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State/Territory Name: **Puerto Rico**

State Plan Amendment (SPA) #: **20-0003**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

PR - Submission Package - PR2020MS0002O - (PR-20-0003) - Administration

[Summary](#) [Reviewable Units](#) [Versions](#) [Correspondence Log](#) [Analyst Notes](#) [Approval Letter](#) [Transaction Logs](#) [News](#) [Related Actions](#)

CMS-10434 OMB 0938-1188

Package Information

Package ID	PR2020MS0002O	Submission Type	Official
Program Name	N/A	State	PR
SPA ID	PR-20-0003	Region	New York, NY
Version Number	7	Package Status	Approved
Submitted By	Luz Cruz-Romero	Submission Date	4/23/2020
Package Disposition		Approval Date	7/13/2020 12:03 PM EDT
Priority Code	P1		

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Division of Medicaid and Children health Operation
26 Federal Plaza
Room 37-100
New York , NY 10278



Center for Medicaid & CHIP Services

July 13, 2020

Luz E. Cruz-Romero
Executive Director
Puerto Rico Medicaid Program
PO Box 70184
San Juan, PR
San Juan, PR 00936-8184

Re: Approval of State Plan Amendment PR-20-0003

Dear Luz E. Cruz-Romero:

On April 23, 2020, the Centers for Medicare and Medicaid Services (CMS) received Puerto Rico State Plan Amendment (SPA) PR-20-0003 to establish the basic administration of the Medicaid program and the legal authority of the state to submit and administer the state plan.

We approve Puerto Rico State Plan Amendment (SPA) PR-20-0003 on July 13, 2020 with an effective date(s) of April 10, 2020.

The pages approved for incorporation into Puerto Rico's state plan are attached. CMS appreciates the significant amount of work your staff dedicated to preparing this State Plan Amendment.

Name	Date Created	
Table of content	7/10/2020 3:54 PM EDT	

If you have any questions regarding this amendment, please contact Ivelisse Salce at Ivelisse.Salce@cms.hhs.gov.

Sincerely,
James G. Scott
Director, Division of Program
Operation
Center for Medicaid & CHIP
Services

Submission - Summary

MEDICAID | Medicaid State Plan | Administration | PR2020MS00020 | PR-20-0003

Package Header

Package ID	PR2020MS00020	SPA ID	PR-20-0003
Submission Type	Official	Initial Submission Date	4/23/2020
Approval Date	7/13/2020	Effective Date	N/A
Superseded SPA ID	N/A		

State Information

State/Territory Name: Puerto Rico

Medicaid Agency Name: Puerto Rico Medicaid Program

Submission Component

- State Plan Amendment
- Medicaid
- CHIP

Submission - Summary

MEDICAID | Medicaid State Plan | Administration | PR2020MS00020 | PR-20-0003

Package Header

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Superseded SPA ID	N/A		

SPA ID and Effective Date

SPA ID PR-20-0003

Reviewable Unit	Proposed Effective Date	Superseded SPA ID
Designation and Authority	4/1/2020	74-1
Intergovernmental Cooperation Act Waivers	4/1/2020	74-1
Eligibility Determinations and Fair Hearings	4/1/2020	74-1
Organization and Administration	4/1/2020	74-1
Single State Agency Assurances	4/1/2020	74-1

Page Number of the Superseded Plan Section or Attachment (If Applicable):

Section 1, page 1; Section 1.1 (a), page 2; Section 1.1 (b), page 3; Section 1.1 (d), page 5; Section 1.2, page 7; Section 1.3, page 8
Attachment 1.2-A; Attachment 1.2-B; Attachment 1.2-C

Submission - Summary

MEDICAID | Medicaid State Plan | Administration | PR2020MS0002O | PR-20-0003

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Superseded SPA ID	N/A		

Executive Summary

Summary Description Including Goals and Objectives Single State Agency (State Plan Administration: A1 - Designation and Authority A-2 - Organization and Administration, and A3- Assurances)

Federal Budget Impact and Statute/Regulation Citation

Federal Budget Impact

	Federal Fiscal Year	Amount
First	2020	\$0
Second	2021	\$0

Federal Statute / Regulation Citation

Social Security Act section 1902(a)(5)
42 CFR secs. 431.10, 431.11, 431.12, and 431.50

Supporting documentation of budget impact is uploaded (optional).

Name	Date Created
No items available	

Submission - Summary

MEDICAID | Medicaid State Plan | Administration | PR2020MS00020 | PR-20-0003

Package Header

Package ID PR2020MS00020
Submission Type Official
Approval Date 7/13/2020
Superseded SPA ID N/A

SPA ID PR-20-0003
Initial Submission Date 4/23/2020
Effective Date N/A

Governor's Office Review

- No comment
- Comments received
- No response within 45 days
- Other

Describe Medicaid Executive Director

Medicaid State Plan Administration

Organization

Designation and Authority

MEDICAID | Medicaid State Plan | Administration | PR2020MS0002O | PR-20-0003

Package Header

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Submission Type	Official	Initial Submission Date	4/23/2020
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	User-Entered		

A. Single State Agency

1. State Name: Puerto Rico

2. As a condition for receipt of Federal funds under title XIX of the Social Security Act, the single state agency named here agrees to administer the Medicaid program in accordance with the provisions of this state plan, the requirements of titles XI and XIX of the Act, and all applicable Federal regulations and other official issuances of the Centers for Medicare and Medicaid Services (CMS).


3. Name of single state agency:

Puerto Rico Department of Health

4. This agency is the single state agency designated to administer or supervise the administration of the Medicaid program under title XIX of the Social Security Act. (All references in this plan to "the Medicaid agency" mean the agency named as the single state agency.)

B. Attorney General Certification:

The certification signed by the state Attorney General identifying the single state agency and citing the legal authority under which it administers or supervises administration of the program has been provided.

Name	Date Created	
Medicaid_MAGI_Single State Agency SPA PR-20-0003 - Attorney General Certification	4/23/2020 5:13 PM EDT	

C. Administration of the Medicaid Program

The state plan may be administered solely by the single state agency, or some portions may be administered by other agencies.

- 1. The single state agency is the sole administrator of the state plan (i.e. no other state or local agency administers any part of it). The agency administers the state plan directly, not through local government entities.
- 2. The single state agency administers portions of the state plan directly and other governmental entity or entities administer a portion of the state plan.
 - a. The single state agency supervises the administration through counties or local government entities.
 - b. The single state agency supervises the administration through other state agencies. The other state agency implements the state plan through counties and local government entities.
 - c. Another state agency administers a portion of the state plan through a waiver under the Intergovernmental Cooperation Act of 1968.

Designation and Authority

MEDICAID | Medicaid State Plan | Administration | PR2020MS00020 | PR-20-0003

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D. Additional information (optional)

Medicaid State Plan Administration

Organization

Intergovernmental Cooperation Act Waivers

MEDICAID | Medicaid State Plan | Administration | PR2020MS00020 | PR-20-0003

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A. Intergovernmental Cooperation Act Waivers

The state has the following Intergovernmental Cooperation Act Waivers:

View Waiver Puerto Rico Health Insurance Administration (ASES)

1. Name of state agency to which responsibility is delegated:

Puerto Rico Health Insurance Administration (ASES)

2. Date waiver granted:

7/1/2020

3. The type of responsibility delegated is (check all that apply):

- a. Conducting fair hearings
- b. Other

Name of other type: ↑	Description:
MCOs, MAOs, PBMs Fair Hearings	PRHIA is responsible for conducting all Medicaid fair hearings related with MCOs, MAOs, and PBMs, among others.

4. The scope of the delegation (i.e. all fair hearings) includes:

ASES conducts and issues final decisions for Medicaid fair hearings for managed care (MCO) appeals requested after the exhaustion of the managed care internal appeals process and pharmacy (PBM) appeals as well as provider appeals and Medicare Advantage Organization (MAO) appeals.

5. Methods for coordinating responsibilities between the agencies include:

- a. The Medicaid agency retains oversight of the state plan, as well as the development and issuance of all policies, rules and regulations on all program matters.
- b. The Medicaid agency has established a process to monitor the entire appeals process, including the quality and accuracy of the hearing decisions made by the delegated entity.
- c. The Medicaid agency informs every applicant and beneficiary in writing of the fair hearing process and how to directly contact and obtain information from the Medicaid agency.
- d. The Medicaid agency ensures that the delegated entity complies with all applicable federal and state laws, rules, regulations, policies and guidance governing the Medicaid program.
- e. The Medicaid agency has written authorization specifying the scope of the delegated authority and description of roles and responsibilities between itself and the delegated entity through:
 - i. A written agreement between the agencies.
 - ii. State statutory and/or regulatory provisions.

6. The single state agency has established a review process whereby the agency reviews fair hearing decisions made by the delegated entity.

- Yes
- No

7. Additional methods for coordinating responsibilities among the agencies (optional):

Intergovernmental Cooperation Act Waivers

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B. Additional information (optional)

The Puerto Rico Health Insurance Administration (ASES by its acronym in Spanish), conducts all Medicaid fair hearing for appeals of all MCO services and benefits for all Medicaid beneficiaries in the territory as well as provider appeals.

Medicaid State Plan Administration

Organization

Eligibility Determinations and Fair Hearings

MEDICAID | Medicaid State Plan | Administration | PR2020MS00020 | PR-20-0003

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A. Eligibility Determinations (including any delegations)

1. The entity or entities that conduct determinations of eligibility for families, adults, and individuals under 21 are:

- a. The Medicaid agency
- b. Delegated governmental agency

2. The entity or entities that conduct determinations of eligibility based on age (65 or older), or having blindness or a disability are:

- a. The Medicaid agency
- b. Delegated governmental agency

3. Assurances:

- a. The Medicaid agency is responsible for all Medicaid eligibility determinations.

Eligibility Determinations and Fair Hearings

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B. Fair Hearings (including any delegations)

- The Medicaid agency has a system of hearings that meets all of the requirements of 42 CFR Part 431, Subpart E.
- The Medicaid agency is responsible for all Medicaid fair hearings.
 1. The entity or entities that conduct fair hearings with respect to eligibility based on applicable modified adjusted gross income (MAGI) are:
 - a. Medicaid agency
 - b. State agency to which fair hearing authority is delegated under an Intergovernmental Cooperation Act waiver.
 - d. Delegated governmental agency
 3. For all other Medicaid fair hearings (not related to an eligibility determination based on MAGI):
 - All other Medicaid fair hearings are conducted at the Medicaid agency or at another state agency authorized under an ICA waiver.

Eligibility Determinations and Fair Hearings

MEDICAID | Medicaid State Plan | Administration | PR2020MS00020 | PR-20-0003

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C. Evidentiary Hearings

The Medicaid agency uses local governmental entities to conduct local evidentiary hearings.

- Yes
- No

D. Additional information (optional)

Medicaid State Plan Administration

Organization

Organization and Administration

MEDICAID | Medicaid State Plan | Administration | PR2020MS00020 | PR-20-0003

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A. Description of the Organization and Functions of the Single State Agency

1. The single state agency is:

- a. A stand-alone agency, separate from every other state agency
- b. Also the Title IV-A (TANF) agency
- c. Also the state health department
- d. Other:

2. The main functions of the Medicaid agency and where these functions are located within the agency are described below. This description should be consistent with the accompanying organizational chart attachment. (If the function is not performed by the Medicaid agency, indicate in the description which other agency performs the function.)

a. Eligibility Determinations

The Puerto Rico Department of Health (PRDoH), the day-to-day operation of Medicaid and CHIP performed by the Medicaid Program (Program). The Program is responsible, among others, for: (1) the determination of eligibility for categorically and medically needy applicants and beneficiaries according to the requirements as stated on the Title XIX and XXI of the Social Security Act (SSA), Code of Federal Regulations, and Puerto Rico Medicaid and CHIP Plans, and (2) the management of the Medicaid and CHIP grant funds.

Specifically, the Medicaid Program's Operations Division is in charge of all activities related to eligibility determinations, staff training, and information management, among other related functions. This Division conducts all eligibility determinations.

b. Fair Hearings (including expedited fair hearings)

The Puerto Rico Department of Health (PRDoH) is responsible for conducting all Medicaid fair hearings, except for those fair hearings related to managed care services and benefits and pharmacy benefits, which are conducted by the Puerto Rico Health Insurance Administration (PRHIA aka ASES by its acronym in Spanish). ASES also conducts provider appeals and Medicare Advantage Organization (MAO) appeals. There is a Cooperative Agreement between the PRDoH, the Medicaid Program, and the PRHIA to carry out the Provisions of Law Number 72 of September 7, 1993, as amended.

c. Health Care Delivery, including benefits and services, managed care (if applicable)

The Puerto Rico Medicaid Program manages Medicaid and CHIP grant funds, as well as the funds to provide drugs to Medicare beneficiaries. Puerto Rico uses managed care for delivery of beneficiary benefits and services.

d. Program and policy support including state plan, waivers, and demonstrations (if applicable)

PRDoH performs the day-to-day operation of the Medicaid and CHIP programs. PRDoH updates the state plan and handles all state plan amendments; ensures compliance with federal and local regulations; and carries out all functions necessary and appropriate for implementing Medicaid policies.

e. Administration, including budget, legal counsel

The Commonwealth of Puerto Rico Department of Health (PRDoH) was established by Article 4 of the Constitution of Puerto Rico. The PRDoH is headed by the Secretary of Health, who is appointed by the Governor and which is also defined by the Constitution as a cabinet position. As certified by Puerto Rico Attorney General, the PRDoH is designated as the single state agency and as such it has the legal authority to administer Title XIX (Medicaid State Plan) and the Title XXI (CHIP State Plan) of the Social Security Act. The Puerto Rico Department of Health (PRDoH), as a Single State Agency, also has the legal authority: (i) to supervise the plan, (ii) to develop, issue, and establish policies, rules, and regulations on program matters. This authority, as the Single State Agency, must not be impaired if any of its rules, regulations, or decisions are subject to review, clearance, or similar action by other officers or agencies of the State. If other State or local agencies or offices perform services for the Medicaid Program, they do not have the authority to change or disapprove any administrative decision of that Program, or otherwise substitute their judgment for that of the Medicaid Program with respect to the application of policies, rules and regulations issued by the Puerto Rico Single State Agency. Within PRDoH, the day-to-day operation of Medicaid and CHIP is delegated to the Office of the Medicaid Program (Program). The Medicaid Program, a fully integrated office of the PRDoH, is managed by an Executive Director, who is appointed by the Secretary of PRDoH. The Director reports to the Secretary and, along with other appropriate personnel, participate in the development, analysis, and evaluation of the Program. The Secretary of PRDoH also oversees the Office of Regulations and Certification of Health Professionals, the WIC Program, Regional Health Offices, Public Health Response Preparation and Coordination Office, and the Office of Epidemiology and Research, the Internal Audit Office, Legal Advisors Office, Communications and Public Affairs Office, Office of Computing and Technological Advances, External Resources Office, Auxiliary Secretariat of Administration, Auxiliary Secretariat of Human Resources and Labor Relations, Fiscal Affairs Office, Auxiliary Secretariat for Planning and Development, Auxiliary Secretariat Regulations and Accreditation of Health Facilities, Auxiliary Secretariat of Environmental Health and Public Health Laboratory, Demographic Statistics, Auxiliary Secretariat for Health Promotion, Assistant Secretary of Medical and Nursing Services, Auxiliary Secretariat of Family Health and Integrated Services. The Chief Legal Counsel is under the Puerto Rico Department of Health.

f. Financial management, including processing of provider claims and other health care financing

The Puerto Rico Medicaid Program's Fiscal Affairs Division is in charge of all transactions related to federal and local funds, budget, and accounts payable, among other related functions. It is also responsible for making financial reports in compliance with federal regulation. Also, it determines the FQHC prospective payment (wraparound), prepares the required payment documents, and issues payments. The Integrity Program detects, investigates, and prosecutes cases of fraud by healthcare providers.




g. Systems administration, including MMIS, eligibility systems

The Puerto Rico Medicaid Program administers the following systems:

1. Medicaid Integrated Technology Initiative (MEDITI) for Eligibility
2. Medicaid Management Information System (MMIS)

h. Other functions, e.g., TPL, utilization management (optional)

3. An organizational chart of the Medicaid agency has been uploaded:

Name	Date Created	
ORGANIZATIONAL CHART	6/1/2020 9:14 AM EDT	
Attachment to the Puerto Rico Medicaid Program - Single State Agency SPA	6/1/2020 9:39 AM EDT	
ORGANIZATIONAL CHART PRDOH	6/8/2020 8:51 AM EDT	

Organization and Administration

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Organization and Administration

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E. Coordination with Other Executive Agencies

The Medicaid agency coordinates with any other Executive agency related to any Medicaid functions or activities not described elsewhere in the Organization and Administration portion of the state plan (e.g. public health, aging, substance abuse, developmental disability agencies):

- Yes
 No

Organization and Administration

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F. Additional information (optional)

Medicaid State Plan Administration

Organization

Single State Agency Assurances

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A. Assurances

- 1. The state plan is in operation on a statewide basis, in accordance with all the requirements of 42 CFR 431.50.
- 2. All requirements of 42 CFR 431.10 are met.
- 3. There is a Medical Care Advisory Committee to the agency director on health and medical services established in accordance with 42 CFR 431.12. All requirements of 42 CFR 431.12 are met.
- 4. The Medicaid agency does not delegate, other than to its own officials, the authority to supervise the plan or to develop or issue policies, rules, and regulations on program matters.
- 5. The Medicaid agency has established and maintains methods of personnel administration on a merit basis in accordance with the standards described at 5 USC 2301, and regulations at 5 CFR Part 900, Subpart F. All requirements of 42 CFR 432.10 are met.
- 6. All requirements of 42 CFR Part 432, Subpart B are met, with respect to a training program for Medicaid agency personnel and the training and use of sub-professional staff and volunteers.

B. Additional information (optional)

PRA Disclosure Statement: According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1188. The time required to complete this information collection is estimated to average 40 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

This view was generated on 7/15/2020 10:12 AM EDT

