



GOVERNMENT OF PUERTO RICO

Department of Health
Medicaid Program

December 18, 2020

Mrs. Talia D. Rosario
Senior Auditor
HHS-OIG-OAS/Region II
Puerto Rico & USVI Field Office

Dear Mrs. Rosario:

Thank you for sharing the updates on the risk assessment work completed by the U.S. Department of Health and Human Services (HHS), Office of the Inspector General (OIG) for the Puerto Rico Medicaid Program.

Based on our review of the report issued on December 10th, titled, Risk Assessment of Puerto Rico's Medicaid Program ^[1] and in compliance with the requirements established by P.L. 116-94 Division N, Title I, Subtitle B, §202 we would like to share with you the reports listed below. These reports were submitted to Chairman Grassley for approval by the December 20, 2020 deadline. Puerto Rico Department of Health Medicaid Program's and Puerto Rico Health Insurance Administration's leadership and managerial staff worked collaboratively over the past three months to identify and establish agreement and a path forward on how to address the areas of risk outlined by the OIG. Each report dives into the current state processes and procedures and planned activities to address identified challenges facing Medicaid Program as outlined in the OIGs report. Of main interest to the Inspector General would be the report on '***Audit of Managed Care Payments***' as this report crosswalks the OIG risk areas and Puerto Rico's plan on addressing these challenges and issues.

- **Audits of Managed Care Payments P.L. 116-94 Division N, Title I, Subtitle B, §202(f)(3):** Report that highlights the upcoming planned enhancements to our program that will address the high-risk areas identified by OIG and will be implemented to strengthen our processes for the evaluation of Managed Care Payments.
- **Contracting Reform P.L. 116-94: Division N, Title I, Subtitle B, §202(a)(7)(A)(iii):** Puerto Rico complies with the mandate of the law by publishing a contracting reform plan to combat fraudulent, wasteful, or abusive contracts under Puerto Rico's Medicaid program. We establish our vision to be recognized as a leader in ethics and transparency in procurement and contracting by identifying opportunities for our improvement, as well

as implementation plans to help Puerto Rico achieve our vision and reform the contracting processes of our Medicaid Enterprise.

- **Report on Contract Oversight and Approval P.L. 116-94: Division N, Title I, Subtitle B, §202(f)(2):** Report that outlines our own assessment of our contracting and oversight processes that provides an overview of our competitive and non-competitive contracting processes and identifies opportunities to help enhance our contract oversight processes.

Cordially,



Luz E. Cruz- Romero
Executive Director
Medicaid Program