

# United States Senate

WASHINGTON, DC 20510

March 21, 2019

The Honorable Alex M. Azar  
Secretary  
U.S. Department of Health and Human Services  
200 Independence Avenue, S.W.  
Washington, D.C. 20201

Dear Secretary Azar:

We write to encourage the Centers for Medicare and Medicaid Services' (CMS) to reconsider the Call Letter for Calendar Year 2020 Medicare Advantage and Part D plans for Puerto Rico, which unfortunately did not include sufficient measures to alleviate the payment disparities for Medicare Advantage (MA) and Part D plans operating in Puerto Rico, and address these shortcomings in the final rate notice. We are appreciative of CMS' recognition that action must be taken to account for the high proportion of Medicare beneficiaries enrolled in MA by enabling more counties on Puerto Rico to qualify for quality bonus payments. We also request that CMS explore additional ways to provide regulatory relief to Americans in Puerto Rico to help stabilize Puerto Rico's fragile health care system, including the Island's robust MA program.

Puerto Rico was in the midst of ongoing economic turmoil when Hurricanes Irma and Maria struck in 2017. The Puerto Rican community continues to struggle with physician shortages, an increasing number of residents relocating to the mainland United States, a cash-strapped Medicaid program, and widespread disparities in Medicare. Puerto Rico's recovery will not be easy and will take time, making it more important than ever to address the imbalances in MA for Puerto Ricans.

Because of the devastation caused by these hurricanes, we were surprised to learn that CMS chose not to adjust the 2017 Medicare Fee for Service (FFS) data to determine Puerto Rico MA plans' rates for 2020. The draft call letter said this decision was made because the counties not impacted by any natural disasters also experienced decreases in FFS per capita costs in 2017. While other counties may have experienced FFS decreases, we do not believe this rationale alone discounts the prolonged devastation that prevented beneficiaries in Puerto Rico from accessing medical care. In the immediate aftermath of Hurricane Maria, all of Puerto Rico was without power, up to half of medical professionals were unable to report to work, and roads were inaccessible, preventing Medicare beneficiaries from driving to areas of the island with less damage. Furthermore, on September 19, 2017, then-Secretary Tom Price declared a public health emergency for the entire island of Puerto Rico, not just for a select number of counties.

In Puerto Rico, more than 580,000 seniors and people with disabilities, representing over 70 percent of eligible seniors on Medicare, rely on MA. However, MA reimbursement rates in

U.S. Virgin Islands. Differences in MA reimbursement for serving individuals with End Stage Renal Disease impact the ability of providers in the states to care for beneficiaries and highlight the discrepancies in Puerto Rico's Medicare program. As we have suggested before, one way to provide relief would be a minimum for the average geographic adjustment to the for calculating MA payments.

The 2016 report by the Congressional Task Force on Economic Growth in Puerto Rico recommended that CMS consider adjustments to ensure that MA plans, including those in Puerto Rico, are "being fairly and properly compensated for the services they provide to beneficiaries." We believe CMS should build on these recommendations to ensure the stability of Puerto Rico's MA program.

Medicare Advantage plays a critical role in Puerto Rico's health care system, providing beneficiaries with high-quality care while keeping their out-of-pocket costs low. We respectfully request CMS take additional meaningful action to address payment disparities in Puerto Rico's MA program.

Thank you in advance for your consideration.

Sincerely,



Marco Rubio  
U.S. Senator

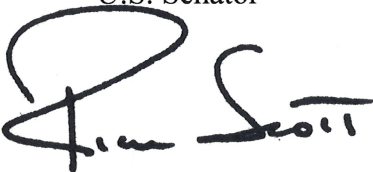


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