



April 27, 2021

VIA E-MAIL

President Joe Biden
Office of the President
1600 Pennsylvania Ave NW
Washington, DC

Dear President Biden:

The Medicaid and Medicare Advantage Products Association of Puerto Rico (“MMAPA”), the Puerto Rico Hospitals Association (“PRHA”) and the Puerto Rico Chamber of Commerce (“PRCC”) are writing on behalf of the Puerto Rican health care community to urge inclusion of a permanent solution on Medicaid in your upcoming health care proposal to help ensure American families and vulnerable American citizens residing in Puerto Rico have access high-quality, affordable health care.

As you know, Puerto Rico’s Medicaid program is currently financed through a statutorily capped block grant. In 2019, Puerto Rico’s Medicaid program received \$2.6 billion for FY20 and \$2.7 billion for FY21 at an increased FMAP of 76 percent, plus \$200 million subject to compliance with certain requirements. This funding was then further increased by the “Families First Coronavirus Response Act”, which set the total current Medicaid assignment for FY21 at \$3 billion. It is also noteworthy that this level of funding is still insufficient to include standard Medicaid benefits currently unavailable in Puerto Rico. We are encouraged by your proposal which would take a significant step forward by covering the existing benefits coverage gap.

While we appreciated Congress providing this much needed funding, we are now, once again, facing an unprecedented “Medicaid cliff” on September 30, 2021 when Puerto Rico’s Medicaid funding will decrease by over 80 percent. A cut of this magnitude would have a devastating impact on health care services for 1.5 million Americans enrolled in the program and would exacerbate an already fragile economic situation.

We appreciate your commitments made during the campaign to provide more equitable treatment for Puerto Rico under Federal Health Care Programs. We note your statements on Medicaid last Fall; “Improve access to affordable, quality health care. The federal government caps annual Medicaid funding for Puerto Rico and contributes at a far lower rate than if federal matching funds for Puerto Rico were determined the same way as for states. Puerto Rico’s Medicaid program, Vital, caps eligibility at one-third of the eligible income level in the states, provides only 10 of 17 essential services, pays providers less, and spends less per enrollee. Congress passed a short-term fix, but Puerto Rico will be in the same situation again after September 2021. As

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President, Biden will work to ensure that Puerto Rico is able to participate in the Medicaid program on par with other U.S. jurisdictions.”

It is long overdue for Puerto Rico to achieve state-like treatment for its Medicaid program and your proposal and ensuing Congressional action represents a once-in-a-decade opportunity. By including in your proposal, the appropriate federal funding formula for Puerto Rico equivalent to a state-like program instead of a statutorily capped blocked grant, and an FMAP based on Puerto Rico’s per capita income relative to that of the Nation, you will be sending a strong signal to Congress and the people of Puerto Rico that it is finally time to address this long-standing inequity.

Thank you for your commitment to this issue. We truly hope this can be addressed in your upcoming proposal. If so, we stand ready to work tirelessly with you and bipartisan members of Congress to meet the health care needs of vulnerable U.S. citizens in Puerto Rico.

Sincerely,



Roberto García Rodríguez
President
MMAPA



Jaime Plá Cortés
Executive President
PRHA



Juan Carlos Agosto Martínez
President & Chairman of the Board
PRCC

c: Kamala Harris
Vice President

Pedro R. Pierluisi Urrutia
Governor of Puerto Rico

Carmen Feliciano
Executive Director of PRFAA