

Health Coverage Options for COFA Migrants

This fact sheet provides information and guidance that Navigators and certified application counselors (collectively, assisters) need to know in order to help COFA migrants understand their health coverage options.

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Version 2.0 August 2023. This information is intended only for the use of entities and individuals certified to serve as Navigators, certified application counselors, or non-Navigator assistance personnel in a Federally-facilitated Marketplace. The terms “Federally-facilitated Marketplace” and “FFM,” as used in this document, include FFM where the state performs plan management functions. Some information in this manual may also be of interest to individuals helping consumers in State-based Marketplaces and State-based Marketplaces using the Federal Platform. This material was produced and disseminated at U.S. taxpayer expense.

Overview

The Compacts of Free Association (COFA) are agreements between the U.S. Government and three independent countries: the Republic of the Marshall Islands (RMI), the Federated States of Micronesia (FSM), and the Republic of Palau. Citizens of these three independent nations are classified by the Department of Homeland Security (DHS) as nonimmigrants and are authorized to be employed, study, and reside in the 50 U.S. states, the District of Columbia, and the U.S. territories as lawfully present non-citizens. These individuals are often referred to as COFA migrants. More than 94,000 COFA migrants live throughout the country as of 2020, and 20 U.S. states and territories are home to at least 1,000 migrants.ⁱ

COFA migrants may face barriers that make it difficult to get health coverage and basic health care services. Assistors should consider the unique needs of this community as they help them apply for and enroll in coverage and when choosing how and where to conduct outreach. As with any vulnerable or underserved community, it's a good idea to reach out to other programs and organizations that serve the same communities. A culturally and linguistically competent approach can help improve outreach and education efforts when discussing coverage options with consumers.

Marketplace Eligibility

As lawfully present non-citizens as defined at 45 C.F.R. § 152.2, COFA migrants may be eligible to enroll in Marketplace coverage if they meet other Marketplace eligibility requirementsⁱⁱ (a full list of eligible immigration statuses for Marketplace coverage is available at [HealthCare.gov/immigrants/immigration-status](https://www.healthcare.gov/immigrants/immigration-status)).

When applying for Marketplace coverage, COFA migrants will need to provide immigration documents and numbers to verify their nonimmigrant status. For COFA migrants, these documents include:

- I-94 arrival/departure record;
- I-94 arrival/departure record and foreign passport;
- I-766 Employment Authorization document; or
- Unexpired passport issued by RMI, FSM, or Palau.

For a full list of immigration documents accepted by the Marketplace, visit [HealthCare.gov/immigrants/documentation](https://www.healthcare.gov/immigrants/documentation). Like all consumers, COFA migrants should provide as much information from their immigration documents as possible. Providing this information on the application makes the verification and eligibility determination process go faster and makes individuals less likely to experience data matching issues (DMIs), or “inconsistencies”. For more

information on Marketplace DMIs, visit [HealthCare.gov/help/how-do-i-resolve-an-inconsistency](https://www.healthcare.gov/help/how-do-i-resolve-an-inconsistency) and refer to [SOP 4 - Verify Identity and Resolve Potential Data Matching Issues](#).

Eligibility for Marketplace Financial Assistance

COFA migrants may be eligible for advance payments of the premium tax credit (APTC) and cost-sharing reductions (CSRs) to help lower their monthly healthcare costs based on their household size, household income, and other eligibility criteria. Until recently, most consumers were required to have an annual household income between 100 percent and 400 percent of the federal poverty level (FPL) to be eligible for financial assistance.

Note: The American Rescue Plan Act of 2021 (ARP; P.L. 117-2) made the premium tax credit (PTC) available to consumers with household income above 400 percent of the FPL and capped how much of a family's household income the family will pay toward the premiums for a benchmark plan before APTC becomes available at 8.5 percent for Plan Years 2021 and 2022. The Inflation Reduction Act, signed into law on August 16, 2022, extended these enhanced Marketplace tax credits through PY 2025.

Medicaid and CHIP Eligibility

U.S. States and the District of Columbia

Under the Consolidated Appropriations Act, 2021 (CAA; P.L. 116-260), effective December 27, 2020, COFA migrants are considered qualified non-citizens for the purposes of Medicaid eligibility. Therefore, COFA migrants residing in one of the 50 states and the District of Columbia may be eligible for Medicaid if they meet all of the eligibility criteria in their state, including their state's income and residency rules,ⁱⁱⁱ and do not have to wait five years after receiving their status before qualifying for full Medicaid benefits.^{iv} The CAA extended Medicaid eligibility to COFA migrants by amending the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA; P.L. 104-193) enacted on August 22, 1996, which did not include COFA migrants in the definition of qualified non-citizens under 8 U.S.C. § 1641 and 42 C.F.R. § 435.4 eligible for full Medicaid benefits.

This legislative change does not apply to coverage provided through separate Children's Health Insurance Program (CHIP) programs. States and territories can elect to cover COFA migrants in separate CHIP programs using authority established by section 214 of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA; P.L. 111-3), often referred to as the "CHIPRA 214 option". Under the CHIPRA 214 option, states can elect to provide Medicaid and CHIP coverage to children and pregnant individuals who are lawfully residing in the United States, including those within their first five years of having certain legal status. This coverage may be applied to pregnant individuals in Medicaid and CHIP and/or to children up to age 19 for

CHIP or up to age 21 for Medicaid who would otherwise be eligible for coverage through these programs.

In some circumstances, COFA migrants who adjust to a Lawful Permanent Resident (LPR/“green card” holder) may no longer be eligible for full Medicaid benefits for a certain period of time. In this case, benefits may be limited to the treatment of an emergency medical condition.^v For more details about COFA migrants who adjust to LPR status, refer to [CMS 2021 COFA SHO](#).^{vi}

Consumers can contact their state Medicaid agency for more information on Medicaid and CHIP eligibility. A list of contacts for each state is available at [Medicaid.gov/about-us/contact-us/contact-your-state-questions](https://www.Medicaid.gov/about-us/contact-us/contact-your-state-questions).

U.S. Territories

Under the CAA, U.S. territories may provide Medicaid coverage to COFA migrants, at the territory’s option.^{vii} American Samoa and the Commonwealth of the Northern Mariana Islands (CNMI) have elected to cover all COFA migrants in their Medicaid programs, if they otherwise meet the territory’s eligibility requirements. As discussed above, territories may also opt to cover COFA migrant children and/or pregnant individuals under the CHIPRA 214 option.

Emergency Medicaid

COFA migrants who are not eligible for full coverage under Medicaid in a U.S. state, the District of Columbia, or a U.S. territory may be able to receive limited Medicaid coverage for treatment of an emergency medical condition.^{viii} To be eligible, they must meet all other Medicaid eligibility requirements in the state or territory (e.g., income and residency standards).

Medicare Eligibility

U.S. citizens and qualified lawfully present immigrants, including COFA migrants, age 65 and older who have at least 40 quarters of work credits (10 years for most people), which are earned through payment of payroll taxes during a consumer’s working years, may get premium-free Part A Medicare.^{ix} Some consumers may also use their spouse’s work history to qualify for premium-free Part A Medicare.^x

Consumers who meet these requirements but do not have sufficient quarters of credits to be entitled to premium-free Part A may elect to enroll in Medicare Part B (which also has a five-year residency requirement for noncitizens lawfully admitted for permanent residence) and may purchase Medicare Part A coverage.^{xi} Because consumers with this type of Medicare coverage pay monthly premiums for Part A, it is called Medicare premium Part A.^{xii} If consumers do not purchase premium Part A and B when they first become eligible, they may have to pay late enrollment penalties if they choose to sign up later.^{xiii}

Consumers may be eligible for help from their state paying their Medicare premiums through Medicare Savings Programs (MSPs). Consumers must be eligible for Medicare Part A and meet specific income and resource limits to qualify. In some cases, MSPs may also pay Medicare Part A and Medicare Part B deductibles, coinsurance, and copayments, if consumers meet certain conditions. Consumers who enroll in prescription drug coverage under Part D may be eligible for Extra Help (Medicare Part D's low-income subsidy program), if their income and resources meet statutory requirements.^{xiv} Medicare Part D's "Extra Help" is a program to help consumers with limited income and resources pay Medicare prescription drug program costs, like premiums, deductibles, and coinsurance. If consumers do not enroll in Part D within a certain period of time after their initial enrollment period, they may have to pay Part D late enrollment penalties if they choose to sign up later.^{xv} Additional information on the Part D late enrollment penalty is available at [Medicare.gov/drug-coverage-part-d/costs-for-medicare-drug-coverage/part-d-late-enrollment-penalty](https://www.Medicare.gov/drug-coverage-part-d/costs-for-medicare-drug-coverage/part-d-late-enrollment-penalty). Additional information regarding Medicare and benefits is available at [Medicare.gov/basics/get-started-with-medicare](https://www.Medicare.gov/basics/get-started-with-medicare).

For more information on other coverage options, refer to Health Coverage Options for the Uninsured at [Marketplace.cms.gov/technical-assistance-resources/health-coverage-options-for-uninsured.pdf](https://www.Marketplace.cms.gov/technical-assistance-resources/health-coverage-options-for-uninsured.pdf).

Additional Resources

- U.S. Citizenship and Immigration Services (USCIS) Fact Sheet: [Status of Citizens of the Federated States of Micronesia and the Republic of the Marshall Islands](#)
- USCIS Fact Sheet: [Status of Citizens of the Republic of Palau](#)
- HealthCare.gov: [Coverage for Lawfully Present U.S. Non-Citizens](#)
- CMS State Health Official (SHO) letter: [Medicaid.gov/federal-policy-guidance/downloads/sho21005.pdf](#)
- CMS Guidance on Extension of Medicaid for COFA Migrants: State Implementation, Short-Term Workarounds, and Outreach Strategies: [Medicaid.gov/medicaid/eligibility/downloads/state-impl-short-term-workarounds-and-outreach-strategies.pdf](#)
- Medicaid Federal Guidance: [Medicaid.gov/federal-policy-guidance/index.html](#)
- Medicare Coverage: [Medicare.gov](#)
- CHIPRA of 2009: [Govinfo.gov/content/pkg/PLAW-111publ3/pdf/PLAW-111publ3.pdf](#)

ⁱ Compacts of Free Association: Populations in U.S. Areas Have Grown, with Varying Reported Effects (issued June 2020): [Gao.gov/assets/gao-20-491.pdf](#).

ⁱⁱ Definition of lawfully present non-citizens described under 45 C.F.R. §152.2: [Govinfo.gov/content/pkg/CFR-2020-title45-vol2/pdf/CFR-2020-title45-vol2-sec152-2.pdf](#).

ⁱⁱⁱ For more detail on implementing Medicaid eligibility for COFA migrants, refer to CMS State Health Official Letter #21-005, “Medicaid Eligibility for COFA Migrants,” (hereinafter “CMS 2021 COFA SHO”) (issued October 18, 2021), available at [Medicaid.gov/federal-policy-guidance/downloads/sho21005.pdf](#).

^{iv} For more detail on implementing Medicaid eligibility for COFA migrants, refer to CMS State Health Official Letter #21-005, “Medicaid Eligibility for COFA Migrants,” (hereinafter “CMS 2021 COFA SHO”) (issued October 18, 2021), available at [Medicaid.gov/federal-policy-guidance/downloads/sho21005.pdf](#).

^v See Endnote x, CMS 2021 COFA SHO.

^{vi} See Endnote x, CMS 2021 COFA SHO.

^{vii} See 8 U.S.C. §1612(b)(2)(G).

^{viii} The definition of the treatment of an emergency medical condition is described in section 1903(v)(3) of the Social Security Act.

^{ix} 8 USC42 U.S.C. §1395 and 8 U.S.C. §1611(b)(3)

^x Under 42 U.S.C. §1395(b)(3).

^{xi} 42 CFR §406.20 through 42 CFR §406.38

^{xii} 42 CFR §406.20 through 42 CFR §406.38

^{xiii} 42 CFR §408.20 through 42 CFR §408.27

^{xiv} 42 CFR §423

^{xv} Under 42 CFR §423.46.

