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Bill to Reinstate Fishermen's Health Care Introduced

House and Senate Measures Would Reestablish Federal Support After 27 Year Hiatus

By Sara Randall and Zeke Grader

In last month's PCFFA column, "Preparing for Change: The Audacity of Our Hope for Better Fisheries" (www.pcffa.org/fn-feb08.htm), reestablishing a national program of health care for fishermen was identified as one of nine issues the fishing industry should begin focusing on in anticipation of a federal Administration change next January.

Shortly after *Fishermen's News* went to print last month, five members of the Massachusetts Congressional Delegation headed a bi-partisan and bi-coastal effort in the US Senate and House introducing bills to reestablish federal support for fishermen's health care. This is care that had existed for more than 180 years until it was stopped by the Reagan Administration in 1981.

It was fitting that the lead authors of the two bills (S. 2630 and H.R. 5404) -- Senators Ted Kennedy and John Kerry, and Congressmen Barney Frank, William Delahunt and John Tierney-- were from Massachusetts. It was, after all, a fellow Massachusetts native, John Adams,

who as President in 1799 established the nation's system of marine hospitals to provide "maintenance and cure" for American seamen, including fishermen aboard US registered (documented) vessels.

Joining members of the Massachusetts delegation were Representatives Tom Allen (D-ME), Don Young (R-AK), Patrick Kennedy (D-RI), and Wayne Gilchrest (R-MD), along with Alaska Senators Ted Stevens and Lisa Murkowski.

The marine hospital system grew into the US Public Health Service and included hospitals in San Francisco and Seattle as well as contract physicians to aid fishermen in smaller ports. It provided health care for fishermen, for both illness and injury, free of charge. It did not, however, extend that care to fishing men and women aboard the smaller non-documented vessels, nor did it extend that coverage to family members unless they were employed on board the vessel.

The existence of the marine hospitals, along with opposition from seamen's unions, is the principle reason

most state worker's compensation programs were never extended to cover fishermen or other mariners.

In 1981, as part of an across-the-board slashing of domestic spending, the Reagan Administration targeted the free health care provided seamen and fishermen and eliminated fishermen's eligibility for care by USPHS hospitals and contract physicians.

Following the closure of the USPHS facilities to fishermen, a number of fishing organizations across the country, including PCFFA, established private group health plans for fishermen and their families. There were problems from the start with the insurers contracted by fishing groups and it has worsened over time to the point that fishermen now either rely on individual plans, if they're even available or affordable, spousal health plans, or simply go without.

Some of the companies flocking to offer health insurance plans to this new large group -- fishermen, seamen and others -- left uncovered following the Reagan Administration's 1981 cuts



turned out to be too-good-to-be-true. Many of those companies later were found to be insolvent (some just went south with the money) or quickly dropped fishermen.

One of the problems, of course, was that fishermen were not covered by worker's compensation, which meant the health care providers were being hit for job related illness and injury, which most of the insurers were unaware of when they developed their rates. It didn't help either that fishing is one of the most dangerous professions. An aging fishing demographic also made fishermen as a group much less attractive to insurers. PCFFA, for example, finally gave up in 1997 trying to put together any kind of group program for members, and ended up placing remaining group members in individual plans, which were expensive, but they at least were covered (a problem for many because of preexisting medical conditions).

Thus for the past decade, most fishermen have gotten coverage through another family member whose employer provided family coverage, through an individual plan (provided they could qualify and afford it) or gone without.

In Massachusetts the state took up the issue, even before it mandated health care insurance for all its citizens, to provide low-cost health care for its fishing families. The Fishing Partnership Health Plan in Massachusetts provides coverage to over 2,000 fishermen and their families.

Since the Massachusetts program's launch ten years ago, the rate of uninsured fishermen in the state has fallen from 43 percent to 13 percent. The plan is financed partly by federal and state funds and the fishermen receiving coverage.

"Despite technological advances since fishing schooners first left the harbors of Gloucester and New Bedford, the job of a fisherman remains among the most dangerous. This legislation will allow fishermen, many facing mounting financial pressure, to provide critical health coverage for themselves and their families," said Senator Kerry when the bills were introduced. "No fishermen should go to sea worried about whether their child will be able to get the prescription or medical treatment they need."

The need for affordable health care for the fishing fleet has been so critical that it has been made the number one issue among the Board of the newly-formed national organization – the Commercial Fishermen of America (CFA). Indeed, members of the CFA Board from Massachusetts have worked with members of their state's Congressional Delegation in the preparation of the legislation.

The Senate and House bills introduced on February 13th would authorize funding to replicate the Massachusetts Fishing Partnership Health Plan in other coastal states, while allowing states to tailor their plans to their own circumstances and types of fishing. The legislation authorizes \$50 million over five years for program planning, implementation and continuation grants in states with commercial fishing industries. Massachusetts would be eligible to receive continuation grants.

The following is a summary of the identical House and Senate bills:

COMMERCIAL FISHING INDUSTRY HEALTH CARE COVERAGE ACT OF 2008

Establishment of Program.

Secretary of Health & Human Services to establish a grant program under the Health Resources & Services Administration for establishment of health care coverage programs for the commercial fishing industry.

- Program planning grants (for commercial fishing states or organizations in such states).
- Implementation and Administration grants for no more than 15 commercial fishing states.

Program Planning Grants.

- Up to \$200,000 annually for no more than two years to organizations or states.
- If awarded to an organization, the group must have knowledge of the industry.
- Recipients to conduct initial research and planning for development of a qualified health care coverage program within the state, including a demographic survey of the industry and its health needs; development of a strategic plan for implementation of a qualified program, and a detailed financial plan.
- The Secretary must consult with states when awarding a planning grant to an organization to help determine if the group has the necessary knowledge and familiarity with the industry and doesn't have a history of fraudulent or abusive practices.

Implementation and Program Administration Grants.

- When a program planning grant is completed, a State may apply, as appropriate, for implementation and administration grants.
- Grants for initial implementation of a program are not to exceed \$2 million annually and are limited to no more than 2 years.
- Grants for actual administration of a program are not to exceed \$3 million annually and are limited to no more than 5 years.
- Continued administration grants – after completion of 5 administration grants, up to \$3 million annually if bad economic conditions or poor fish stock conditions jeopardize the ability of the program to continue providing affordable health care coverage.
- Implementation, administration and continued administration grants can be awarded even if there was no planning grant under this Act (i.e. if a group did the planning work on its own), or if the program was developed or administered without funds from this Act and/or before enactment of this Act.



Eligibility Requirements. (For implementation and administration grants)

Include enrollment of fishing industry members and their families if they were uninsured or underinsured; need for federal funding in order to operate; state assurances that, if a program already exists, new funds will not simply supplant existing state funding; state assurances that for new programs there will be appropriate financial and consumer protection policies, licensing and oversight, including insolvency protection, stop-loss protection, reinsurance requirements, receivership/liquidation protection, etc.

Matching Funds. (For implementation and administration grants)

Required ratio of 2:1 federal to non-federal funds. The latter can include in kind, services, equipment, etc.

Contracting Authority.

States may contract with organizations or companies (which can in turn subcontract) for the purposes of carrying out implementation or administration grants. The Secretary shall issue regulations governing eligibility for contracts and subcontracts addressing concerns about a history of fraud or abuse, capability to administer a health coverage program, and familiarity with the fishing industry.

Definitions.

The following terms are defined:

- Commercial Fishing State (includes US territories);

- Commercial Fishing Industry Member (includes shore-side fishing businesses);
- Qualified Health Care Coverage Program (includes enrollment, eligibility, coverage and rate standards);
- Qualified Health Care Coverage (must be actuarially equivalent to Federal Employees Health Benefits Program or State government health plan).

Authorization of Appropriations.

\$5 million the first 2 years; \$10 million the second 2 years; and \$20 million in year 5.

"The time has come for all fishing families of the United States to obtain high quality affordable healthcare coverage," said the Fishing Partnership Health Plan in its *Call to Action* in announcing the introduction of the legislation. "But this bill will never become law unless every fisherman and every fishing organization in the nation takes action immediately.

"Now it's time for action! It is imperative that every fisherman call and write their representatives in Congress with one simple message: Support the fishing family healthcare bill in the Senate and the House. Call today and ask all of your friends to do the same. We can achieve this goal by coming together right now around this one simple message to Congress.

"Please write a letter today to your US Congressmen and US Senators to tell them that fishing families need health care coverage and that you support H.R. 5404 and S. 2630, 'Commercial Fishing Industry Health Care Coverage Act of 2008.'"

For more information, go to: www.fphp.org

Or contact: Fishing Partnership Health Plan, 1383 Washington Street, Newton, MA 02465, Telephone: 617-928-3443, Fax: (617) 928-3445 or go to the Commercial Fishermen of America website at: www.cfafish.org.

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