



## Press release

*For immediate release*

Medicaid and Medicare Advantage Products Association of Puerto Rico  
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### **Temporary relief for Puerto Rico Medicare Advantage Beneficiaries may be in sight for 2017; work remains before CMS comment period closes at 6 PM EST on March 4, 2016**

**San Juan, Puerto Rico. Feb. 29, 2016.** Since the Affordable Care Act (ACA) was enacted in 2011, the Puerto Rico healthcare industry has worked with the United States government to attempt to avoid the potentially fatal rate cuts in Medicare Advantage (MA) funding mandated under the ACA. For 2017, the local healthcare community is appreciative that the Centers for Medicare and Medicaid Services (CMS) is exploring the possibility of incorporating some of the industry's proposals which are crucial as temporary measures to address Puerto Rico's unsustainable MA funding situation in the April 4<sup>th</sup> 2017 Final Call Letter. Although the additional 2017 rate cut for MA funds is currently estimated at approximately 2%, from 2012 to 2016 Puerto Rico has lost approximately \$4 billion in aggregate MA funding, when compared to 2011 levels. Such CMS funding cuts have already resulted in substantial benefit reductions and increased pressures to reduce provider compensation impacting more than 570,000 of Puerto Rico's senior citizens, which is a major factor driving an unprecedented number of physicians and beneficiaries to leave the island. Puerto Rico's entire healthcare system is suffering under these economic pressures.

Jim O'Drobinak, president of the Medicaid and Medicare Advantage Products Association of Puerto Rico (MMAPA), said that despite the preliminary decrease in MA funding for Puerto Rico announced in the 2017 Advance Notice on February 19, the Puerto Rico healthcare community continues to work with CMS to create a permanent solution on behalf of its impoverished beneficiaries. "While we emphasize that a fee-for-service adjustment/proxy is still the permanent solution needed by Puerto Rico, we believe it is good news that CMS is exploring the possibility of adjusting the fee-for-service (FFS) experience in Puerto Rico's zero dollar claims, to normalize it based upon the CMS data for zero dollar claim nationwide," O'Drobinak explained.

According to past MMAPA President Dr. Rick Shinto, although Puerto Rico's MA funding problem has not yet been permanently fixed, the adjustment of MA funding to reflect the zero-claimants adjustment to the national average would represent important short-term relief for Puerto Rico's struggling healthcare industry. However, notwithstanding such an adjustment and the inclusion of certain other potential 2017 changes to MA reimbursements related to Stars measurements and risks score adjustment in the 2017 Final Call Letter, the island would still be an outlier at the distant bottom of healthcare expenditures in Medicare and healthcare funding in general. "Even though we are appreciative of CMS' openness to include some of our proposals in the 2017 Final Call Letter, Puerto Rico's beneficiaries still need more assistance to maintain the quality and access to care pioneered by Puerto Rico's MA program," Shinto explained.

MMAPA Board Member Bobby Garcia explained that "in order to have CMS help us, we need to give them the information they need." Garcia continued, "the 2017 Advance Notice allows for a window for all interested parties to comment on CMS' preliminary recommendations as issued on February 19. This comment period is open through this Friday, March 4, 2016 at 6 PM EST. Prior to



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that deadline, MMAPA will be providing the additional data that CMS needs to finalize the proposals for the zero claimant and stars issues. MMAPA encourages all interested parties to review our website at [www.mmapapr.org](http://www.mmapapr.org) to read our formal positions on the Advance Notice. Now is the time for anyone interested in healthcare in Puerto Rico to speak up and tell CMS we need help."

"Issues such as the exclusion of the Medicare Part D Low Income Subsidy benefits, the conversion of the partial dual coefficient in the new risk score model into a factor that adjusts non-dual risk scores in Puerto Rico, the STARS proposals to simulate LIS membership and apply SES, and to use zero weight for adherence measures in Puerto Rico for purposes of overall and summary plan ratings, must be fixed permanently", added MMAPA Board Member Earl Harper.

Since 2006, Puerto Rico's MA program has been providing quality-based access to care for the low income "dual" population in the island, in addition to leading the industry on protocols of care, which are not available through Traditional FFS Medicare. Should the MA funding problem not be permanently fixed, beneficiaries will continue to have to pay more premiums and co-pays for benefits that used to be covered through MA. In addition, there could be less options of health plans, providers and facilities as the cuts continue to reach unsustainable levels. These funding reductions will also hurt the Medicare Platino program from ASES, which currently serves approximately 280,000 of the poorest beneficiaries on the island with Medicaid and Medicare coverage, given the high cost associated with the services provided to this population.

O'Drobinak also expressed gratitude for the efforts of the members and supporters of the Puerto Rico Healthcare Crisis Coalition, of which MMAPA is a charter member, and stressed the importance of strengthening and accelerating the community's advocacy for permanent federal legislative reform or administrative action during 2016. "We appreciate Governor Garcia-Padilla, Congressman Pierluisi, Insurance Commissioner Weyne, ASES Executive Director Ricardo Rivera and all the individual companies, associations and friends of Puerto Rico who have helped to tell the story of the poor beneficiaries of the island."

He continued, "The story has not been fully written yet. It is imperative that CMS takes our feedback and fully includes our proposals in the upcoming 2017 Final Call Letter. Everyone should be clear that all of Puerto Rico is already suffering from these cuts. Puerto Rico is legitimately providing the most cost-effective Medicare program in the nation, and needs to persevere in its quest to let Washington hear from us in a voice louder and clearer than ever before. Please visit our website, understand our positions, and **let CMS hear from you at [AdvanceNotice2017@cms.hhs.gov](mailto:AdvanceNotice2017@cms.hhs.gov) by this Friday, March 4, 2016. We cannot give up!**"

MMAPA ([www.mmapapr.com](http://www.mmapapr.com)) is a non-for profit association comprised of the leading Medicaid and Medicare Advantage organizations in Puerto Rico: Humana, MCS, MMM/PMC and Triple-S. This association was born in 2009 to evaluate and act on the implications of new government policy on funding for Puerto Rico's healthcare system.

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