

PUERTO RICO
Health Insurance
CONFERENCE 2026



**Healthcare Governance Under
Federal Oversight**

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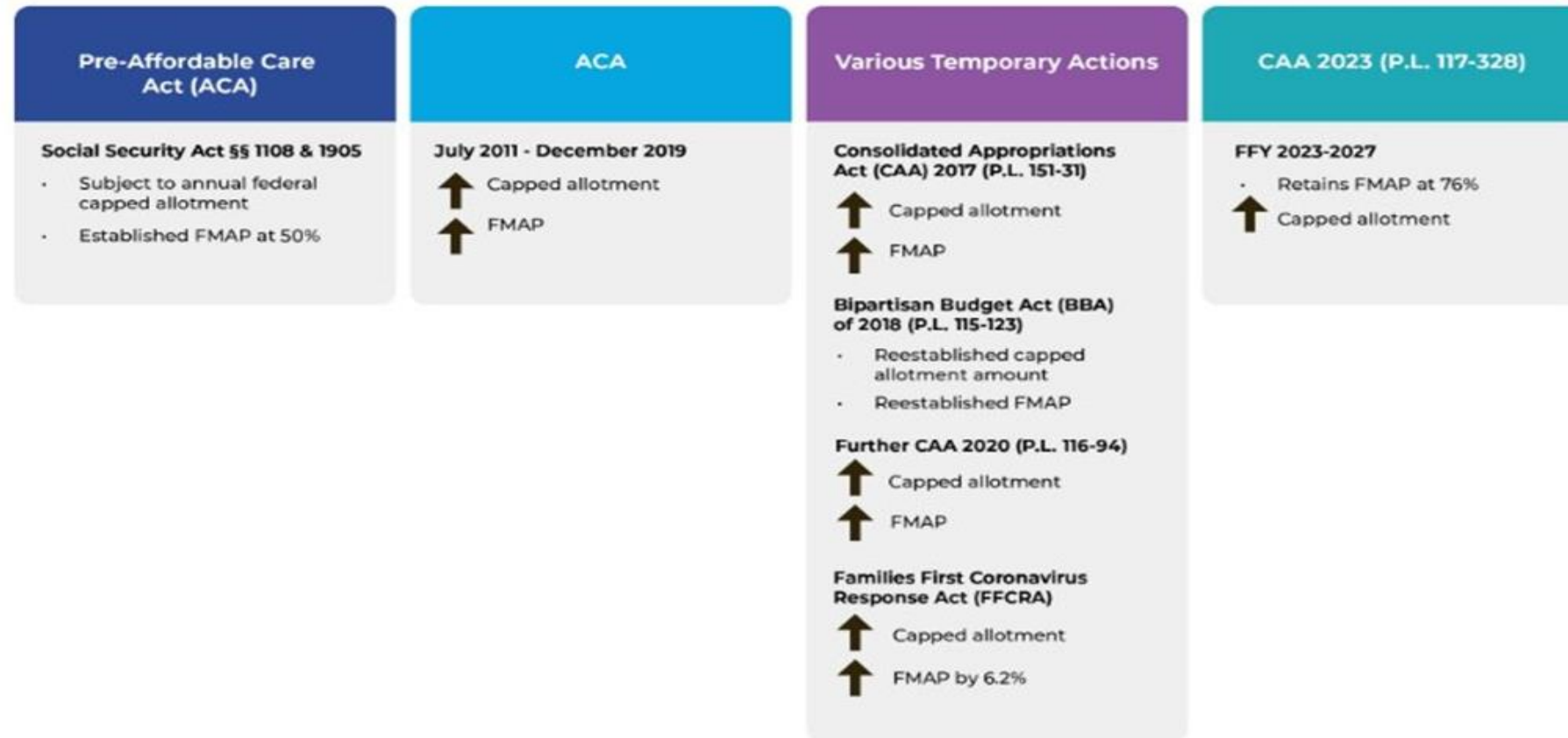


Allotted Funding



Figure 1: Allotted Medicaid Funding

Puerto Rico Medicaid Funding History



Puerto Rico's Lower FMAP

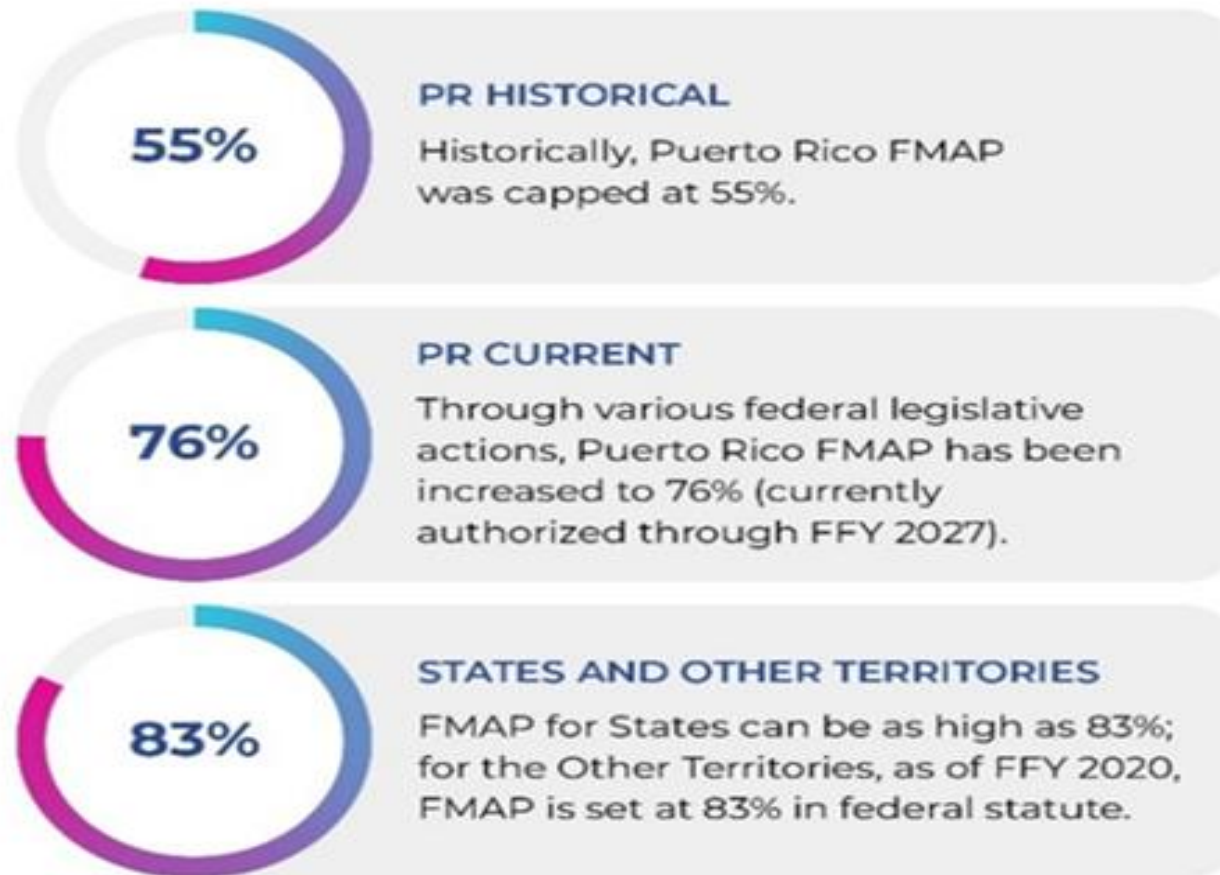


Figure 1: Puerto Rico's Lower FMAP

Coverage Gaps of Mandatory Services

	<p>NURSING FACILITIES</p> <p>Other (optional) home and community-based services are also not provided</p>
	<p>EMERGENCY MEDICAL SERVICES</p> <p>Emergency medical services for qualified non-citizens and non-qualified non-citizens</p>
	<p>MEDICARE SAVINGS PROGRAMS</p> <p>Including Medicare Part D low-income subsidy</p>

Figure 1: Mandatory Service Coverage Gaps

Economic Indicators

RESIDENTS BELOW
100% FPL



RESIDENTS
ENROLLED



Higher Medicaid enrollment in PR reflects the island's higher poverty rate.



Figure 1: Economic Indicators

FY	ALLOCATED AMOUNT (BASE)	ESTABLISH PHYSICIAN PAYMENT FLOOR OF 75% OF MEDICAID RATE	ESTABLISH MP INTEGRITY OFFICER	ESTABLISH PROGRAM INTEGRITY OFFICER & CONTRACTING PROCUREMENT OVERSIGHT LEAD	TOTAL
2023	3,275,000,000.00	300,000,000.00	75,000,000.00	-	3,650,000,000
2024	3,325,000,000.00	300,000,000.00	75,000,000.00	-	3,700,000,000
2025	3,475,000,000.00	300,000,000.00	75,000,000.00	-	3,850,000,000
2026	3,645,000,000.00	300,000,000.00	-	75,000,000.00	4,020,000,000
2027	3,825,000,000.00	300,000,000.00	-	75,000,000.00	4,200,000,000

FY	ALLOCATED AMOUNT	PHYSICIAN PAYMENT FLOOR OF 75%	PROGRAM INTEGRITY UNIT	TOTAL FUNDS
2026	3,645,000,000	300,000,000	75,000,000	4,020,000,000
2027	3,825,000,000	300,000,000	75,000,000	4,200,000,000

Medicaid Program Expenditures			
	FFY 2023	FFY 2024	FFY 2025 (Projected)
Medicaid MAP (Net of Drug Rebates)	\$4,051,497,318	\$4,005,004,138	\$4,561,233,691
Enhanced Allotment Plan (EAP)	\$83,503,967	\$96,613,069	\$105,729,430
CHIP (Net of Drug Rebates)	\$133,174,336	\$88,086,080	\$44,267,581
PRMP Administration	\$32,890,084	\$40,147,427	\$22,505,245
ASES Administration	\$16,000,000	\$16,000,000	\$16,000,000
American Rescue Plan	\$15,796,743	\$-	\$-
Eligibility & Enrollment	\$13,792,594	\$64,036,985	\$43,292,663
Medicaid Management Information System (MMIS)	\$50,700,609	\$57,371,762	\$54,319,121
HIT Implementation	\$4,325,188	\$-	\$-

Expenditures for Services Added in July 2024

Service	Total Expenditure to Date
Home Health	\$85,290,970
DME	\$72,875,000
Hospice	\$2,316,983
NEMT	\$13,502,235

July 2024 to July 2025

PgMO and ePMO Governance

Program Management

Enterprise-Wide Program Management Support Services:

- Program Governance
 - Enterprise Change Control Board (ECCB)
- Program Risks and Issues Management
- Program Standardization
- MITA State Self-Assessment
- Outcomes, Metric Identification, and Management
- APD Development and Management
- Procurement Management
- Organizational Change Management
- Streamlined Modular Certification Management
- Data Governance and Securities
- Medicaid Policy
- Vendor Management



Program Management

Project Management Support Services for MES Implementation Projects:

- Project Management
- Scope Management
- Schedule Management
- Deliverables Management
- Risk and Issues Management
- Stakeholder Management
- Test Management Consultation

Compliance and Program Integrity as a Core Medicaid Function

- Puerto Rico Medicaid operates under direct federal oversight with enhanced statutory compliance requirements
- Program integrity is embedded across:
 - Eligibility determination
 - Provider enrollment and validation
 - Managed care oversight
 - Claims payment and encounter reporting
- Compliance is not a standalone function—it is an enterprise control framework across PRMP operations
- Alignment with federal requirements including:
 - Payment Error Rate Measurement (PERM)
 - 42 CFR Part 455 Program Integrity Requirements
 - Managed Care Final Rule (42 CFR Part 438)

Federal Compliance Performance and PERM Readiness

- Puerto Rico completed PERM pilot measurement activities
- Achieved 2.51% error rate, below federal 3% threshold
- Established:
 - PERM governance task force
 - Corrective Action Plan (CAP) framework
 - Ongoing CMS coordination and reporting cadence
- RY2027 readiness includes:
 - Eligibility documentation validation
 - Claims and payment accuracy controls
 - Cross-portfolio compliance coordination (Policy, MMIS, Eligibility)

Puerto Rico is transitioning from reactive compliance → proactive audit readiness mode

Enterprise Program Integrity Controls

- Strengthened provider oversight through:
 - Enrollment validation processes
 - License verification and screening protocols
- Enhanced fraud, waste, and abuse detection:
 - Data monitoring and audit processes
 - Managed care oversight requirements
- Implementation of:
 - Asset Verification System (AVS)
 - Data-driven eligibility validation controls
- Alignment with federal expectations for:
 - Improper payment reduction
 - Provider screening and exclusion enforcement

Program integrity is now data-driven and system-enabled, not manual

Quality Oversight and Managed Care Accountability

- Standardized quality and performance metrics across MCOs
- Strengthened:
 - Network adequacy monitoring
 - Care coordination requirements
 - Preventive care performance tracking
- Implementation of:
 - APR-DRG payment system to align reimbursement with clinical complexity
- Increased oversight of:
 - Encounter data quality
 - MCO reporting accuracy
 - Performance-based accountability mechanisms)

Managed care in Puerto Rico is evolving from coverage delivery → accountable care performance model

Compliance as a Foundation for Federal Credibility and Funding Stability

- Compliance performance directly impacts:
 - Federal funding decisions
 - Congressional confidence
 - Future FMAP and allotment negotiations
- Annual Report to Congress demonstrates:
 - Expansion of services
 - Improved access
 - Strengthened program oversight
- PRMP focus:
 - Sustained compliance with federal requirements
 - Transparent reporting and accountability
 - Alignment with CMS expectations

Puerto Rico is **NOT ONLY** requesting funding parity

It is demonstrating inherent benefit to provide Puerto Rico with parity in funding and federal support
through compliance, accountability, and readiness to operate at state-equivalent standards



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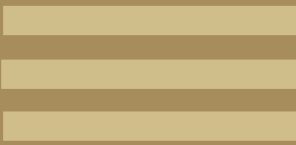


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Thank you!

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