

# HEALTH CARE RESTORED FOR COFA CITIZENS IN DECEMBER 2020 OMNIBUS COVID RELIEF BILL

## WHO ARE COFA CITIZENS?

Since 1986, the Compacts of Free Association (COFA) have defined the relationship between the United States and the independent governments of the Freely Associated States (FAS) including the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau. Under the Compact, in exchange for permitting the U.S. exclusive military use and strategic positioning in the Pacific, the U.S. provides grants to fund education, health care, and infrastructure in the FAS. Maintaining good relationships with the FAS is imperative to our national security as other countries seek to grow their influence in the Pacific region.

The Compacts also permit citizens of the FAS broad migration privileges to the U.S. and its territories. Known collectively as “COFA citizens” when they enter the U.S., the Compacts allow citizens of the FAS to apply for admission to the U.S. as “non-immigrants” and without visa requirements. Currently there are an estimated 100,000 such COFA citizens legally residing, working, and studying in the U.S. and its territories.<sup>i</sup> These COFA citizens pay taxes and play a role in driving our economy, but have not eligible for many of the programs that their tax dollars support since 1996.

## OMNIBUS COVID RELIEF BILL RESTORES HEALTH COVERAGE ELIGIBILITY FOR COFA CITIZENS

On December 21, 2020, Congress passed an omnibus COVID relief bill that corrected a nearly 25-year error that unjustly excluded COFA citizens residing in the U.S. from Medicaid.<sup>ii</sup> The omnibus bill was signed by the President on December 28 and is now law. The exclusion dates back to the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), commonly referred to as welfare reform, which changed the categories of persons eligible for certain federal safety-net programs including Medicaid. As a result, COFA citizens were stripped of their ability to qualify for these programs. In the aftermath of PRWORA, some states continued to provide health care services to COFA citizens using their own funds, recognizing the contributions and health needs of COFA citizen populations in their states.

## COVERAGE OPTIONS

The December 2020 provision restoring Medicaid eligibility to COFA citizens became effective on December 28. As of that date, COFA citizens lawfully residing under the Compacts in the 50 states and District of Columbia, and at the option of the Governor of Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, or American Samoa, became eligible for Medicaid. COFA citizens continue to be eligible to purchase health insurance plans in the Affordable Care Act Marketplace with the support of subsidies, though many still struggle to afford these plans.

## COFA HEALTH

The decades-long denial of Medicaid has led to adverse health consequences for COFA citizens that have become even worse with the COVID-19 pandemic. Even those who have insurance through state programs avoid doctors because they cannot afford the cost sharing.<sup>iii</sup> Meanwhile, research has shown that a lack of coverage for COFA citizens is associated with higher rates of uninsured emergency room visits and likely forgoing preventive services. People from COFA nations face higher rates of diabetes, hepatitis, tuberculosis, and other conditions that must be viewed in the context of U.S. presence in the islands, such as nuclear testing and introduction of a western diet largely based around processed foods. In addition, Pacific Islanders have been disproportionately impacted by COVID-19.<sup>iv</sup>

<sup>i</sup> [GAO June 2020](#)

<sup>ii</sup> [Sec. 208 Medicaid Coverage for Citizens of Freely Associated States](#)

<sup>iii</sup> [Hawaii's COFA Islanders: Improving Health Access and Outcomes](#)

<sup>iv</sup> [Politico](#)