



June 19, 2019

Congresswoman Anna G. Eshoo
Chairwoman
House Committee on Energy & Commerce / Health Subcommittee

Dear Chairwoman:

The Multi-Sectorial Council for Puerto Rico's Health System (The Council) requests an opportunity to present the following testimony. **We would like to provide the Committee with solutions, based on evidence**, that will address important matters such as mechanisms of oversight, efficiency, and improvements on access and quality to healthcare services.

The Council is an entity created by PR Law 235 of 2015, by which it is affiliated with the University of Puerto Rico (UPR), Medical Sciences Campus. It was created with the purpose of including a diverse group, which includes stakeholders who represent all health sectors as active participants, in the development of health policies for Puerto Rico. It is consistent with the federal mandate to create a strong stakeholder's engagement, under a State Medicaid Advisory Committee, required by CFR 42 sec. 431.12.

Our mandate is to study and offer advice to the government of Puerto Rico, regarding the design of an **integrated healthcare system** under the guiding principles of efficacy, fairness, and responsible fiscal governance. It is also consistent with responsibilities ordered under PROMESA (sec. 201), to "restructure", "ensure the funding of essential public services", and "to improve fiscal governance and internal controls".

While many highlight the very serious problem of funding, we would like to bring to your attention two of the Council's proposals much needed to ensure the best access and quality of care to citizens, while ensuring federal and local funds are used in the most efficient and responsible manner:

1. **A serious and comprehensive assessment** (independent study) of the current model, and implementation of a proposed model that truly ensures federal and local funds would be used in the most equitable, efficient, and fiscally responsible manner, while providing the optimal access and quality of care to beneficiaries. The use of remedies available in the code of federal regulations, that will permit restructuring of our health system, such as Waivers under section 1115 (Medicaid), and the State Innovation Plan under the Affordable Care Act (ACA), could support implementation in Puerto Rico.

2. **There is a need for a proper authority**, under a strong and effective stakeholders engagement body, to conduct analysis, officially contributing in the planning, administration, and design the new healthcare model. This would provide the much needed transparency and oversight lacking under the current health model. We envision this body as one of citizen and governmental partnership.

Our proposals for serious review and stakeholder engagement authority have been submitted repeatedly to the Governor, the Puerto Rico Legislature, and the Financial Oversight & Management Board (FOMB), in the wake of severe austerity cuts to the government insurance plan (VITAL), and public employees and retirees. We feel this matter have been addressed in a fragmented and dysfunctional manner. There is a generalize dissatisfaction and frustration increasing among beneficiaries and healthcare providers. Poor indicators of general health and serious limitations to access of care are reflected under the government health plan. Meanwhile, there is an increment in funding for fewer participants under the current model. Unfortunately, we have received no response after requesting evidence to support policies included in the Fiscal Plan certified by the FOMB.

We face a precipitous and dramatic decrease in Medicaid funding. But also, because of the way our healthcare model had been organized, thousands of workers have seen employers' contributions to health insurance diminished, or have lost benefits partially or entirely through their jobs, including government retirees. All these are factors creating pressures to restructure our current healthcare apparatus, or expanding Medicaid, an untenable situation for the majority of people in Puerto Rico. Evidence of post-hurricane vital statistics exposed the fragility of our healthcare apparatus, a matter that threaten the very lives of people in Puerto Rico.

In the pasts weeks Congress had celebrated two historic hearings on how to finance and deliver health care for every American citizen, and the Congressional Budget Office submitted its latest report on that matter. Reports from six states during the past 2 years have considered and found evidence supporting model change. All these initiatives point to alternatives for financing and delivering more efficacious and fair healthcare services.

This is a crucial moment in Puerto Rico's recovery from the Hurricane, restructuring of our public services and fiscal situation under bankruptcy. The attention this Committee and the rest of Congress is giving to our Island should not fail, because all possible angles were not considered. We trust your efforts along with ours can provide important contributions not only for Puerto Rico, but also to the national debate and the benefit of the American people in all States.

Sincerely,

Dr. Rafael F. Torregrosa
President of The Multi-sectorial Council on Puerto Rico's Health System (PR Law 235)

