

# Noticias de Washington DC, Tendencias de EEUU y en PR

Roberto Pando, MS, JD

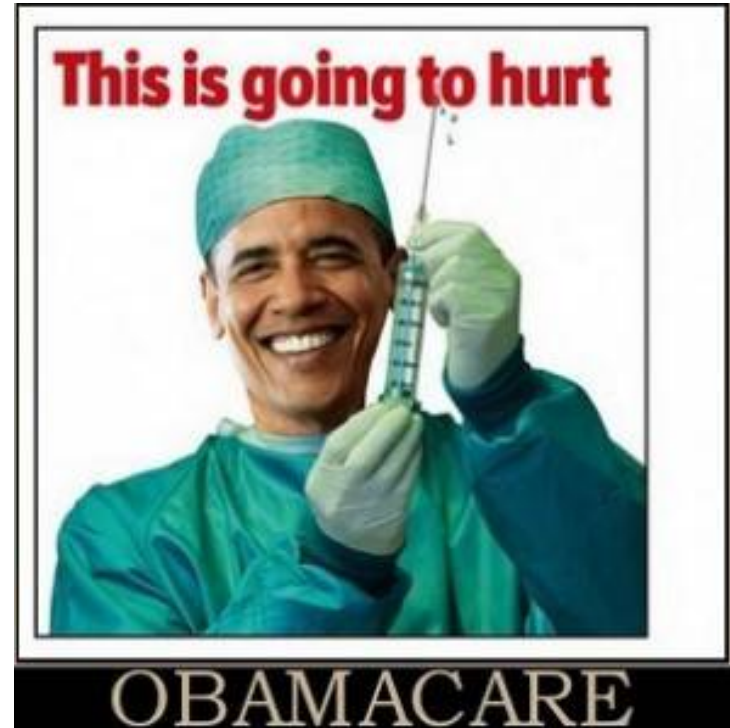
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# Panel / Conversatorio

1. Contexto Federal
2. El Nuevo Congreso
3. Actividad Local



# Contexto Federal

- Health Insurance Providers' Fee



August 26, 2014

Honorable Sylvia Mathews Burwell  
Secretary  
Department of Health and Human Services  
200 Independence Ave., S.W.  
Washington, D.C. 20201

Honorable Jacob J. Lew  
Secretary  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

Dear Secretary Mathews and Secretary Lew:

We reviewed the letter of July 16, 2014 addressed to Ms. Ángela Weyne, Puerto Rico Commissioner of Insurance by the Administrator of CMS, Ms. Marilyn Tavenner, in which she informed that the Commonwealth of Puerto Rico, alongside other insular jurisdictions of the United States, will not be covered by certain provisions of Title I of the Affordable Care Act (ACA). The Centers for Medicare and Medicaid Services (CMS) has been increasingly working closely with my Administration to collaborate on improvements to health care for Puerto Rico's citizens, particularly in addressing several funding disparities of the Federal healthcare programs, and on regulatory adjustments related to the Commonwealth's uniqueness in the applicability and implementation of the ACA.

Congress of the United States  
Washington, DC 20515

October 8, 2014


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

The Honorable Jacob J. Lew  
Secretary  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

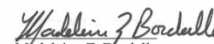
Dear Secretary Burwell and Secretary Lew:

As you are aware, Section 9010 of the *Patient Protection and Affordable Care Act* (P.L. 111-148), as amended, imposes an annual fee on health insurance providers, with the first fees due in 2014. Specifically, the fee is imposed on any "covered entity," which is defined as an entity "engaged in the business of providing health insurance for United States health risks." See §9010(c). The term "United States health risk" is defined as "the health risk of any individual who is (1) a United States citizen, (2) a resident of the United States (within the meaning of section 7701(b)(1)(A) of the Internal Revenue Code of 1986), or (3) located in the United States, with respect to the period such individual is so located." See §9010(d). The term "United States" is defined as "the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States." See §9010(h).

Sincerely,

  
Pedro R. Pierluisi  
Member of Congress

  
Donna M. Christensen  
Member of Congress

  
Madeleine Z. Bordallo  
Member of Congress

  
Eni F.H. Falcón  
Member of Congress

  
Gregorio Kilili Camacho Sablan  
Member of Congress

# Contexto Federal

- Upton – Hatch Letter to Tavenner Oct 9, 2014

- 2) The law increased the federal medical assistance percentage for the territories from 50 percent to 55 percent beginning in FY 2011.

In addition to the Medicaid funding, the statute specified that Puerto Rico receive \$925 million for their exchange. More recently, the administration issued a letter which effectively exempted Puerto Rico from complying with substantial insurance changes in the law.<sup>11</sup> As CMS noted at the time, “because this interpretation applies prospectively, territories will not have to pay back to the federal government any grants that have been spent by the territories as of the date of this letter.”<sup>12</sup> However, CMS noted that any funds not expended by that date are expected to be refunded.

Overall, the economic news out of Puerto Rico raises very serious questions about the territory’s ability and intent to honor commitments it has made to appropriately steward federal dollars. We believe that, even in these challenging times, Puerto Rico has a fiduciary responsibility to federal taxpayers to ensure monies are only expended for allowable purposes. Upholding this responsibility can be a challenging task even in good times, yet it becomes even more important in times of greater risk and uncertainty.

# Desde Washington DC

**Javier Llano**

Policy Consultant

National Health Advisors

The Oldaker Group

## 2. Nuevo Congreso Republicano y Puerto Rico

☐ La Casa Blanca y  
Puerto Rico



# Federal Landscape

- Challenges to premium subsidies in states with federally-run exchanges
  - ACA language seems to only allow subsidies in state-run exchanges
  - At risk are participants in 37 states which opted for federally-run exchanges
  - High political stakes—the latest high-profile challenge to the ACA
  - Recent elections results further complicate the scenario

# Local Landscape

## 3. Actividad Local

- Reglamento #1 de 2014 de la OCS
- 1% de impuesto a las primas de seguro
- TPAs y PBMs
- Reglas para PYMES e Individuos



# Local Landscape

- Where do we stand with regard to ACA-type market reforms?
  - Guaranteed Availability
  - Community Rating
  - Single-Risk Pool
  - Rate Review
  - Minimum Medical Loss Ratios
  - Essential Health Benefits
- What role are Private Health Exchanges playing in the marketplace?
  - Individual Market
  - Group Market