



The Puerto Rico Chamber of Commerce, Medicaid and Medicare Advantage Products Association and El Nuevo Día invite you to the...

PUERTO RICO Health & Insurance CONFERENCE 2016

**Untangling a Unique Health Care Economy
Within the US System**



*The Implementation of the Affordable Care Act in Puerto Rico:
Challenges and Proposals*

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Mission of the Office of the Commissioner of Insurance

- To promote the solvency, reliability, and competitiveness of the insurance industry as a vital sector of the economy of Puerto Rico through the development of an agile, innovative, and flexible regulatory system that encourages the satisfaction of the consumers' insurance needs and the protection of the public interest.
 - One of the top priorities of the OCI is to regulate and promote consumer access to health insurance.



Brief Background of the Implementation of the ACA in Puerto Rico

2010-2012: Uncertainty about the application of the ACA in Puerto Rico. Outcome: Fragmented application of the ACA (Market Reforms without Marketplace, Subsidies, and Mandates).

2011: The Health Insurance Code of Puerto Rico (“HICPR”) was adopted, in great part, to implement the ACA in Puerto Rico (Act 194-2011 with amendments).

2013: Adoption of Chapter 10 of the HICPR (Law 69-2013) with norms applicable to the individual insurance market, including community rating, rate review, guarantee enrollment and renewal.

Brief Background of the Implementation of the ACA in Puerto Rico

2013: ACA-compliant plans (“metallic plans”) had to be approved before the open enrollment period deadline (October 1st).

- The OCI approved 91 plans in the individual market and 235 plans in the small group market.
 - Individual market: 40% Platinum, 35%Gold, 13% Silver, Bronze 12%
- Federal transitional period to comply with the ACA allowed the continuation of non-ACA compliant plans (transitional plans).

2014: HHS July 16 Letter

Challenges of the Implementation of the Affordable Care Act in Puerto Rico:

- **Uncertainty about the application of the ACA in Puerto Rico**
- **Fragmented application of the ACA in Puerto Rico**
- **Prompt Adoption of Legislation**
- **Approval of Plans before the Guaranteed Enrollment Period**
- **Transitional Plans**
- **Affordability of metallic plans**
- **Association Coverage**
- **HHS' 2014 Letter**

Challenges:

- **Health Insurance Providers Fee (“HIF”)**
 - The OCI and members of the health sector have made efforts in HHS, the Department of the Treasury, and Congress requesting complete exclusion from the tax or, in the alternative, that funds collected in PR stay here for the benefit of our consumers.
 - HIF exclusion is now more relevant in light of HHS’ July 16, 2014 letter and the financial challenges that the health sector is facing.
 - Collection was postponed solely for 2017, but payment during 2016 and other years is not affected.
- **2016 and 2017 Advance Notice**
- **Solvency & Profitability of Insurers**

Successes and Ongoing Efforts:

- **Approval of Plans before guaranteed enrollment periods**
- **Vaccine Coverage**
- **Proposal of Amendments to the HICPR in light of HHS' 2014 Letter**
- **External Review Organization**
- **Consumer Awareness about legal rights and importance of health insurance.**
- **Collaboration and support to different organizations and entities that are working to resolve and alleviate several healthcare issues.**

Ongoing Efforts:

I. Legislation:

1) P de la C 2413 (April 13, 2015)

Guaranteed Enrollment and Renewal

“Alternative Plans”

Single Risk Pool

Community Rating

Rate Review

MLR

Association Coverage

2) P de la C 1573 (TPA)

Amends the Insurance Code of Puerto Rico to include a Chapter 32 that requires the registration of TPAs in the OCI.

Ongoing Efforts:

3) P de la C 2620

- Provider termination

4) P del S 1372

- Office of the Regulator of PBMs and PBAs

5) P de la C 1518

- Provider Incentives and Bonuses

6) P de la C 1991

- Health Insurance Rates Reviewing Board

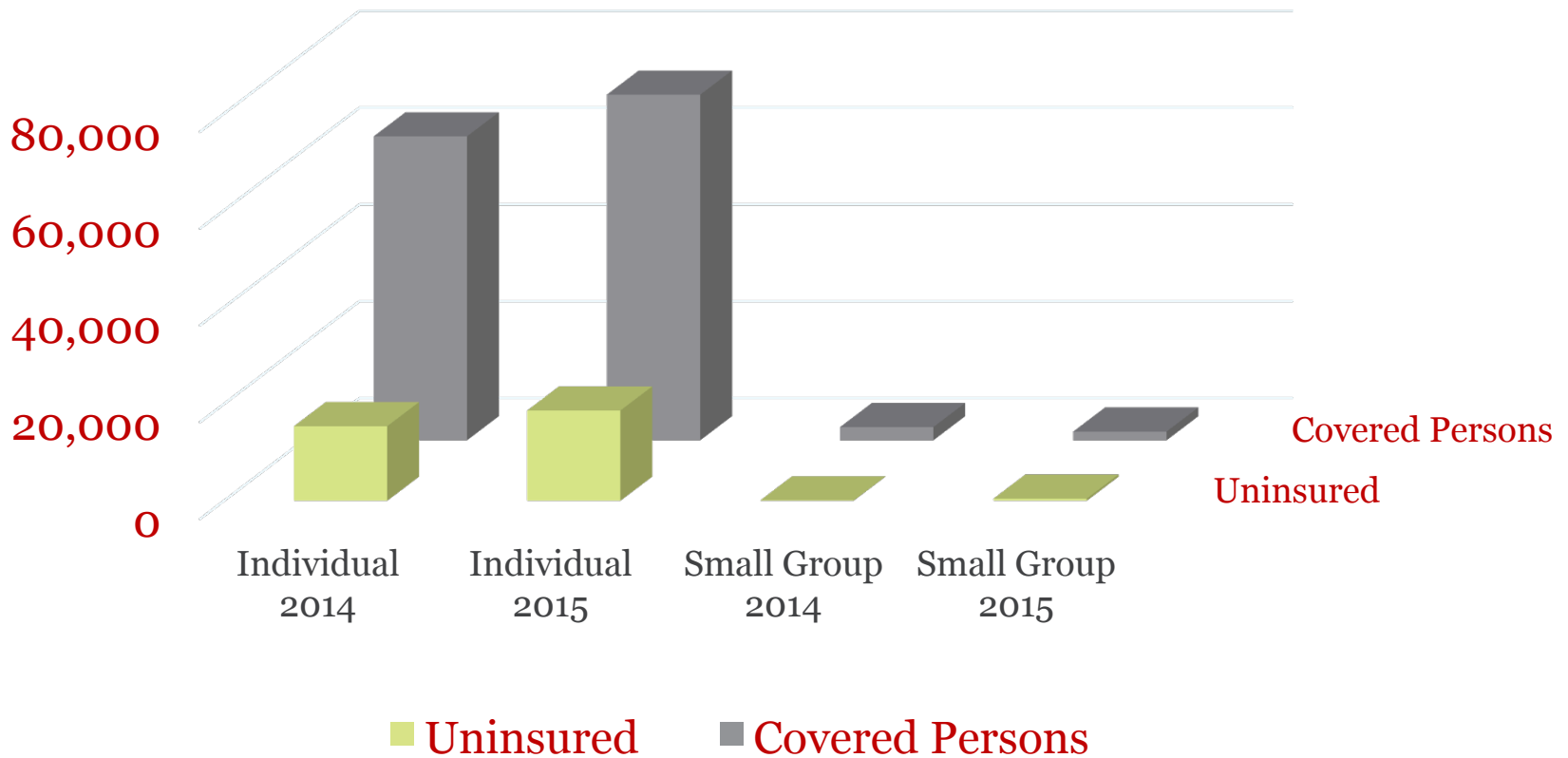
Ongoing Efforts:

II. Communications with the Department of the Treasury and Collaboration with organizations to eliminate the HIT permanently

III. Collaboration and support to different organizations and entities that are working to resolve and alleviate several healthcare issues.

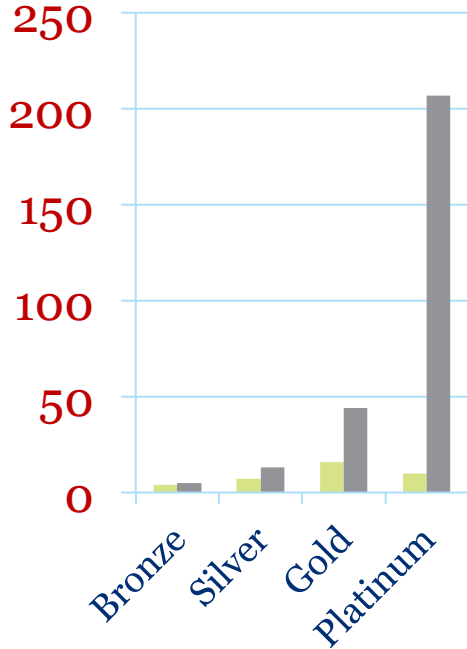
And now results...

Open Enrollment Results – Covered Persons

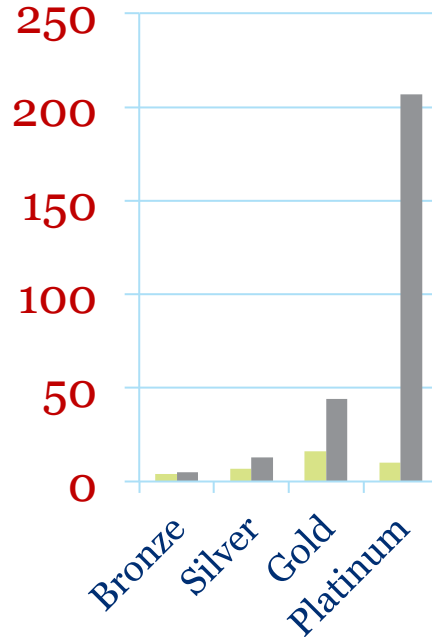


ACA Compliant Available Coverage

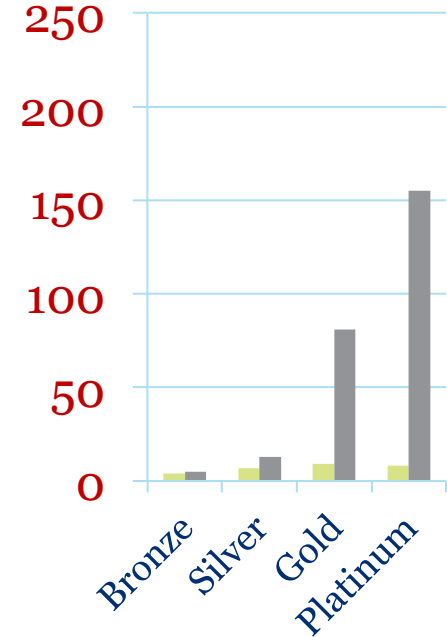
Approved 2014



Approved 2015



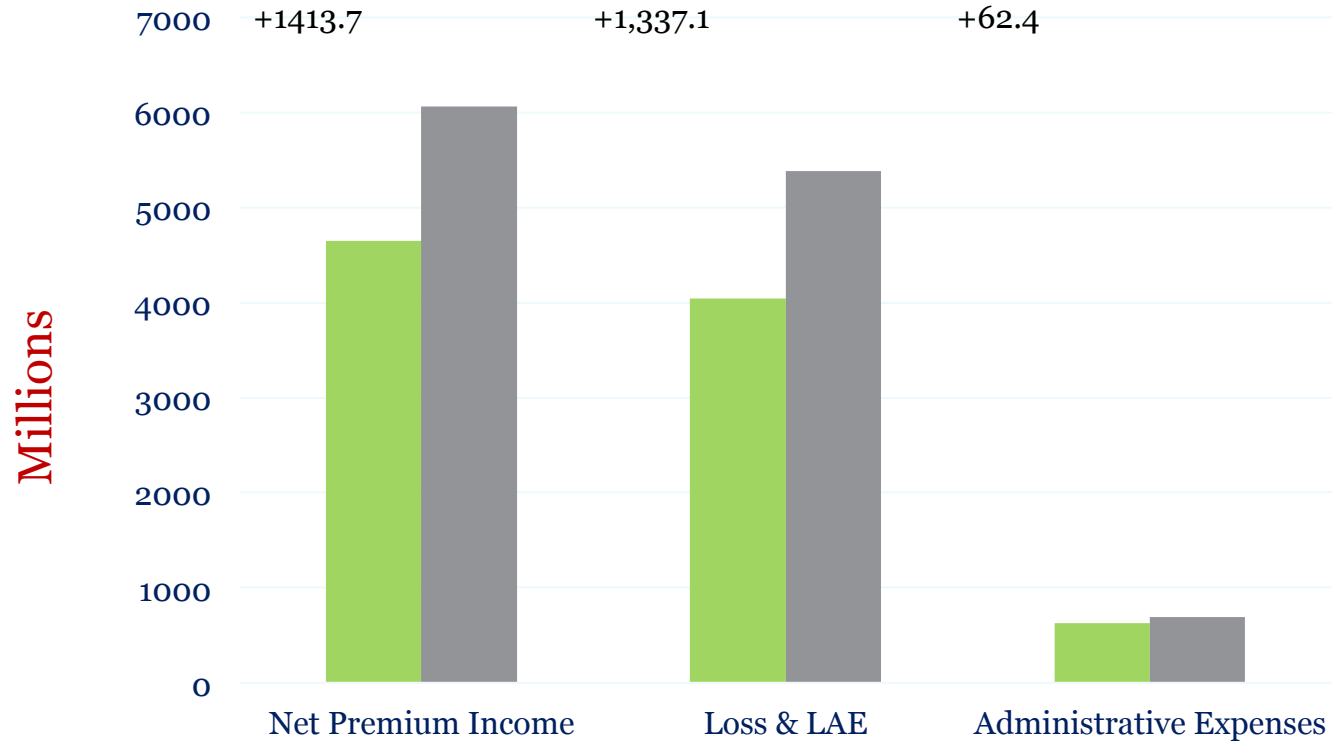
Approved 2016



■ Individual

■ Small Group

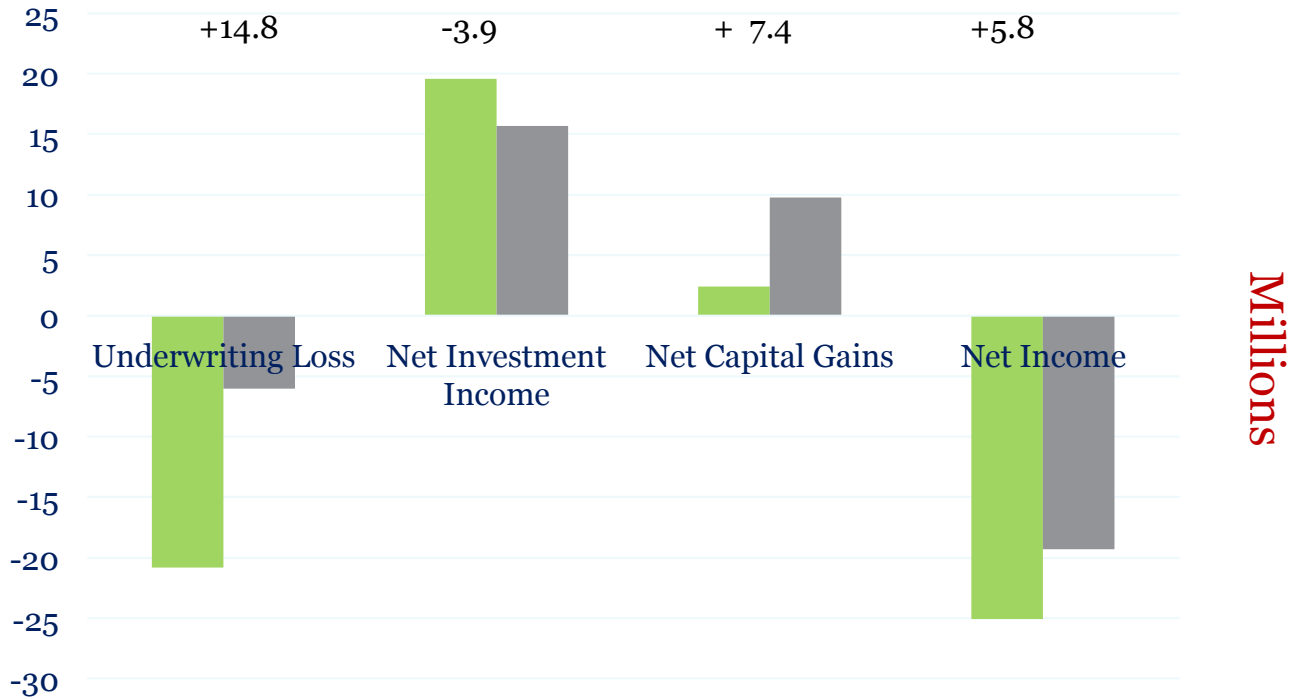
Health Insurance Industry Results



As of 9/30

■ 2014 ■ 2015

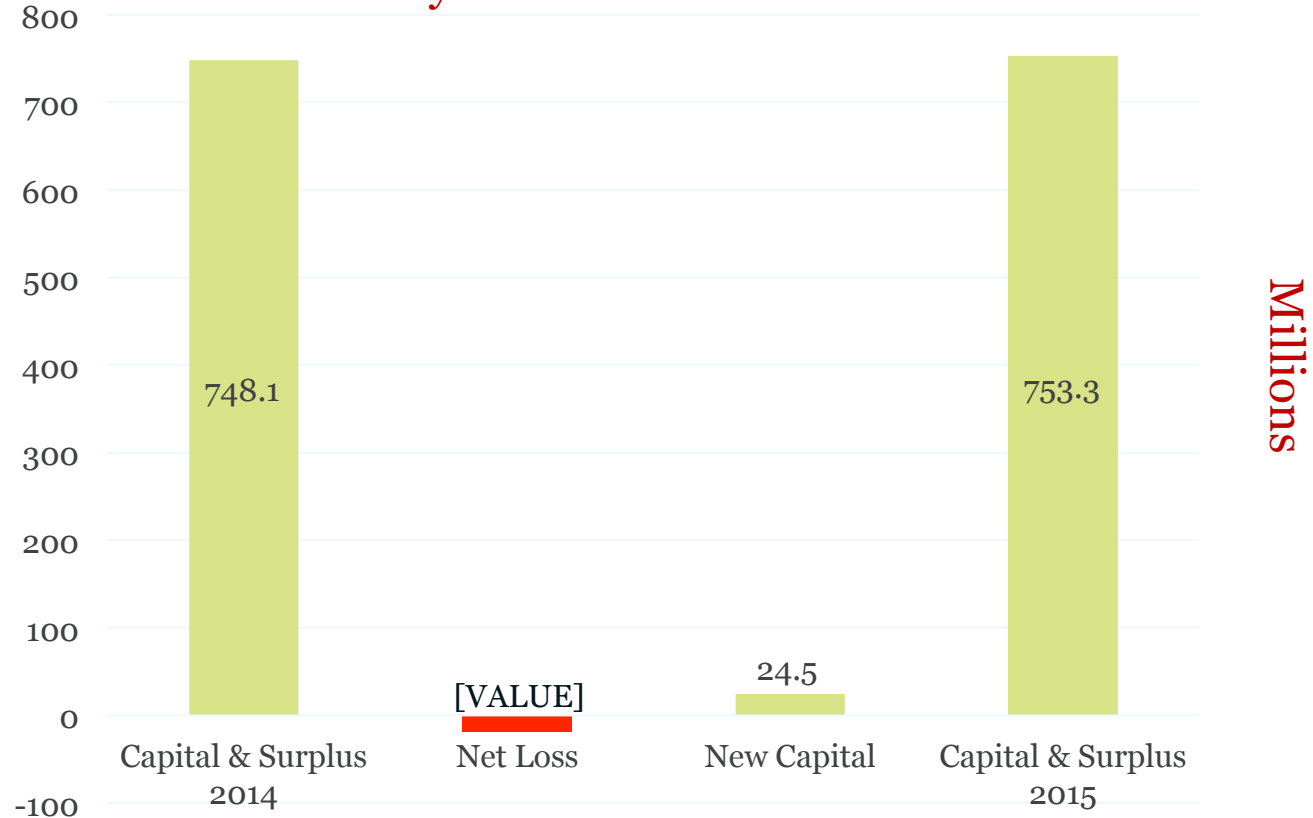
Health Insurance Industry Results



As of 9/30

■ 2014 ■ 2015

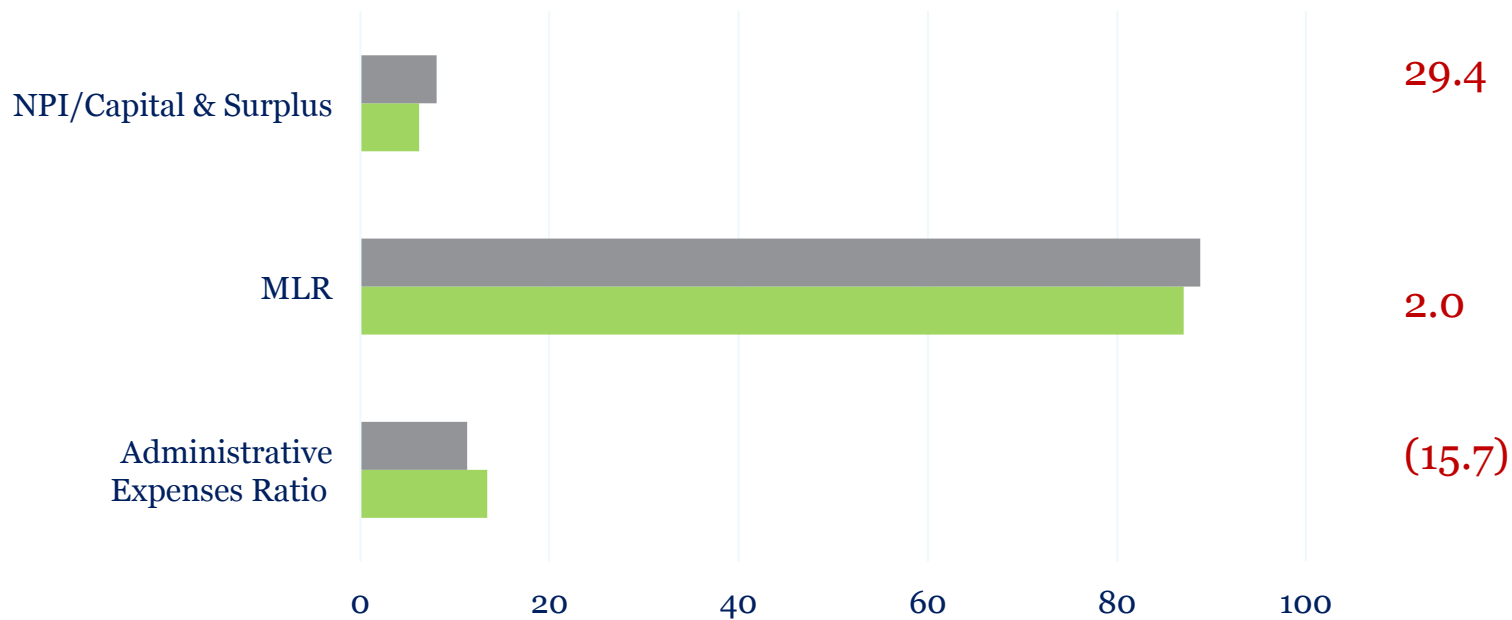
Health Insurance Industry Results



As of 9/30 2015

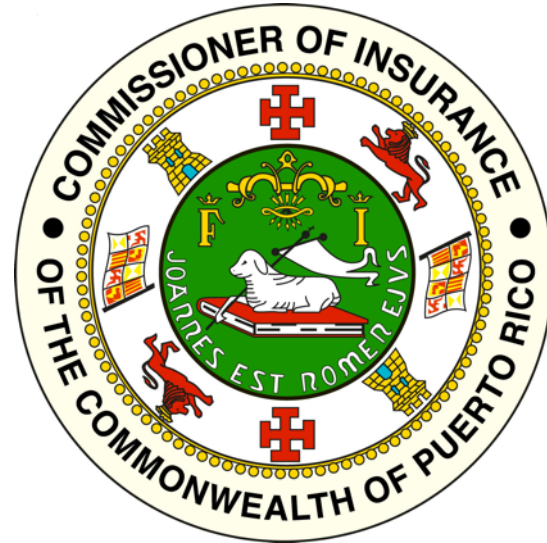
Health Insurance Industry Results

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As of 9/30

■ 2015 ■ 2014



Thank You
Thank You