

# Puerto Rico Medicaid Annual Report

As of October 2021

DEPARTAMENTO DE  
**SALUD**



## Purpose



**Puerto Rico submits annual reports to Congress and CMS that highlight our progress in complying with the legal requirements within P.L 116-94., signed into law in December 2020.**

Our Annual Report provides an overview of the different mechanisms with which our program is funded, describes the improvements and initiatives our government has implemented within our Medicaid program over Federal Fiscal Year 2021, provides updates on the tasks, activities, and actions that have been taken to comply with the requirements of P.L. 116-94 to date, and describes our plans to continue our program improvements into the future.



The increased federal Medicaid funding enacted by P.L 116-94 secured life-saving services to approximately **1.6 million beneficiaries** that depend on Medicaid to meet their most basic physical and behavioral health needs.

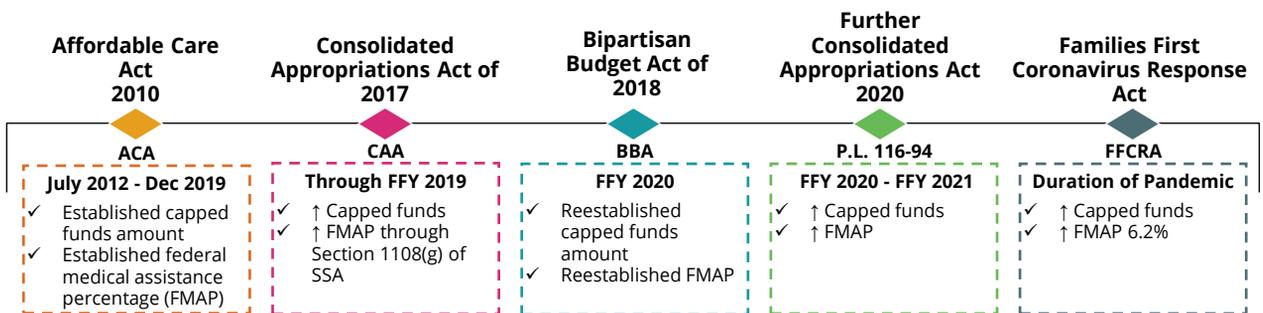
## Medicaid Funding



Our Medicaid Enterprise is funded on an annual basis with a capped dollar amount. Over the years, that capped funding amount has been increased via temporary funding adjustments; some of which were awarded in response to natural disasters and the coronavirus (COVID-19) public health crisis.

Puerto Rico Medicaid's history of funding adjustments in the past decade is summarized below:

### History of Temporary Funding Legislation



The September 30, 2021 Continuing Resolution and the October 2021 interpretation of the Social Security Act – which increases the capped amount of federal dollars to \$2.9 billion annually moving forward – averted an October 1, 2021 fiscal cliff that would have halted or delayed the progress that we have made over the past year.

This increased annual cap provides much needed stability and predictability to our funding. However, unless the FMAP is maintained at its current, temporarily enhanced level, we will be challenged to draw down the full amount of those federal dollars to effectively administer a robust and developing Medicaid program.

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**Puerto Rico Medicaid has met the primary Congressional requirements established in P.L. 116-94.** Going beyond the Congressional Requirements, we continue to work on enhanced activities in support of implementation of the requirements. Below are some of our key accomplishments over Federal Fiscal Year 2021:

## Contracting Reform



- ✓ Puerto Rico has established a monetary threshold for professional services contracts to determine when contracts will go out for competitive procurement
- ✓ Non-professional services and goods (examples include cleaning services for Medicaid offices, unarmed security guards, office equipment such as photocopiers, printing and mail, and water fountains) are now competitively procured by the Puerto Rico General Services Administration (PR GSA, or Administración de Servicios Generales in Spanish)
- ✓ A standardized scoring methodology for proposal evaluation is being created and implemented
- ✓ A transparency portal and publishing process has been developed to host Request for Proposal (RFPs), Request for Information (RFIs), and related documentation
- ✓ An enhanced, standardized process to make procurement and contracting documentation readily available upon request has been established and documented
- ✓ The Puerto Rico Medicaid Enterprise conducted weekly working sessions and convened monthly contracting reform leadership meetings to extensively plan implementation of Contracting Reform and develop a Contracting Reform Playbook which serves as our guide to implement the opportunities and initiatives identified in our Contracting Reform Plan

## Program Integrity



- ✓ Puerto Rico has developed a future state organizational structure by coordinating with the Program Integrity offices of other states and comparing staffing structures and leading practices
- ✓ Puerto Rico has deployed a continuous improvement approach to enhance Fraud, Waste, and Abuse (FWA) efforts and evaluate opportunities to improve the program integrity framework by working to adopt leading practices from other state Medicaid programs
- ✓ PRPIU is currently setting policies and procedures for the MCOs that will allow for control of duplicate billing, monitor for appropriate use of billing codes, and recommended new rules or policies involving prior authorization for optional services
- ✓ PRPIU is planning for implementation of provider enrollment functions that support provider profiling, which will allow PRPIU to identify providers that should not be enrolled or enrolled with restrictions based on their history. This will also support critical PERM and MEQC requirements pertaining to provider enrollment.
- ✓ PRDOH began to implement preparatory activities to prepare for PERM and MEQC including:
  - ✓ Developing guidance and training for all key stakeholder teams
  - ✓ Establishing teams and resources to complete formal Pilots for both programs

## Data Governance



- ✓ Puerto Rico established processes and identified individuals to align agencies on data-strengthening priorities with clear leadership and decision-making processes
- ✓ A standardized method to respond to CMS' document requests is being created and implemented
- ✓ Began conducting a data quality analysis to inventory and catalogue data sources and potential issues related to data quality and availability
- ✓ An MCO Report Card methodology and format is in process and expected to be shared with MCOs and rolled out in the coming months