



GOVERNOR OF PUERTO RICO  
Pedro R. Pierluisi

April 30, 2021

The Honorable Ron Wyden  
Chairman  
Committee on Finance  
U.S. Senate  
219 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Mike Crapo  
Ranking Member  
Committee on Finance  
U.S. Senate  
219 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Frank Pallone  
Chairman  
Committee on Energy and Commerce  
U.S. House of Representatives  
2125 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Cathy Rodgers  
Ranking Member  
Committee on Energy and Commerce  
U.S. House of Representatives  
2322A Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Wyden, Chairman Pallone, Ranking Member Crapo, and Ranking Member Rodgers:

In coordination with the Puerto Rico Department of Health Secretary, Carlos Mellado, MD, I write to provide you with our submission of our Semi-Annual Progress Report to CMS and Puerto Rico's response to congressional requirements mandated by the *Further Consolidated Appropriations Act 2020* (P.L. 116-94). The following documents are provided within this submission:

- **CMS Semi-Annual Report due on April 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, provide updates on the tasks, activities, and actions that have been taken to comply with the requirements of P.L. 116-94 to date.
- **Report on Submission of Documentation on Contracts upon Request, submitted to you in accordance with Division N, Title I, Subtitle B, §202(f)(4) of P.L.116-94:** Our report provides Puerto Rico's response to comply with the specific requirement



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listed on P.L. 116-94. The report showcases how we are prepared to respond to CMS with documentation requested for contracts awarded under the Medicaid State Plan. We also describe specific improvements to our established processes to respond to documentation requests. These efforts include documenting our processes to increase clarity and accountability and implementing tools allowing our Medicaid Enterprise to be better prepared for future requests for contract documentation.

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.

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). We are concerned that without parity in the Medicaid program or, at a minimum, additional 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. Carmen M. Feliciano, Executive Director of the Puerto Rico Federal Affairs Administration, at (202) 778-0710 or via email at [cfeliciano@prfaa.pr.gov](mailto:cfeliciano@prfaa.pr.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Pierluisi".

Cc: The Honorable Jennifer González-Colón, Resident Commissioner  
Dr. Carlos Mellado, Secretary, Puerto Rico Department of Health  
Carmen M. Feliciano, Executive Director, Puerto Rico Federal Affairs Administration  
Jorge E. Galva, Executive Director, Health Insurance Administration, Puerto Rico  
Edna Marin, Executive Director, Puerto Rico Medicaid Program  
Nicole McKnight, CMS Region 2