



GOVERNMENT OF PUERTO RICO

Department of Health
Office of the Secretary

July 28, 2021

Mrs. Nicole McKnight
Manager
Division of Program Operations Medicaid & CHIP Operations Group
Centers for Medicare & Medicaid Services (CMS)
26 Federal Plaza, Room 37-100
New York, NY 10278

Email: Nicole.McKnight@cms.hhs.gov

Dear Ms. McKnight:

Greetings!

We provide you with submission of our Quarterly Progress Report to CMS, capturing our progress on Congressional requirements mandated by the Further Consolidated Appropriations Act 2020 (P.L. 116-94).

The following document is provided within this submission:

- **CMS Quarterly Report** due on July 30, 2021: Puerto Rico complies with our commitment to CMS to submit quarterly, semi-Annual, and annual reports that highlight our progress in complying with the legal requirements within P.L 116-94. In the attached report, we provide an overview of the upcoming Medicaid Fiscal Cliff, describe the improvements and initiatives our government has implemented within our Medicaid program, and provide updates on the tasks, activities, and actions that have been taken to comply with the requirements of P.L. 116-94 to date.

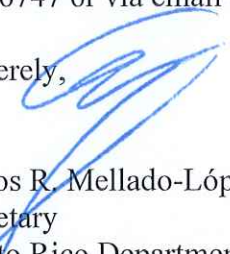
Medicaid is designed to treat our Nation's most vulnerable populations, including low-income families, the elderly, children, and individuals with disabilities. Even before the COVID-19 pandemic, the U.S. citizens of Puerto Rico suffered from serious health conditions that require urgent care, including mental health issues and chronic diseases such as cancer, diabetes, Hepatitis C and HIV. The increased federal Medicaid funding enacted by P.L 116-94 secured life-saving services to the approximately 1.6 million beneficiaries that depend on Medicaid to meet their most basic physical and behavioral health needs.

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Puerto Rico is committed to meet all the congressional requirements that have been added as part of P.L. 116-94. As noted in our submitted reports, there is a disparity between Puerto Rico and comparable state Medicaid programs on administrative spending per member per year (PMPY) and per member per month (PMPM). While we recognize the bi-partisan work underway to secure funding for Puerto Rico's Medicaid program over the next five years, avoiding the impending October 1, 2021 "fiscal cliff" due to the expiration of additional funding and increased matching rate from the Bipartisan Budget Act and Affordable Care Act, we remain concerned that without, at a minimum, additional, sustained administrative funding, the full and permanent implementation of these changes will be challenging.

If you require additional information or have any questions on this submission, please contact me or Ms. Edna Marin, Executive Director of the Puerto Rico Medicaid Program, at 787-765-2929 Ext. 6747 or via email at edna.marinramos@salud.pr.gov.

Sincerely,



Carlos R. Mellado-López
Secretary
Puerto Rico Department of Health

Enclosure

cs: Hon. Jennifer González-Colón, Resident Commissioner of PR
Mrs. Carmen M. Feliciano, Executive Director, Puerto Rico Federal Affairs Administration
Mr. Jorge E. Galva, Executive Director, Health Insurance Administration, Puerto Rico
Hon. Ron Wyden, Chairman, U.S. Senate Committee on Finance
Hon. Mike Crapo, Ranking Member, U.S. Senate Committee on Finance
Hon. Frank Pallone, Chairman, U.S. House of Representatives Committee on Energy and Commerce
Hon. Cathy Rodgers, Ranking Member, U.S. House of Representatives Committee on Energy and Commerce
Mr. Dan Tsai, Deputy Administrator and Director of Center for Medicaid and CHIP Services (CMCS)
Mr. Russell Voth, Senior Analyst, Government Accountability Office (GAO)