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March 26, 2021

The Honorable Xavier Becerra
Secretary
U.S. Department of Health and Human Services
200 Independence Ave, SW
Washington, DC 20201

Dear Secretary Becerra:

Congratulations on your confirmation as Secretary of the U.S. Department of Health and Human Services. I know of your steadfast and long-standing support for equality in health care for the American citizens of Puerto Rico dating back to your days in Congress and in the House Ways & Means Committee, and I look forward to working with you to ensure that we address and resolve these issues once and for all.

As Puerto Rico's sole representative in the U.S. Congress, I want to bring to your attention one of these inequities. Over the years, Medicare Advantage (MA) has grown to become a cornerstone health care program for patients and providers in Puerto Rico. Even though Puerto Ricans pay the same Medicare payroll taxes as their fellow American citizens in the States, enduring federal payment disparities are severely affecting the Medicare program on the Island. More than 600,000 seniors in Puerto Rico are covered by MA, representing more than 75% of the territory's Medicare beneficiaries (the highest MA penetration in the nation), and the 8th largest MA population in the United States. This number includes more than 280,000 dually-eligible seniors, the Island's most vulnerable population, for whom Medicare funding is essential in light of the sizeable limitations in Puerto Rico's Medicaid program.

Unfortunately, the very limited corrective actions implemented by HHS and CMS in recent years have not eliminated the huge disparities in the MA payment rate level for beneficiaries residing on the Island. The fact is that MA rates in Puerto Rico have fallen for 7 consecutive years to a benchmark that is now 40% below the national average, 36% lower than in the lowest state (Hawaii), and even 22% below our neighboring territory of the U.S. Virgin Islands. As the MA program is the primary source of healthcare for seniors in Puerto Rico, these disparities not only endanger appropriate health care access, but also put additional fiscal pressure on the Island's already struggling economy.

Like yourself, President Biden and Vice-President Harris have been strong advocates of equality in health care for the people of Puerto Rico. In fact, the *Biden-Harris Plan for Recovery, Renewal, and Respect for Puerto Rico* adopted last year provided, in its relevant part, that the President would:

“Direct the HHS Secretary to Propose Medicare Reimbursement Reforms to Address Chronic Program Underpayments. Biden will address historically low Medicare Advantage payment rates and their consequences to Puerto Rico’s health system by directing the HHS Secretary to develop and recommend payment reforms and enhancements to the program.”

Decades of unequal treatment, coupled with the Island’s ongoing economic and fiscal crisis, the catastrophic devastation of Hurricanes Irma and Maria, the ongoing earthquakes, and the current COVID-19 pandemic, have resulted in a health care system with poor quality infrastructure and a massive and untenable healthcare provider exodus to the U.S. mainland.

As set forth in the Biden-Harris Plan for Puerto Rico, HHS has an essential role and responsibility to implement a permanent solution to the historic anomalies in the calculation of MA rates for Puerto Rico. One option that I have proposed in the past is that HHS could use its administrative authority to set an Average Geographic Adjustment floor minimum of 0.70 due to outstanding data anomalies in the MA formula.

I look forward to working with you and the Biden Administration to respond to these inequities and implement the President’s campaign commitment. The time has come to take the necessary administrative steps to ensure that the American citizens of Puerto Rico have access to the same standards of quality health care enjoyed by their fellow citizens in the States and to address the ever-widening gap in both reimbursements and services for Puerto Rico’s Medicare beneficiaries and providers.

I wish you the best in this new and critical endeavor you are about to undertake.

Sincerely,

A handwritten signature in blue ink, reading "Jenniffer González-Colón". The signature is stylized with a large, looping initial "J" and a long, sweeping underline.

Jenniffer González-Colón
Member of Congress