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Congress of the United States
House of Representatives
Washington, DC 20515-5400

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September 13, 2019

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Charles E. Schumer
Minority Leader
United States Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
Washington DC 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, D.C. 20515

Dear Speaker Pelosi, Majority Leader McConnell, Minority Leader McCarthy, Minority Leader Schumer,

As you negotiate a Continuing Resolution to allow continuity of Government funding past September 30th, I urge you to include a provision to maintain Puerto Rico's Medicaid program at the current levels of funding, until a longer-term solution is negotiated.

After the increase in the Section 1108 spending cap provided in the BIPARTISAN BUDGET ACT OF 2018 expires on September 30th and the few remaining funds granted under the AFFORDABLE CARE ACT are no longer available after December 31st, Puerto Rico's cap will revert to \$375.1 million. Once this happens, Puerto Rico will quickly draw down its allotment, which it is expected to deplete, at the latest, by March 2020; possible events such as influenza or dengue epidemics or hurricanes will make this occur even earlier.

However, despite the fact that Puerto Rico's Medicaid program will, presumably, be funded until after December 31st, unless we act prior to the end of this fiscal year, the repercussions upon the program will be dire. For example,

The new Managed Care Organization (MCO) agreements are due to take effect on November 1st. These need to be negotiated within the next two weeks. Without assured funding, increases to provider rates— which the funding in the U.S. House Energy and Commerce's bill anticipates — cannot be included in these agreements. Providers contract with MCOs on a yearly basis and without an increase in their rates, less providers will be willing to provide services to the Medicaid population and more providers will leave the

territory. This will worsen provider shortages in Puerto Rico, affecting the healthcare system as a whole.

Without additional funding in the Continuing Resolution, the Medicaid spending cuts required by PROMESA's Financial Oversight & Management Board will have to be made. The reduction in the fiscal year that began July 1st is \$222 million. The only way to accomplish this will be to cut benefits and, possibly, beneficiaries, both of which are important goals of the funding prided for in the U.S. House Energy and Commerce's bill.

Without additional funding in the Continuing Resolution, three new HIV drugs will not be able to be added to the formulary (Pifeltro, Delstrigo, and Symtuza).

Without additional funding in the Continuing Resolution, the current negotiations to cover Hepatitis-C drugs will have to halted.

This is an urgent matter than cannot wait. I ask that you give Puerto Rico the tools to run a sustainable, stable Medicaid program which meets the needs of the most vulnerable populations and contributes to the well-being of the Island's healthcare system.

For this reason, I again urge you to include a provision continuing funding Puerto Rico's Medicaid program at the current levels of funding, until a longer-term solution is negotiated.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jennifer Gonzalez-Cofon", written over a horizontal line.

Jennifer Gonzalez-Cofon
Member of Congress

Cc: The Honorable Chuck Grassley
Chairman
Senate Committee on Finance

The Honorable Ron Wyden
Ranking Member
Senate Committee on Finance

The Honorable Frank Pallone, Jr.
Chairman
House on Energy & Commerce

The Honorable Greg Walden
Ranking Member
House Committee on Energy & Commerce