



## GOVERNMENT OF PUERTO RICO

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October 24, 2017

Hon. Mitchell McConnell, Jr.  
Majority Leader  
United States Senate  
Washington, DC 20515

Hon. Paul Ryan, Jr.  
Speaker  
United States House of Representatives  
Washington, DC 20515

Hon. Charles Schumer  
Democratic Leader  
United States Senate  
Washington, DC 20515

Hon. Nancy Pelosi  
Democratic Leader  
United States House of Representatives  
Washington, DC 20515

I would like to thank you for your leadership and action on the emergency supplemental package that was approved in the U.S. House of Representatives on October 12 and today in the U.S. Senate. This is a big first step in Congress' response to the historic devastation caused in Puerto Rico by Hurricanes Irma and Maria.

Beyond this direct emergency relief legislation, Congress must also take immediate action to address the growing crisis in Puerto Rico's healthcare system. The unequal treatment of the island in federal healthcare programs, the instability of federal funding, and the outmigration of doctors and other medical providers that has been ongoing for years have led to an incredibly vulnerable system. The total devastation brought on by these natural disasters has vastly exacerbated the situation and effectively brought the island's healthcare system to the brink of collapse.

There is an urgent need for Congress to stabilize the federal funding structure for Puerto Rico's Medicaid program by continuing the current funding levels. Otherwise, federal support for this essential program that serves millions in Puerto Rico, and serves as one of the pillars of the island's healthcare system, is going to experience a sharp drop in funding early next year, the so-called "Medicaid Cliff". Therefore, I request that Congress increase the statutory cap on Puerto Rico's Medicaid program to the Trump Administration's FY 2018 Budget Request level of approximately \$1.6 billion for a period of at least five years, in line with the duration of the reauthorization of the State Children's Health Insurance Program (SCHIP). Congress should also consider eliminating in Puerto Rico the wrap-around payment requirement for federally qualified health centers, which currently costs the state government approximately \$120 million per year. These actions would help stabilize the funding for Puerto Rico's Medicaid program during a sufficient period of time for beneficiaries, providers, and insurers on the island to recover from the current crisis and adapt to the new normal.

Addressing Puerto Rico's Medicaid Cliff as part of the SCHIP reauthorization, as proposed by the House Energy and Commerce Committee, would be ideal since it provides a natural



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legislative vehicle for Congress to reconsider the issue at the end of the reauthorization period. It would also remove this matter from consideration in the year-end appropriations package where Congress will need to focus its energies on addressing Puerto Rico's recovery and long-term reconstruction needs.

To address another pillar of Puerto Rico's healthcare system, Medicare, the Government of Puerto Rico will also request that the Centers for Medicare & Medicaid Services (CMS) use its discretionary authority to set the Medicare payment rates for services to Puerto Rico dialysis patients and for the Medicare Advantage program to be closer to the U.S. national average, or at least at the level of the U.S. Virgin Islands.

Therefore, I ask for your support for these legislative and administrative requests to make sure that the healthcare needs of the most vulnerable in Puerto Rico are not put in jeopardy during this very sensitive period for Puerto Rico.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ricardo A. Rosselló Nevares".

Ricardo A. Rosselló Nevares  
Governor of Puerto Rico