



December 13, 2018

Dear Member of Congress:

I write in support of H.R. 6809, the Puerto Rico Integrity in Medicare Advantage (PRIMA) Act.

This legislation was introduced by Congresswoman Jenniffer González-Colón (R-PR) and has [bipartisan support](#) in the House of Representatives. Given this support, Congress should ensure the PRIMA Act is passed into law before the end of the year either as a standalone bill or in a broader vehicle.

The PRIMA Act provides a temporary, modest, deficit neutral correction to the Puerto Rico Medicare Advantage (MA) base payments level that will help the island recover from the catastrophic negative impacts of the hurricanes.

Medicare Advantage plans are [offered](#) by private companies and provide Part A (hospital insurance) and Part B (medical insurance) coverage. They also typically offer additional coverage including vision, dental, and prescription drug coverage (Part D).

Compared to traditional Medicare coverage, Medicare Advantage plans [leverage competition](#) to promote consumer choice, increase options, and put downward pressure on costs. The Trump administration is rightly expanding on this model to [promote](#) further private sector negotiation and efficiency.

Utilization of Medicare Advantage Plans in Puerto Rico are high compared to many U.S. states. Today, there are roughly 580,000 seniors in Puerto Rico covered through Medicare Advantage plans (almost 90 percent of those eligible for Medicare).

Despite this, MA base payment rates in Puerto Rico were 24 percent lower than the U.S. average in 2011 and have fallen the past seven years. In 2019, the average base payment will be 43 percent lower than the U.S. average.

PRIMA would address this discrepancy by increasing Puerto Rico's Average Geographic Adjustment (AGA) – which is set by the Centers for Medicare and Medicaid Services (CMS) to 0.70 for 2019, 2020, and 2021.

Over 97 percent of the counties currently have AGA factors of between 0.70 and 1.3, so this is a modest change that will bring Puerto Rico more in line with the mainland United States.

The PRIMA Act contains common sense, budget neutral reforms that will help Puerto Rico recover in the aftermath of the hurricanes in a manner that is strengthens the healthcare system.

I urge all Members of Congress to support this legislation.

Onward,

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