

Congress of the United States
Washington, DC 20515

April 30, 2015

The Honorable Sylvia Mathews Burwell
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

The Honorable Andrew Slavitt
Acting Administrator
Centers for Medicare & Medicaid Services
200 Independence Avenue, SW
Washington, DC 20201

The Honorable Sean Cavanaugh
Deputy Administrator
Center for Medicare
Centers for Medicare & Medicaid Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Burwell, Acting Administrator Slavitt and Deputy Administrator Cavanaugh:

On March 17th, a number of us wrote you to express “our deep concern regarding the future of the Medicare Advantage program in Puerto Rico in 2016 and beyond” and “our sincere hope that the Centers for Medicare & Medicaid Services will take concrete action in the April 6, 2015 Final Rate Announcement and Call Letter to preserve the stability of the MA program in Puerto Rico.”

Now that the 2016 Final Rate Announcement and Call Letter have been published, we write to express our acute disappointment that CMS declined to take any action to address this issue. As a result, MA plans in Puerto Rico stand to receive an 11 percent funding cut in 2016, versus 2015, whereas MA plans in the rest of the United States will receive an approximately 3 percent funding increase. This cut will jeopardize the future of the MA program in Puerto Rico, which serves 540,000 beneficiaries. In addition, this cut is likely to have broader ripple effects, placing severe financial pressure on Puerto Rico’s Medicaid program and other components of its health care system.

In light of our concerns regarding the repercussions of this funding cut for beneficiaries in Puerto Rico, we were heartened to learn that CMS has committed to immediately

undertake a thorough empirical analysis related to the dual-eligible population in Puerto Rico that CMS was evidently unable to complete by the April 6th deadline. We hope CMS will act with a sense of urgency and finalize its analysis before June.

In the event this analysis confirms that an upward adjustment to the payment rates for MA plans in Puerto Rico is justified, it is clear that CMS has the administrative authority to make this actuarial adjustment. Moreover, in light of all the circumstances, we believe that any adjustment deemed appropriate should be reflected in the 2016 payment rates, not delayed until 2017.

Thank you for your continued attention to this critically-important issue.

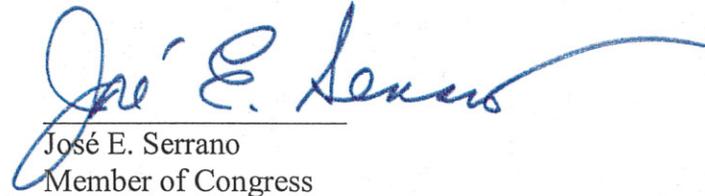
Sincerely,



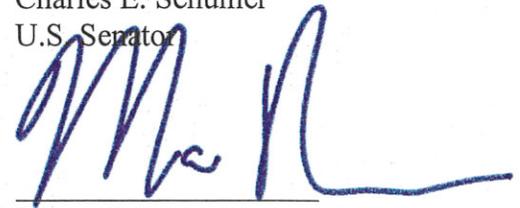
Pedro R. Pierluisi
Member of Congress



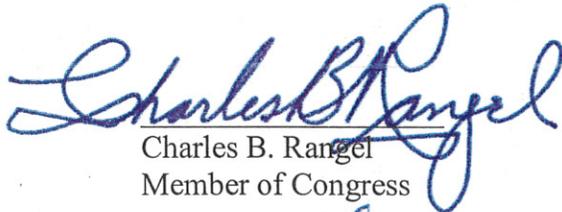
Charles E. Schumer
U.S. Senator



José E. Serrano
Member of Congress



Marco Rubio
U.S. Senator



Charles B. Rangel
Member of Congress



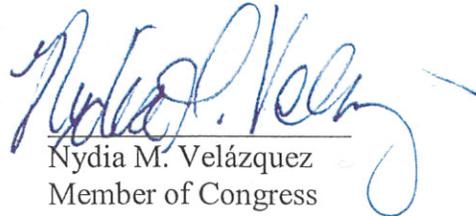
Kirsten E. Gillibrand
U.S. Senator



Luis V. Gutierrez
Member of Congress



Bill Nelson
U.S. Senator



Nydia M. Velázquez
Member of Congress



Cory A. Booker
U.S. Senator