

October 14, 2016

Chairman Orrin Hatch 104 Hart Senate Office Building United States Senate

Senator Bill Nelson 716 Hart Senate Office Building United States Senate

Congressman Sean Duffy 1208 Longworth House Office Building United States House of Representatives

Congressman Pedro Pierluisi 2410 Rayburn House Office Building United States House of Representatives Senator Bob Menendez 528 Hart Senate Office Building United States Senate

Senator Marco Rubio 284 Russell Senate Office Building United States Senate

Congressman Tom MacArthur 506 Cannon House Office Building United States House of Representatives

Congresswoman Nydia Velazquez 2302 Rayburn House Office Building United States House of Representatives

Dear Chairman Hatch and Distinguished Members of the Congressional Task Force on Economic Growth in Puerto Rico:

The Puerto Rico Chapter of the American College of Cardiology (ACC) is pleased to respond to your letter from August 4, 2016 requesting feedback on the identification of impediments to economic growth in Puerto Rico, as well as recommended changes.

The Puerto Rico Chapter of the ACC is a 220-member medical society that serves as the local professional home for the entire cardiovascular care team, representing the vast majority of cardiovascular specialists on the Island. We strive to transform cardiovascular care and improve heart health through the formulation of health policy, standards, and guidelines. Additionally, we provide ongoing professional medical education for our members and assist in the dissemination of credentials upon cardiovascular specialists.

We commend you for your participation in, and dedication to, the Congressional Task Force on Economic Growth in Puerto Rico. Indeed, bipartisan reforms are needed to grow the Puerto Rican economy and promote prosperity on the island. Your charge – reporting on "impediments in current Federal law and programs to economic growth in Puerto Rico, including equitable access to Federal health care programs and recommended changes to Federal law that, if adopted, would serve to spur sustainable long term economic growth, job creation, reduce poverty and attract investment in Puerto Rico" – is challenging but essential to ensuring permanent and transparent progress for future Puerto Ricans.

Based on our direct observations and knowledge of the field, we are certain that the following represent significant impediments to Economic Growth in Puerto Rico as it relates to the health care sector:

- 1. Demographic shifts<sup>1</sup>
  - a. Aging population
  - b. Declining birth rate
  - c. Massive outmigration of working age people
- 2. Lower socio-economic status in Puerto Rico vis-à-vis mainland United States<sup>2</sup> with a corresponding large number of Medicaid beneficiaries
- 3. Heavy dependence on government health care programs<sup>3</sup>
- 4. 75-80% of Medicare affiliation is via Medicare Advantage, versus 25% in mainland U.S.<sup>4</sup>
- 5. Uneven rules for funding, eligibility, enrollment and coverage for federally run health care programs vis-à-vis mainland U.S.<sup>5</sup>
- 6. Deteriorated state and privately owned health care infrastructure<sup>6</sup>
- 7. Exodus of health care workers (including physicians, nurses, technicians and social workers) and an inability to retain recent graduates in Puerto Rico<sup>7</sup>
- 8. Slow adoption of technology<sup>8</sup>
- 9. Healthcare disparities in comparison to U.S. states that are broad reaching and deeply rooted<sup>9</sup>

We respectfully recommended the following changes:

1. Achieve true parity with mainland U.S. in all facets of federally funded programs, including funding, eligibility and coverage. This includes eliminating the many caps, exclusions and limitations on coverage that currently exist in Puerto Rico.

<sup>&</sup>lt;sup>1</sup> <u>http://www.bls.gov/opub/mlr/2015/beyond-bls/puerto-rico-a-study-of-population-loss-amid-economic-decline.htm</u> <sup>2</sup> <u>http://www.irp.wisc.edu/publications/focus/pdfs/foc102d.pdf</u>

<sup>&</sup>lt;sup>3</sup> <u>http://www.nytimes.com/2015/08/03/us/health-providers-brace-for-more-cuts-to-medicare-in-puerto-rico.html? r=0</u>

<sup>&</sup>lt;sup>4</sup> Ibid.

<sup>&</sup>lt;sup>5</sup> <u>http://healthaffairs.org/blog/2015/12/29/the-price-of-inequality-for-puerto-rico/</u>

<sup>&</sup>lt;sup>6</sup> <u>http://www.nytimes.com/2015/08/03/us/health- providers-brace-for-more-cuts-to-medicare-in-puerto-rico.html</u>

<sup>&</sup>lt;sup>7</sup> <u>http://www.npr.org/sections/health-shots/2016/03/12/469974138/sos-puerto-rico-is-losing-doctors-leaving-patients-stranded</u>

<sup>&</sup>lt;sup>8</sup> <u>http://www.connectpr.org/survey-results/business</u>

<sup>&</sup>lt;sup>9</sup> http://www.amjmed.com/article/S0002-9343(16)30856-7/fulltext?rss=yes

- 2. Improve education and transparency of Medicare options available to eligible patients (traditional Medicare versus Medicare Advantage).
- 3. Re-assess, and modify as appropriate, qualification standards for Medicaid eligibility.
- 4. Incentivize the implementation of proven and nationally recognized quality metrics systems to assure proper delivery of care like those promoted by the ACC.
- 5. Strictly monitor, and regulate if needed, insurance companies and providers that have a disproportionate share of affiliates, and/or proven poor outcomes.
- 6. Streamline the flow of funds through the health care system by reducing intermediaries, and by encouraging investment in infrastructure and technology, thereby ensuring better and more cost-effective care for patients.
- 7. Facilitate transition to payment models favoring quality outcomes ("value") instead of volume.
- 8. Incentivize medical professionals to stay in Puerto Rico. Examples may include: guaranteed access to provider networks, improving regulations governing contracts between insurance companies and providers ("payment reform"), providing scholarships for advanced training amongst others.
- 9. Create a health care advisory team comprised of local and nationally recognized medical specialty societies such as the Puerto Rico Chapter of the ACC.

The Puerto Rico Chapter of the ACC applauds you and your respective staff for taking the initiative to improve and grow the Puerto Rican economy. On behalf of the entire cardiovascular care community in Puerto Rico and the patients we serve, we appreciate the opportunity to provide our input. For additional information or questions, please contact me at <u>jsotomonte@gmail.com</u> or Lucas Sanders (<u>lsanders@acc.org</u>), Associate Director of Legislative Affairs at ACC National.

Sincerely,

Juan C. Sotomonte, MD, FACC, FHRS Governor and President Puerto Rico Chapter of the American College of Cardiology