMS program for Compliance and Medicaid Enterprise
10 Systems (MES). The authorized positions will include a Medicaid Enterprise
11 Systems Program Manager, five (5) health information systems and technology
12 personnel, two (2) MES program administrative assistants, and eight (8) additional
13 Medicaid eligibility, enrollment, claims examiners, program integrity, and data
14 specialists; and

15 2. The Medicaid program and Office of Personnel Management is
16 further authorized to establish additional NOPs and such full-time equivalent
17 positions and specialized classifications and compensation for specialized health
18 information systems professionals within the Civil Services system and to
19 temporarily hire, as exempt positions, personnel required to successfully plan,
20 design, develop, implement and operate a Compliance and MES Systems. All

1 positions must be funded at least on a 50-50% basis by the Federal and
2 Commonwealth governments; and

3 **BE IT FURTHER RESOLVED**, that the Speaker of the House of
4 Representatives and the President of the Senate shall certify and the House Clerk
5 and the Senate Legislative Secretary shall attest to the adoption of this joint
6 resolution and thereafter the House Clerk shall transmit a copy to Helen C. Sablan,
7 Director, CNMI State Medicaid Agency, Director of the Office of Personnel
8 Management, David DLG Atalig, Secretary of Finance, Virginia C. Villagomez,
9 Special Assistant, Office of Management and Budget, and the Honorable Ralph
10 DLG Torres, Governor.

Prefiled: 4/14/2021

Date: 4/12/2021

Introduced by: /s/ Rep. Leila H.F.C. Staffler
/s/ Rep. Roy C.A. Ada
/s/ Rep. Blas Jonathan "BJ" T. Attao
/s/ Rep. Celina R. Babauta
/s/ Rep. Sheila J. Babauta
/s/ Rep. Ivan A. Blanco
/s/ Rep. Joel C. Camacho
/s/ Rep. Vicente C. Camacho
/s/ Rep. Angel A. Demapan
/s/ Rep. Joseph A. Flores
/s/ Rep. Joseph Leepan T. Guerrero
/s/ Rep. Richard T. Lizama
/s/ Rep. Donald M. Manglona
/s/ Rep. Edwin K. Propst
/s/ Rep. Christina M.E. Sablan
/s/ Rep. John Paul P. Sablan
/s/ Rep. Patrick H. San Nicolas
/s/ Rep. Edmund S. Villagomez
/s/ Rep. Denita Kaipat Yangetmai
/s/ Rep. Ralph N. Yumul

HOUSE JOINT RESOLUTION 22-4, SD1

Reviewed for Legal Sufficiency by:
/s/ Joseph L.G. Taijeron, Jr.
House Legal Counsel



THE SENATE
Twenty-Second Northern Marianas Commonwealth Legislature
P. O. Box 500129
Saipan, MP 96950

COPY

May 18, 2021

The Honorable Edmund S. Villagomez
Speaker
House of Representatives
22nd Northern Marianas Commonwealth
Legislature
Saipan, MP 96950

Dear Speaker Villagomez:

I have the honor of returning **House Joint Resolution No. 22-4**, entitled, "A House Joint Resolution To authorize the establishment of an additional sixteen (16) positions as needed by the CMA and partially funded by the CMS program for Compliance and Medicaid Enterprise Systems (MES); and for other purposes." The Senate adopted the resolution in its 1st Day, First Special Session in the form attached as **House Joint Resolution No. 22-4, SD1**.

Sincerely,

Dolores S. Bermudes
Senate Clerk

Attachment

Transmitted to HOUSE:

Received By:  Date: 5/19/2021 Time: 1:55 pm