



The Puerto Rico Chamber of Commerce  
and its Health Committee present the



PUERTO RICO  
**Health & Insurance**  
CONFERENCE 2021

**Managed Care - Background**  
Ricardo A. Rivera Cardona

 #CamaraEnAccion

## Managed Care

- The definition of the term has changed significantly through time as the concept of managed care has evolved.
- Managed care is specific to health care in the United States.
- In the early 21<sup>st</sup> century, managed care was broadly defined as:
  - Any organized system of health care that attempted to reduce or eliminate services that system representatives deemed ineffective or unnecessary; this provided a way to hold costs while maintaining a high-quality health care, and increased access to care.

# Managed Care Evolution

## Late 19th Century

- Small number of physicians provided prepaid medical services to members unions, and other associations of workers in several US cities.

## 1970s

- Federal government and large private companies promoted prepaid forms of health care groups among their workers.

## 1990s

- Enrollment in managed care as well as healthcare insurance companies soared.
- Vast majority of privately insured people are under managed care.
- Concept starts growing in Medicare and Medicaid programs.

## Early 20th Century

- Employers, mainly in the lumber, mining, and railroad industries organized their own medical services or contracted with medical groups to provide care for their workers.
- Prepaid contracts between employers and employee associations were common during the Great Depression of the 1930s.

## 1980s

- Health care costs increased dramatically, mainly due to expansions in benefits for private, and Medicaid beneficiaries.
- Employers turned to managed care to contain the spiraling cost of providing health care benefits to workers.



# Puerto Rico Healthcare Sector

	Medicaid	Medicare <sup>1</sup>	Other Payers <sup>2</sup>	Uninsured Population	Total Puerto Rico
Population	1,139,622 <sup>3</sup>	793,055 <sup>4</sup>	1,035,989	202,914 <sup>5</sup>	3,171,580 <sup>5</sup>
% of Total	36%	25%	33%	6%	100%
Value	\$2,942 M <sup>6</sup>	\$6,700 M <sup>7</sup>	\$1,680 M <sup>8</sup>	\$1,244 <sup>9</sup>	\$12,566 M
% of Total	23%	54%	13%	10%	100%

<sup>1</sup> Incluye Medicare Tradicional, Medicare Advantage, y cerca de 260,000 Platinos (Duales- Medicaid/Medicare).

<sup>2</sup> Incluye planes de seguros de salud privados para empleados gubernamentales (agencias, corporaciones públicas, y municipios), comerciales, individuales y patronales.

<sup>3</sup> <https://www.asespr.org/proveedores-2/estadisticas/>

<sup>4</sup> <https://www.kff.org/medicare/state-indicator/total-medicare-beneficiaries/?currentTimeframe=0&selectedRows=%7B%22states%22:%7B%22puerto-rico%22:%7B%7D%7D%7D&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22asc%22%7D>

<sup>5</sup> <https://data.census.gov/cedsci/table?q=puerto%20rico%20uninsured&tid=ACST1Y2018.S2702PR&hidePreview=true>

<sup>6</sup> <http://www.presupuesto.pr.gov/propuesto2019-2020/PresupuestosAgencias/ADMINISTRACION%20DE%20SEGUROS%20DE%20SALUD%20DE%20PUERTO%20RICO.htm>

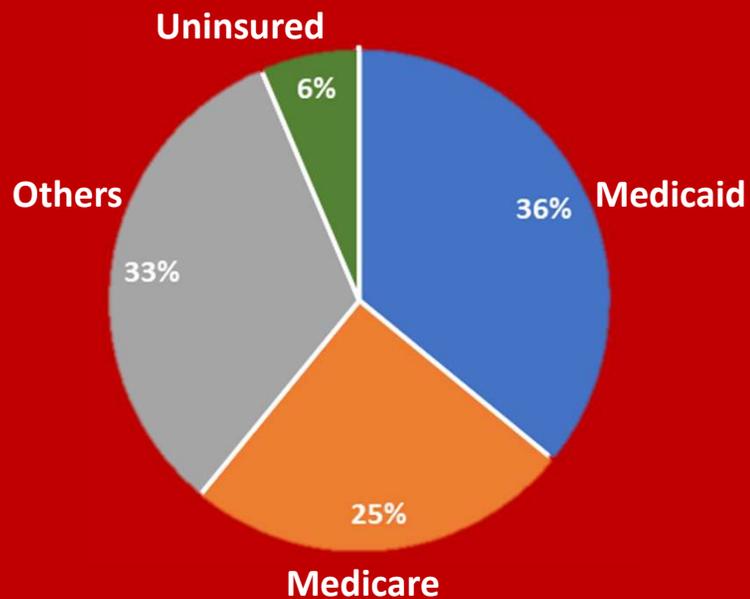
<sup>7</sup> Basado en CMS Rate Book Announcement para el 2021.

<sup>8</sup> Basado en el Informe Anual para el 2018 de la Oficina del Comisionado de Seguros de Puerto Rico

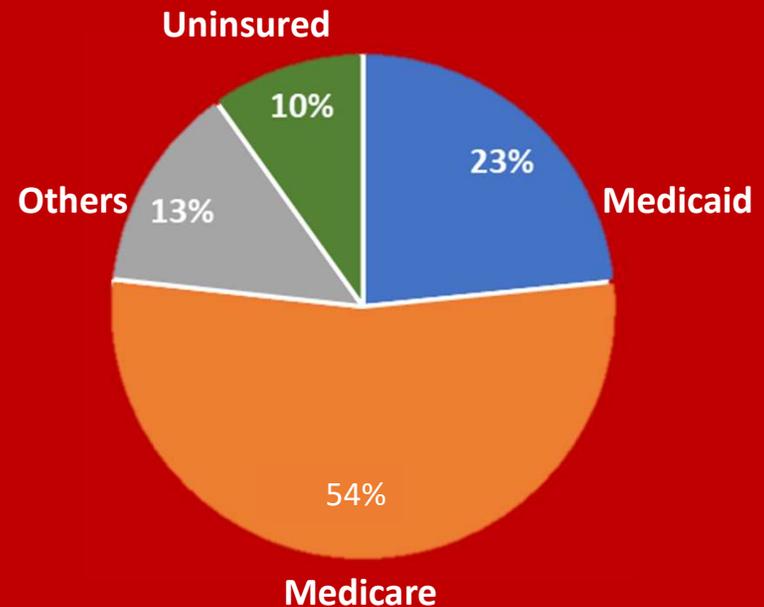
<sup>9</sup> Basado en el Out-of-pocket de Estados Unidos para 2017 <https://data.worldbank.org/indicator/SH.XPD.OOPC.CH.ZS?locations=MZ-PR-US>

# Puerto Rico Healthcare Sector

Population



Value





**THANK YOU!**

Follow us:



---

[www.camarapr.org](http://www.camarapr.org)

[#CamaraEnAccion](https://twitter.com/CamaraEnAccion)