

§ 2837. Establishment of the Health Network Program.

There is hereby established Health Network Program (HNP) within the Commonwealth Healthcare Corporation.

Source: PL 22-33, § 4 (Jan. 31, 2023).

Commission Comment: *Legislative Findings of 2023 Legislation.*— In addition to severability and savings clause provisions, PL 22-33 included the following Findings and Purpose section:

Section 1. Findings and Purpose.

The Legislature finds that the program known as Off-Island Medical Referral, as it has been constituted outside of the existing healthcare system, has historically suffered significant difficulties in efficiently performing its duties to assist residents of the Commonwealth of the Northern Mariana Islands (CNMI) in accessing healthcare services that are unavailable in their home island municipalities or within the CNMI. The Legislature also finds that the Off-Island Medical Referral program operated for years without enabling legislation to establish legal authority and parameters for services. Moreover, the Commonwealth government chronically failed to budget adequate resources for the program. Without sufficient resources, the program struggled to contain costs, minimize lengths of stay at referral healthcare facilities, ensure inter-facility medical communication and effective case management, and improve the coordination of care for referred patients.

The Legislature further finds that legislative reform is necessary to establish a new program within the Commonwealth Healthcare Corporation (CHCC) that is integrated with the healthcare system, in which providers are recognized as partners, and third-party payers such as the CNMI Medicaid Agency are optimally engaged to cover the costs of services. In this new and integrated CHCC program, patients would have options for care beyond what has been available in the CNMI and off-island based on logistics support through medical referral services. The new program would facilitate patients' access to CHCC's network of providers both within the Commonwealth and off-island.

The Legislature finds that because the Off-Island Medical Referral Program operated for years without enabling legislation to establish legal authority and parameters for services, it is necessary to identify all outstanding promissory notes executed by the Off-Island Medical Referral Program and patients as a receivable of the CNMI government and to write off such receivable for the following reasons: (1) Patients were covered by the Medicaid program but due to miscommunication between the medical referral program and the Medicaid program, patients were charged by the medical referral program for services that were covered by the Medicaid program; (2) Patients were told to sign a payment agreement for the portion that would have been covered by the Medicaid program; and (3) Payment made by the medical referral program were credited to patients' benefits limitation amount.

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Therefore, the purpose of this Act is to establish a Health Network Program (HNP) within CHCC, in order to bring CNMI residents to CHCC's network of providers, streamline assistance to eligible patients with demonstrated needs to access care beyond CHCC's capacity, and availability, and ensure the program operates within budgetary appropriations. This Act further provides for the orderly transition of medical referral services administration and operations to CHCC. Additionally, this Act authorizes the CNMI government to write off outstanding promissory notes executed between the Off-Island Medical Referral Program and patients or their personal representatives.