



GOVERNMENT OF PUERTO RICO

Puerto Rico Federal Affairs Administration

Health Policy Alert for the Private Sector

Governor's Renewed Vision in pursuing Transparency, Equitable Treatment in Healthcare, and reestablishing Credibility with the Federal Government

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Transparency and Credibility

Some of Puerto Rico's Challenges: Disaster Recovery, Economic Redevelopment/Revitalization, and Healthcare Parity.

- Equality for Federal Programs.
- Restoring Credibility for Puerto Rico.
- Governor Vázquez Garced's D.C. Visit.



Transparency and Credibility

PRFAA scheduled over 20 meetings with key federal agencies and Congressional leaders for Governor Vázquez Garced and her Cabinet to have during her first official visit to Washington.



Congressional Leaders like: *Speaker Pelosi, Senate Democratic Leader Schumer, House Majority Leader Hoyer, House Minority Leader McCarthy, House Energy & Commerce Committee Ranking Member Walden, Chair and Ranking Member of the Senate Energy and Natural Resources Committee Senators Murkowski and Manchin among others.*

Official Meetings in Washington, D.C.



Gov. Vázquez and Speaker Pelosi



Gov. Vázquez and Leader Schumer



Gov. Vázquez and Majority Leader Hoyer



Gov. Vázquez and Secretary Carson



Gov. Vázquez and Leader McCarthy

In the News...

ESTADOS UNIDOS

Rick Scott asegura que lidiar con la burocracia federal es un proceso frustrante

El senador federal indica que ha pedido a las autoridades de Puerto Rico que le indiquen los casos específicos de retrasos en la asistencia a la isla

Puerto Rico buscará superar la falta de confianza ante el Congreso

El gobierno local está en una carrera contrarreloj para conseguir nuevas asignaciones de Medicaid, así como otras propuestas clave

LOCALES

Wanda Vázquez pide una asignación temporal en fondos de Medicaid

La gobernadora se suma al pedido para incluir los fondos en la resolución de presupuesto que puede aprobar este mes el Congreso

Wanda Vázquez buscará en Washington restablecer la credibilidad en la isla

La gobernadora también celebrará encuentros en los que expresará su nuevo estilo de gobernanza

ESTADOS UNIDOS

La gobernadora defiende el acuerdo de reestructuración de la AEE y la constitucionalidad de la Junta

Dice que apoyaría que el presidente Trump redesigne a los miembros actuales del ente fiscal

Raúl Grijalva se reúne con la gobernadora Wanda Vázquez

Inicia Vázquez su ofensiva en Washington

Gobernadora acude a la capital federal para agilizar los desembolsos y restablecer la confianza

Gov. Vázquez Speaks with the White House

PRFAA set up a series of conference calls for the Governor with the Administration and Members of Congress.

Governor Wanda Vázquez Garced's first call with the White House on August 16th, 2019.

FOR IMMEDIATE RELEASE

August 16th, 2019

Puerto Rico Governor Wanda Vázquez Garced speaks with White House

La Fortaleza, P.R. – Puerto Rico's newly appointed Governor Wanda Vázquez Garced, along with the Executive Director of the Puerto Rico Federal Affairs Administration (PRFAA), Jennifer M. Storipan, and Secretary of Public Policy, Philippe A. Mesa, held a conference call on Thursday with Doug Hoelscher, Deputy Assistant to President Donald J. Trump and Director of Intergovernmental Affairs.

On the call, the newly appointed governor advised that establishing credibility, transparency, and accountability are critical parts of her goal to continue to develop the relationship between the federal government and the government of Puerto Rico.

"On the call, I reaffirmed my commitment to Puerto Rico and reemphasized the importance of open channels of communication with the federal government so we may continue our working relationship. I thank Mr. Hoelscher and his team for the interest they have shown in our Island," said the Governor

Nic Pottebaum and Dan Horning, also with the White House Office of the Intergovernmental Affairs, were on the call with the Governor as well, which was requested by the White House through PRFAA. In an effort to continue developing the relationship, the Governor demonstrated her willingness to work with the White House on behalf of Puerto Ricans and stated her intention to soon visit the Federal Capital.

"I plan to collaborate with President Donald J. Trump and his Administration in matters that affect the island and its 3.2 million U.S. citizens. I have an excellent relationship with our Congresswoman and Resident Commissioner, Jenniffer González and have held several meetings with her to continue working for a better Puerto Rico." said the First Executive.

The Governor also emphasized her interest in meeting with President Trump as soon as possible to discuss the policy priorities of Puerto Rico, such as the continued recovery of the Island and critical Medicaid funding.

"While the federal government has been an integral part in Puerto Rico's recovery, we still have a long way to go. I trust that with the willingness the White House has shown to collaborate with us, we can continue working together in the reconstruction of the Island." concluded Vázquez Garced.

Letter to Congress about Puerto Rico's Medicaid Fraud Prevention Measures & Necessary Medicaid Funding



GOVERNOR OF PUERTO RICO
Wanda Vázquez Garced

September 10, 2019

The Honorable Mitch McConnell
Senate Majority Leader
United States Senate
Washington, DC 20515

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Senate Democratic Leader
United States Senate
Washington, DC 20515

The Honorable Kevin McCarthy
House Republican Leader
United States House of Representatives
Washington, DC 20515

Dear Majority Leader McConnell, Speaker Pelosi, Senate Democratic Leader Schumer, and House Republican Leader McCarthy:

On August 7, 2019, I was sworn in as the Governor of Puerto Rico. The first few weeks as Governor were a difficult period of transition for the people and the government of Puerto Rico. However, we are turning the page. First and foremost, I want to assure you that I am absolutely committed to a transparent, responsible, and effective governance of the island of Puerto Rico, and the restoration of stability for our citizens.

As the newly appointed Governor of Puerto Rico, I, along with the Hon. Rafael Rodríguez-Mercado, MD, Puerto Rico Secretary of Health and the healthcare stakeholders of our beloved island, kindly request that Congress approve the Territories Health Care Improvement Act, included as part of H.R. 2328, which was favorably reported out of the House Committee on Energy & Commerce on July 17, 2019. On behalf of the 3.2 million U.S. citizens living in Puerto Rico, I thank the Committee for approving, on a bipartisan basis, the Puerto Rico Medicaid funding legislation prior to the August recess.

My Administration is committed to eliminating fraud, waste, and abuse, and as such, we have begun to implement additional oversight, fiscal management, and other program integrity measures dictated by Congress. Having been the immediate past Puerto Rico Secretary of Justice, who began the implementation of some of these program integrity measures, such as Medicaid Fraud Control Unit (MCFU), I understand and unequivocally endorse appropriate mechanisms to ensure the proper use of federal funds for the wellbeing of Puerto Rico's Medicaid beneficiaries.

The Puerto Rico Department of Health (PRDoH), under the leadership of Secretary Rodríguez, has been making steadfast progress with the implementation of the Medicaid Management Information System (MMIS). In addition, Secretary Rodríguez has taken immediate corrective action to thoroughly review the scope of services presently offered by seven different health-related agencies, which operate independently of each other. As expressed to the U.S. Department of Health and Human Services (HHS), the PRDoH will implement the Fiscal Plan certified by the Puerto Rico Fiscal Oversight and Management Board (FOMB),

I want to reiterate the urgency that our government continues to face in obtaining the much-needed federal Medicaid funding. As you know, by the end of this month, the federal funding provided to Puerto Rico's Medicaid program under P.L. 115-123, the Bipartisan Budget Act of 2018 (BBA) will expire. Along with the expiration of these critical funds, the 100% Federal Medical Assistance Percentage (FMAP) provided by the BBA will revert to the preexisting 55% FMAP. This means that Puerto Rico must once again contribute to a vastly disproportionate share of its own funds for its Medicaid program when compared to any other State, as previously conveyed. If Puerto Rico only receives its statutory cap of \$374 million at the fixed FMAP of 55% for FY2020, the federal funding of our Medicaid program will only last through March 2020. Simply put, Puerto Rico does not have enough federal funds to provide Medicaid benefits to its nearly 1.5 million program beneficiaries for the entirety of FY2020.

The attached "Critical Sustainability Measures" which we have been proposing and discussing with key members and committees, will allow Puerto Rico to provide essential health services to beneficiaries; stabilize the healthcare system to prevent mass exodus of both patients and providers to the mainland; provide funding to comply with the budgetary and fiscal plan requirements by the FOMB created by Congress; and provide time for Congress to work with Puerto Rico to develop a sustainable longer-term funding structure for Medicaid that is comparable to what American citizens in the mainland receive.

I am fully committed to continue improving program integrity, transparency and efficiency, but without federal funding stability, Puerto Rico cannot continue operating its Medicaid program. Since time is of the essence, I ask that Congress address this issue in the next available legislative vehicle. I look forward to working with you and your staff to properly allocate funds to Puerto Rico's Medicaid program, tying funding to actual need on the island, and to ensure that U.S. taxpayer money is wisely and prudently assigned across the full spectrum of the Government's Health Plan on the island.

Sincerely,

Wanda Vázquez Garced
Governor of Puerto Rico

cc: Senator Chuck Grassley, Chairman, Senate Finance Committee
Senator Ron Wyden, Ranking Member, Senate Finance Committee
Congressman Frank Pallone, Chairman House Energy & Commerce Committee
Congressman Greg Walden, Ranking Member House Energy & Commerce Committee
Congresswoman Jennifer Gonzalez-Colon (PR-At-Large)
Puerto Rico Federal Affairs Administration
Dr. Rafael Rodríguez-Mercado, MD, Secretary, Puerto Rico Department of Health

Our Priorities

- Focus on the need to strengthen Puerto Rico's healthcare system by ensuring necessary federal funding for Puerto Rico. We continue to work tirelessly in Washington to achieve parity for Puerto Rico's federal healthcare programs, like Medicaid, Medicare, and Medicare Advantage, and advocate for the elimination of other Medicare Payment Rules disparities.
- Advocate for the disbursement of disaster recovery funds appropriated by Congress, to repair and rebuild resilient infrastructure and the power grid.
- Inform Congress and the Administration of the oversight, fiscal management, and program integrity measures Puerto Rico is currently undertaking.

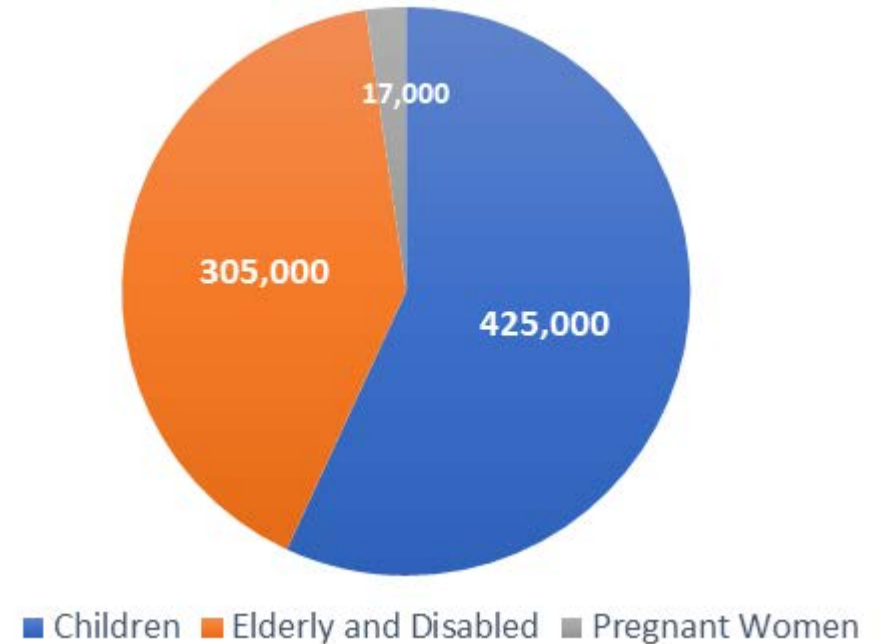


Executive Director Storipan and Secretary Rodríguez

Medicaid

- The program has multiple sources of federal funding: Section 1108, Affordable Care Act funding, or increased funding under the Bipartisan Budget Act.
- The constant funding cuts the program faces due to Congress assigning expiration dates to the funds.
- We have been advocating for Medicaid funding, specifically four years of increased funding, and increased FMAP for healthcare of the Island.

Puerto Rico's Medicaid program serves ...



Nearly 1.5 million U.S. citizens are enrolled in the program on Puerto Rico, nearly half the total population and some of our nation's most vulnerable citizens.

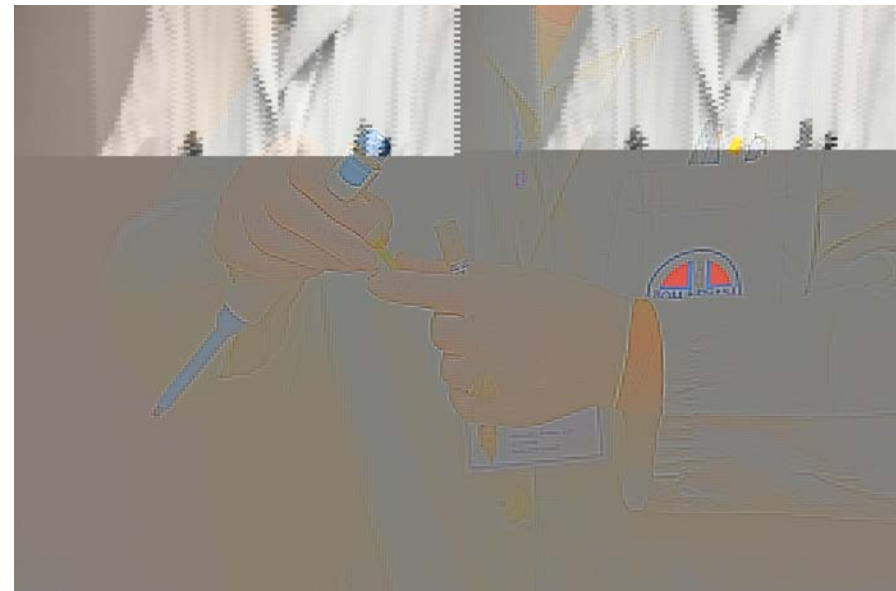
Puerto Rico's Medicaid Program vs. States Medicaid Programs

- Unlike the 50 states and the District of Columbia, Puerto Rico receives a different Federal Matching Assistance Percentage (FMAP), set in statute at 55%, with an additional capped block grant funding mandated by Section 1108(g) of the Social Security Act.
- The Medicaid program in Puerto Rico is chronically underfunded with only a limited number of mandatory services provided.
- Only 10 out of the 17 mandatory services are currently provided, not covering resources like nursing facility services or non-emergency medical transportation.
- PRFAA, along with Salud and many other healthcare stakeholders, are working in Washington to support the enactment of Territories Health Care Improvement Act.

	50 States & District of Columbia	Puerto Rico
Mandatory Medicaid Benefit	✓	✓
Early and Periodic Screening, Diagnostic and Treatment services for individuals under 21	✓	✓
Inpatient hospital services	✓	✓
Laboratory and X ray services	✓	✓
Medical surgical services by a dentist	✓	✓
Outpatient hospital services	✓	✓
Physician services	✓	✓
Tobacco cessation for pregnant women	✓	✓
Family Planning services	✓	✓
Federally-qualified health center services	✓	✓
Home health services for those entitled to nursing facility services	✓	
Non-emergency transportation to medical care	✓	
Certified pediatric and family nurse practitioner services	✓	
Nurse midwife services	✓	
Nursing facility services for individuals 21 or over	✓	
Rural health clinic services	✓	✓
Emergency services for certain legalized aliens and undocumented aliens	✓	
Freestanding birth centers	✓	

Facts about Medicaid in Puerto Rico

- Puerto Rico does not receive the same services as Medicaid beneficiaries in Alabama, Pennsylvania or California.
- Puerto Rico's Medicaid program is funded as a block grant as opposed to an entitlement program.
- The chronic underfunding of the block grant by Congress has created the issue of the Island having to come back to Congress time and time again because the funding for the program is not tied to need, but instead tied to an arbitrary funding level.





GOVERNMENT OF PUERTO RICO
Puerto Rico Federal Affairs Administration

Thank you

If you are ever in DC and would like to stop by, please do.

My team and I would be happy to meet with you to discuss ways we can work together.