

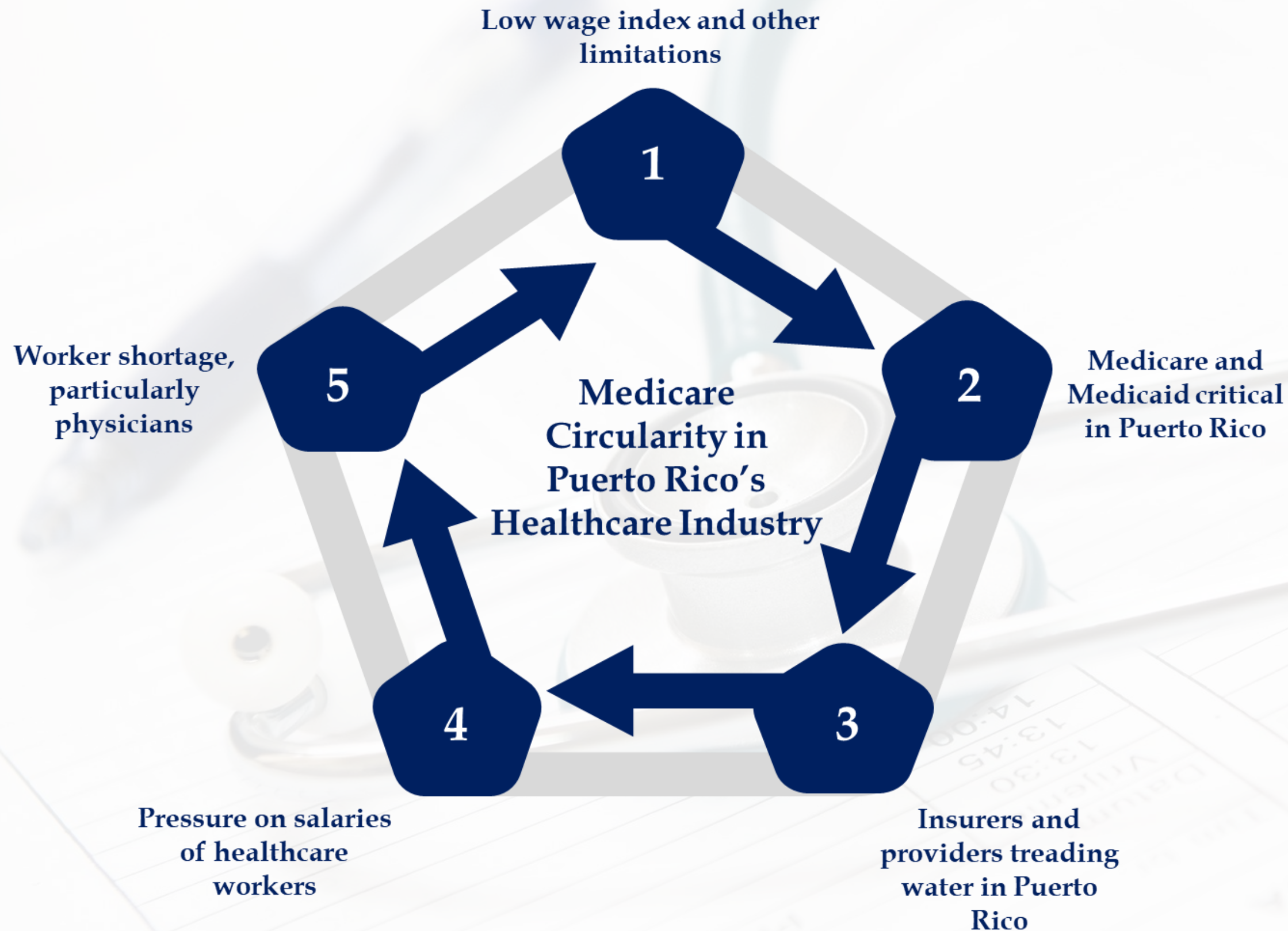


ACTUALIZACIÓN DE RETOS & OPORTUNIDADES PARA LAS EMPRESAS

ODALYS ARROYO, MA

Economista y Gerente de Advantage Business Consulting

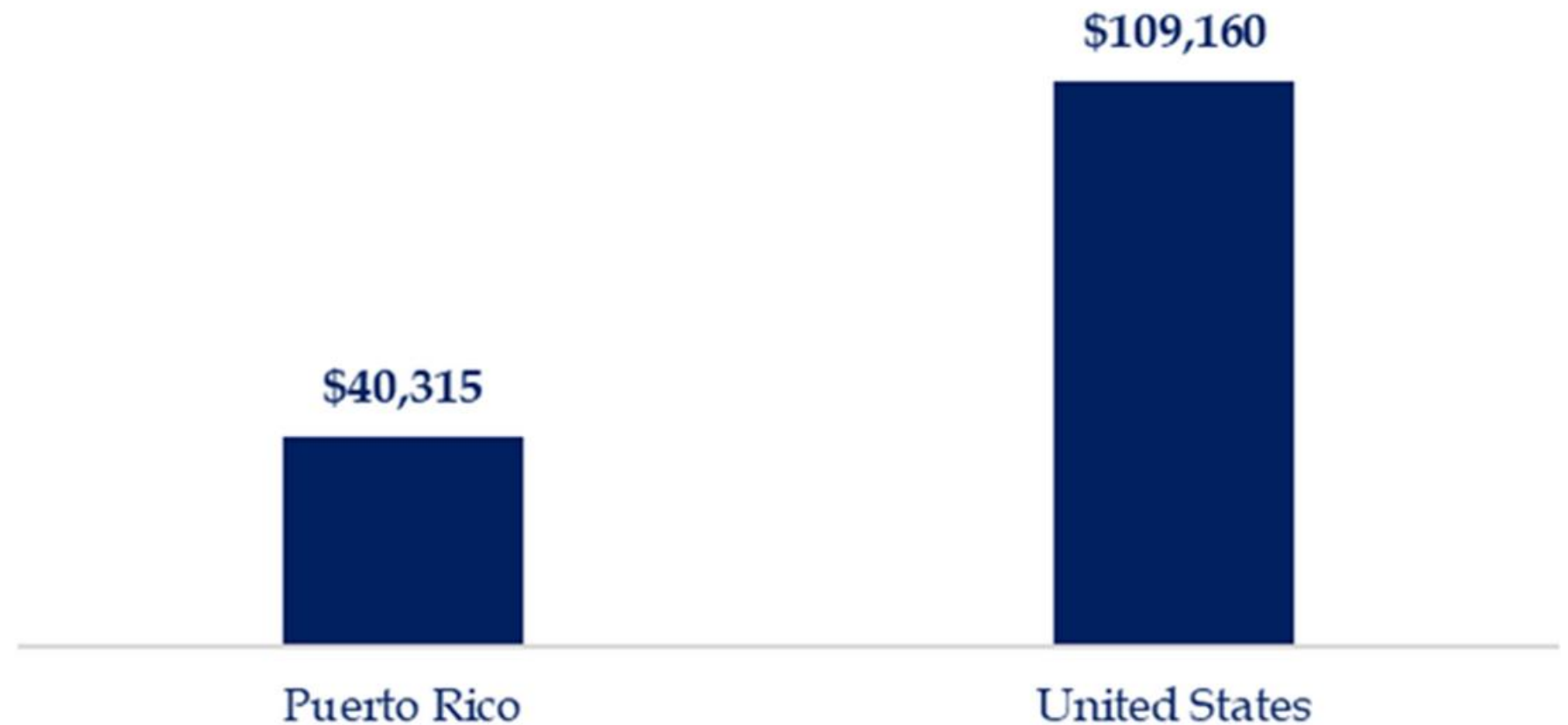
THE “CIRCULARITY” TRAP



Circularity occurs when the wage index used to adjust Medicare payments to hospitals is influenced by Medicare payments.

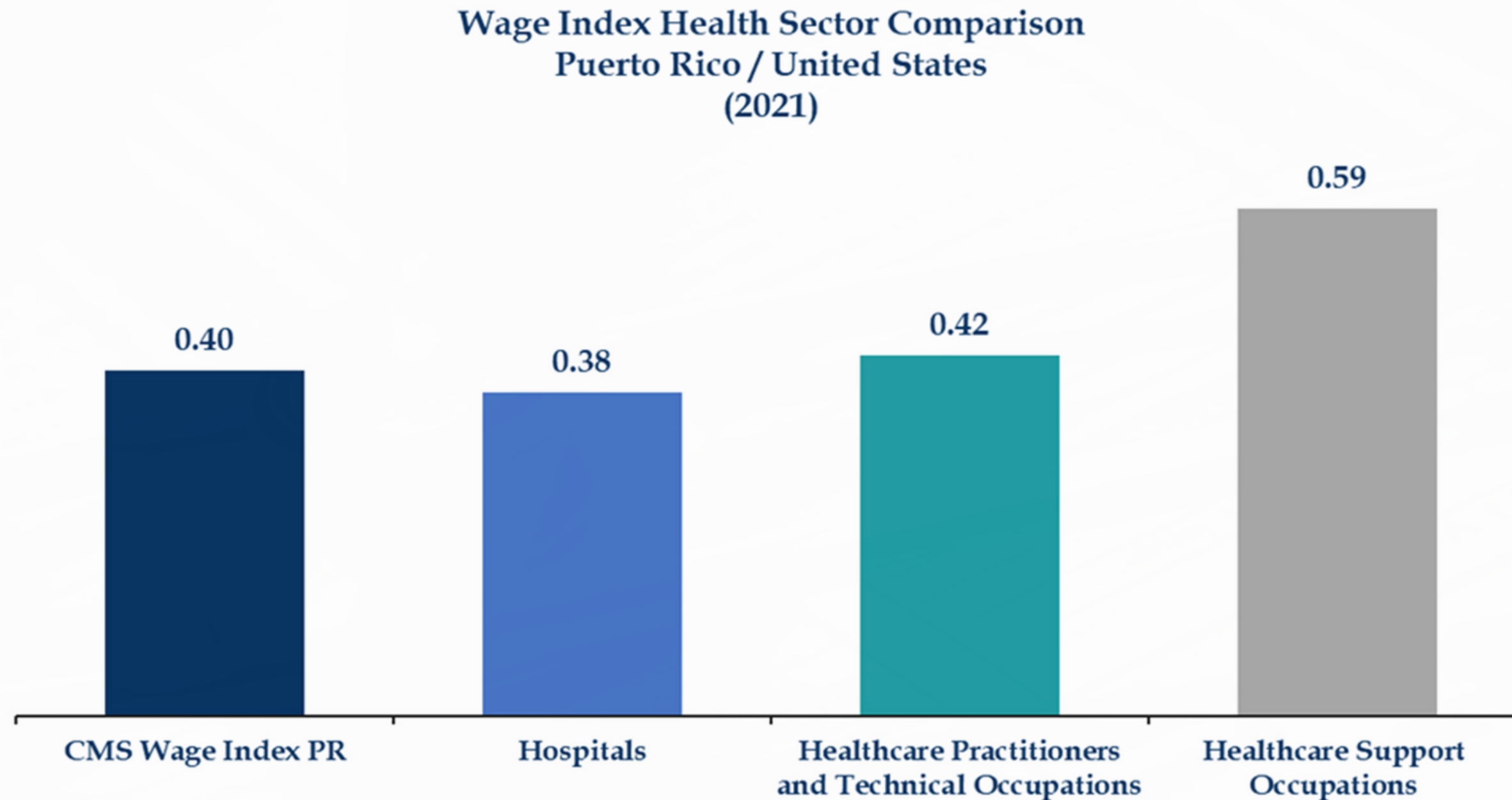
**THE DISPARITY IN
MEAN INCOME IN
PUERTO RICO
PRESENTS A
CHALLENGE FOR
PURCHASING
HEALTH
INSURANCE.**

**Mean Income in the Past 12 Months:
Puerto Rico vs. United States - 2023**



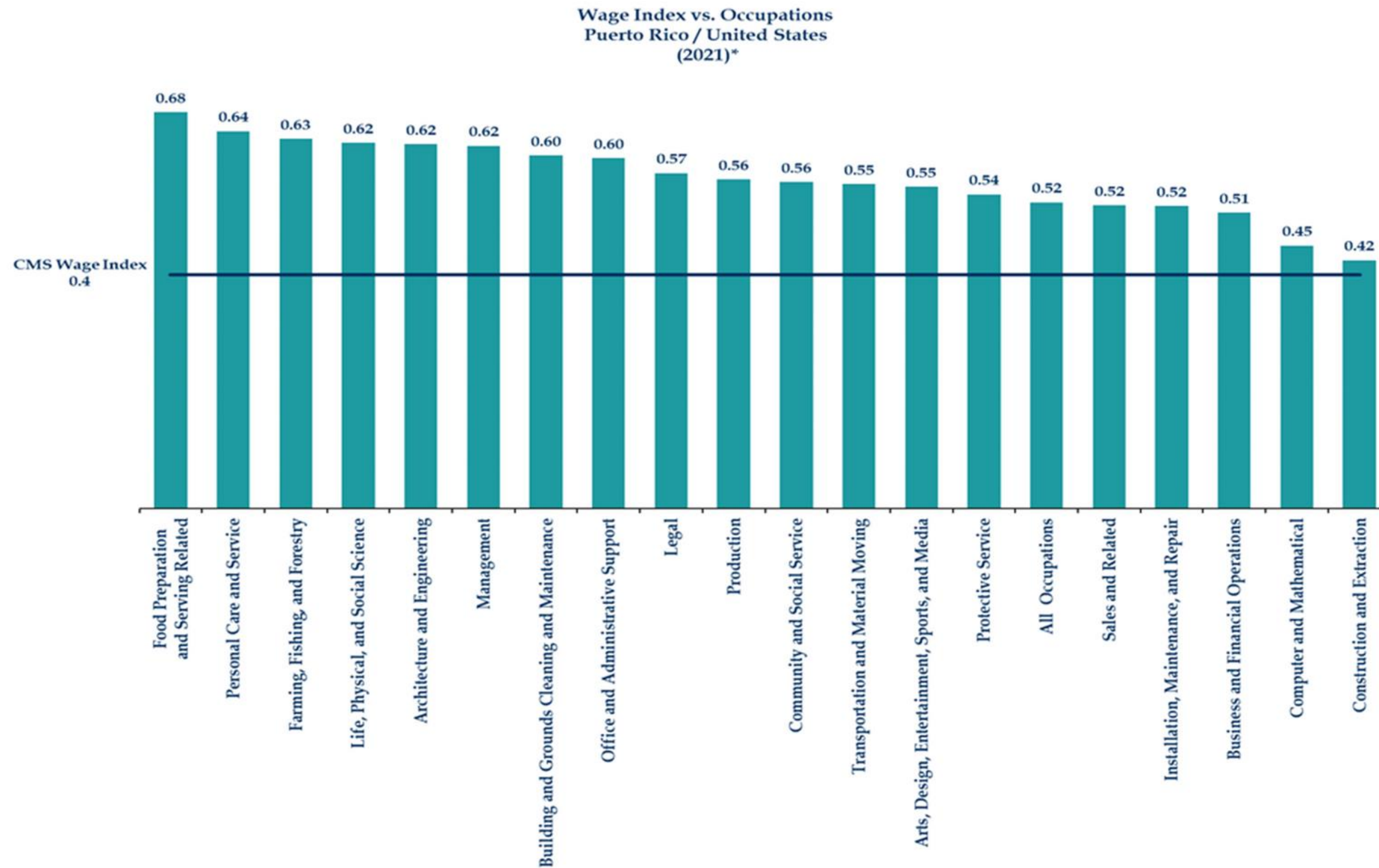
Source: American Community Survey 5 Year Period

THE CMS WAGE INDEX IS CONSISTENT WITH SALARIES IN HOSPITALS.



Source: U.S. Centers for Medicare & Medicaid Services (CMS) and U.S. Bureau of Labor Statistics (BLS).

THE CMS INDEX IS NOT CONSISTENT WITH SALARIES OUTSIDE THE HEALTH SECTOR.



(*): Annual Mean Salary.
Source: U.S. Centers for Medicare & Medicaid Services (CMS) and U.S. Bureau of Labor Statistics (BLS).

LACK OF PROFITABILITY OF HEALTH INSURERS LIMITS THE NUMBER OF HEALTH PROFESSIONALS IN PUERTO RICO

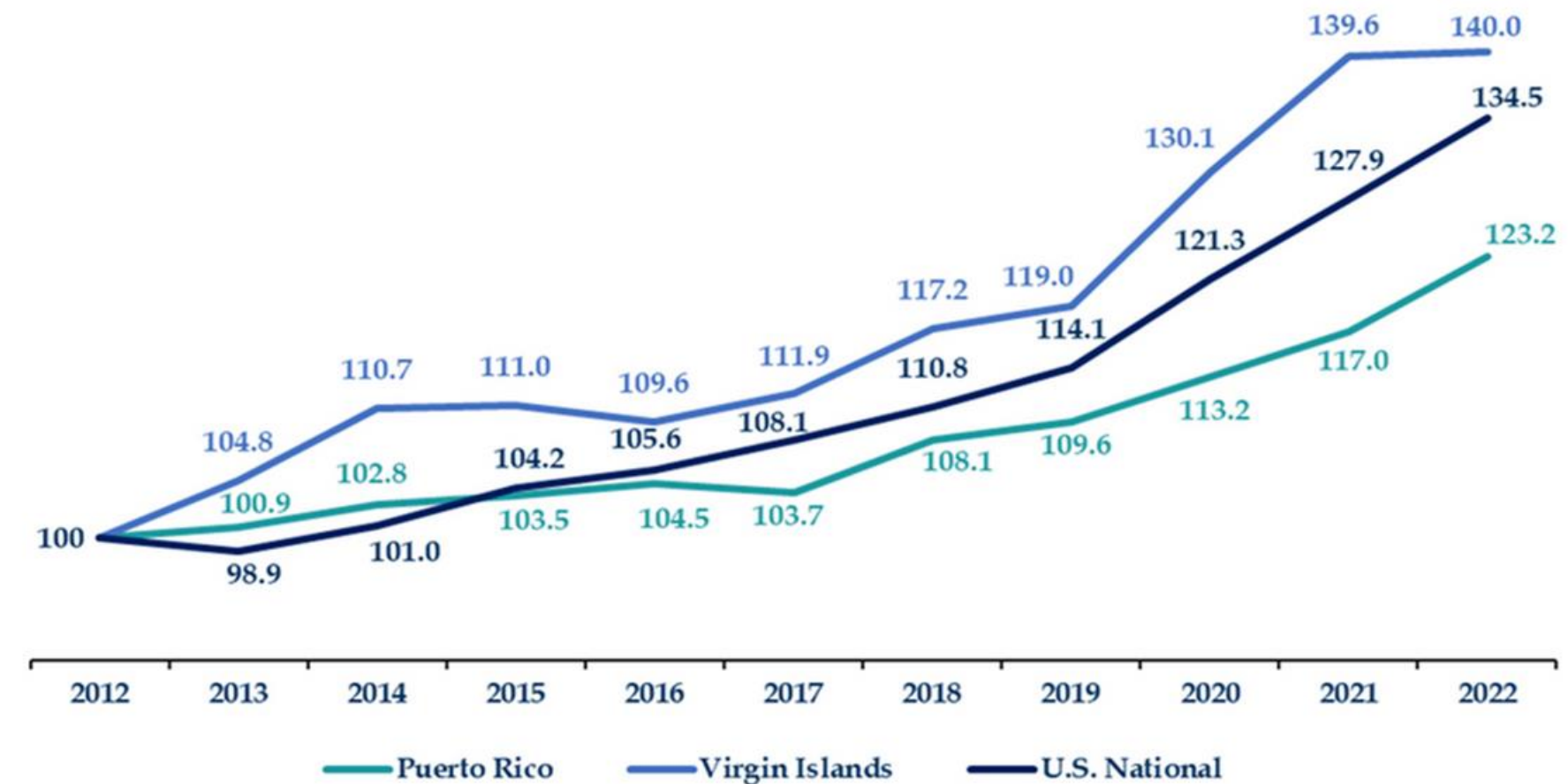
Population per Active Physicians 2020



Source: AMA Physician Masterfile

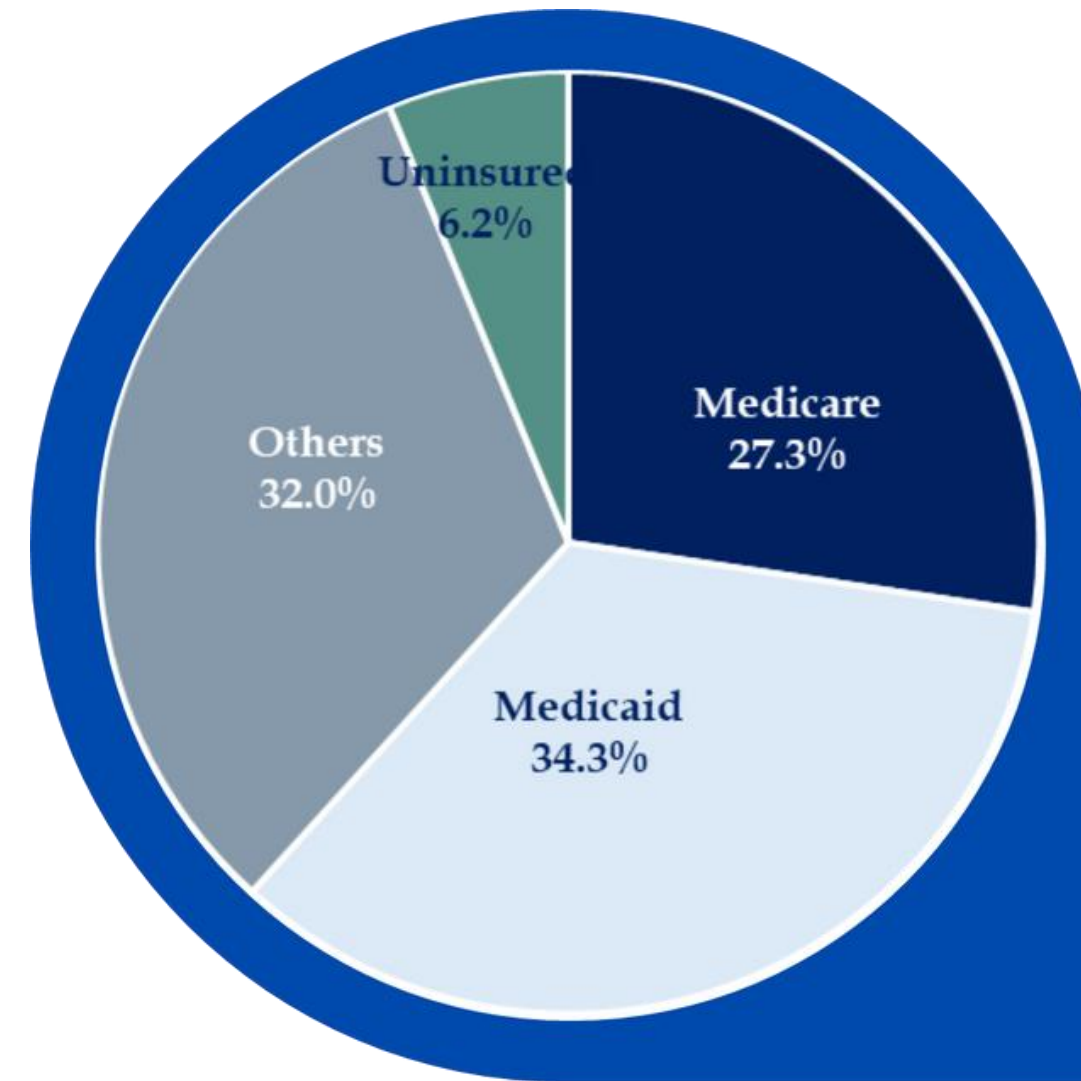
Note: The data collected for the United States corresponds to the year 2021, while the data for Puerto Rico is from the year 2020.

Healthcare Industry Average Salary Index



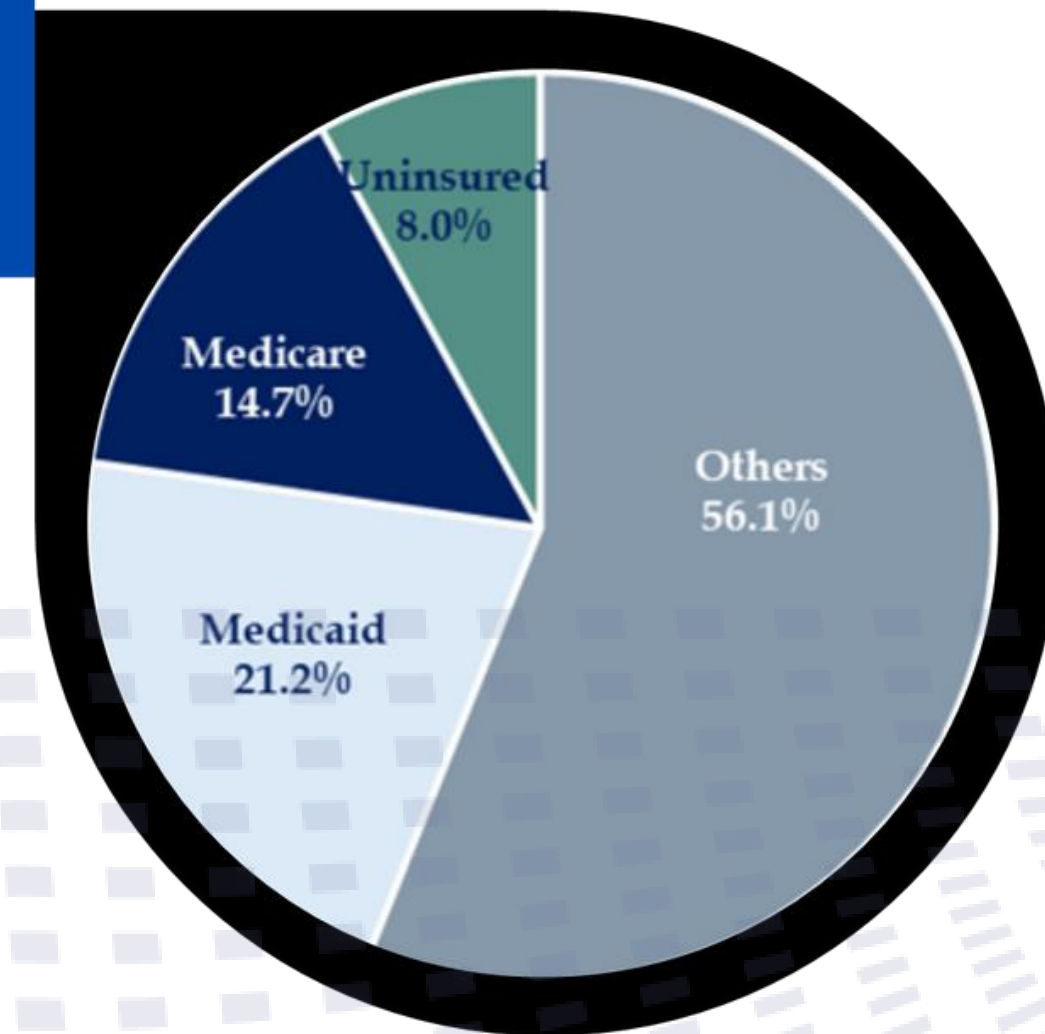
Source: U.S. Bureau of Labor Statistics (BLS).

THE PUERTO RICO MARKET IS MORE DEPENDENT ON MEDICARE AND MEDICAID THAN THE U.S. MARKET



PUERTO RICO

UNITED STATES



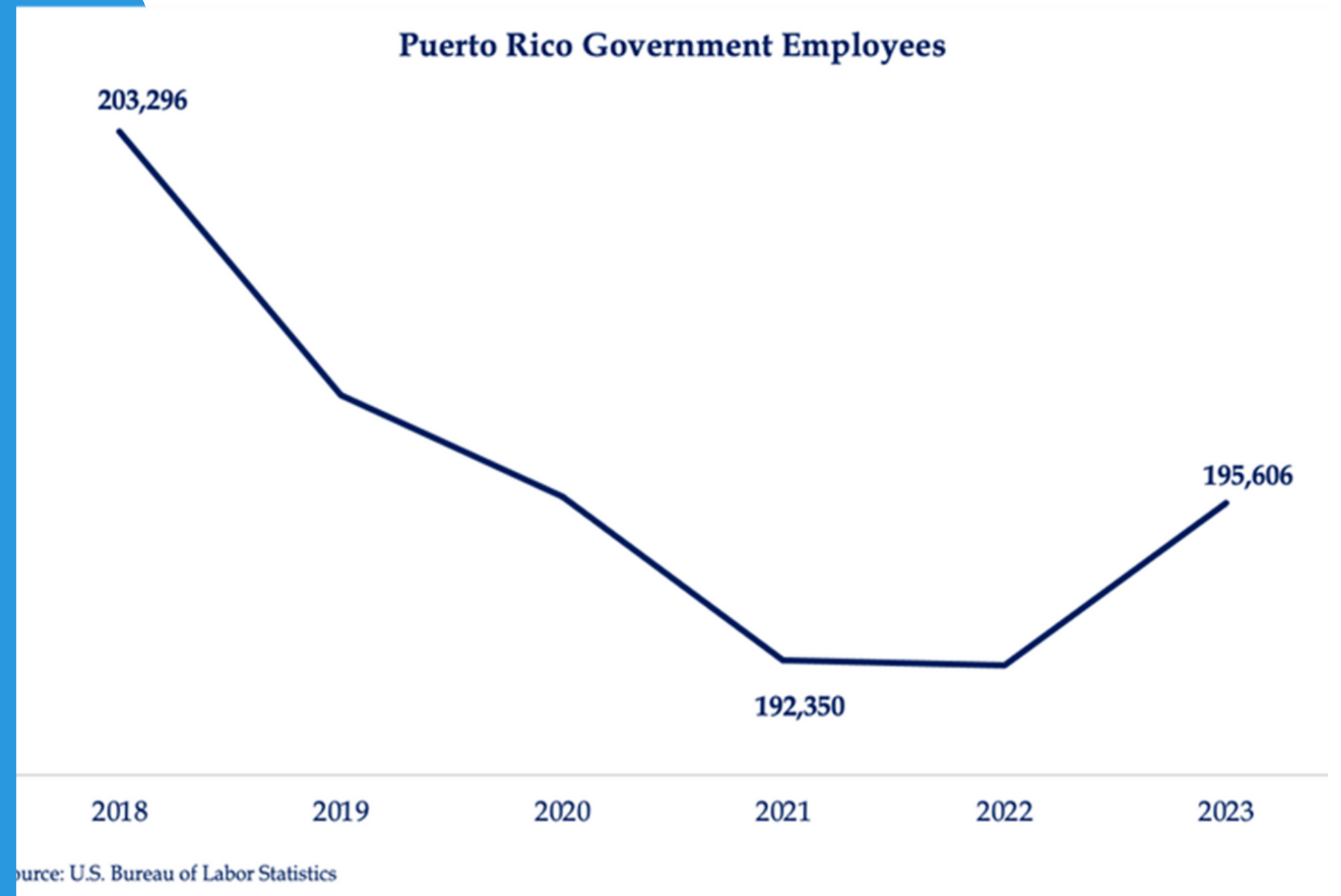
DATA AS OF 2023

MARKET OF GOVERNMENT EMPLOYEES

The number of government employees has been declining.

The government contribution to health insurance has been steady at \$125 per month.

The government contribution to health insurance has been steady at \$125 per month.



GREATER PRESSURE ON EMPLOYERS TO OFFER MORE ATTRACTIVE BENEFITS

THIS PUSHES EMPLOYERS TO NEGOTIATE WITH INSURERS FOR:



LOWER PREMIUMS



BROADER NETWORKS



STRONGER PREVENTIVE BENEFITS



MORE EFFECTIVE CHRONIC-CARE MANAGEMENT



GREATER DEMANDS WITH LESS ROOM TO ABSORB INCREASES.

FINANCIAL PRESSURE ON HEALTH PROVIDERS AND INSURANCE FIRMS IS BIGGER IN P.R. THAN IN THE U.S.

Health 09 September 2025

Puerto Rico Hospital Closures Reveal Systemic Healthcare Crisis

The fall of Hospital del Maestro and a new report from the Northern Mariana Islands highlight deep inequities, chronic underfunding, and urgent calls for reform across U.S. territories' healthcare systems.

Key Points

- Close Hospital del Maestro after 60 years due to financial struggles, reduced patient base, and management issues exacerbated by the COVID-19 pandemic.
- Release report by Northern Mariana Islands Advisory Committee reveals severe healthcare access deficiencies for detainees, including long waits and lack of mental and dental care.
- Urge policymakers to implement reforms such as grievance procedures, staffing assessments, electronic records, and expanded treatment facilities to address systemic healthcare failures.

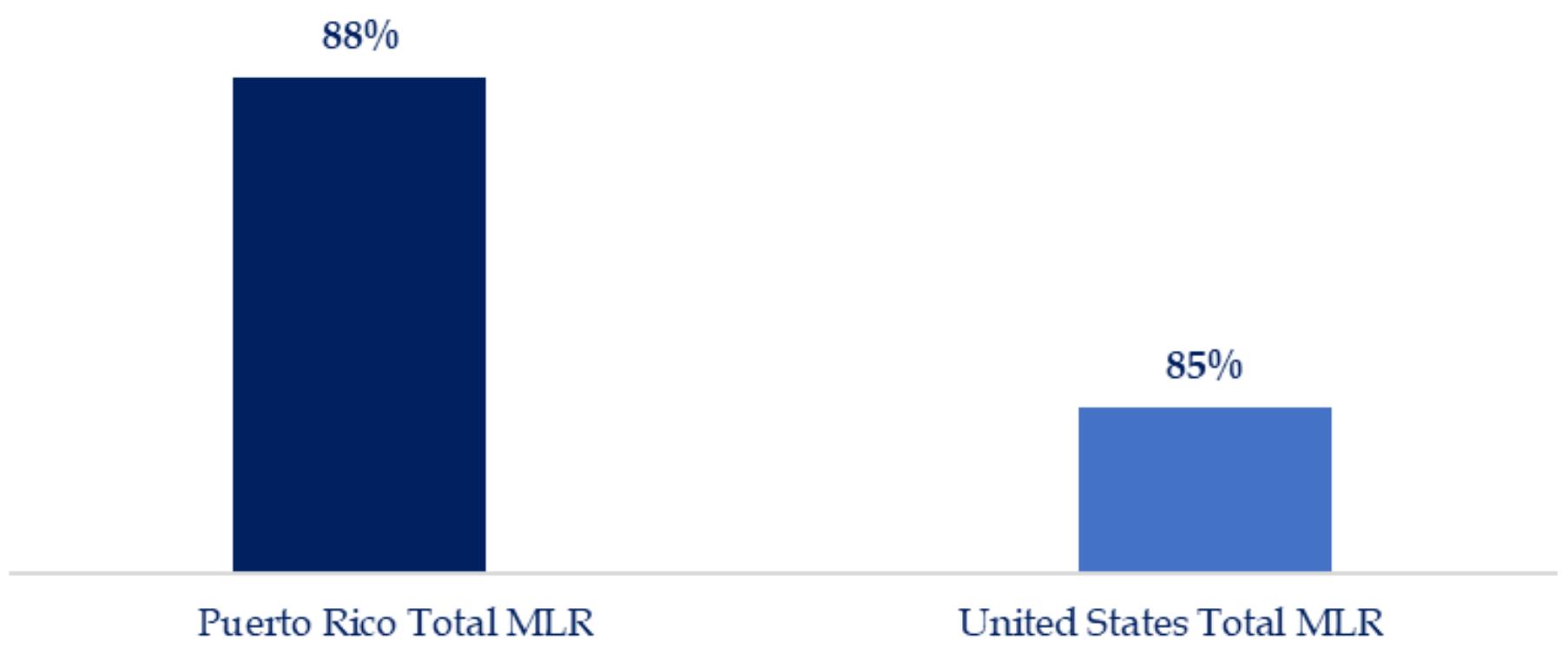


Grupo HIMA San Pablo, Inc. Bankruptcy Cases

Case Information

On August 15, 2023, Grupo HIMA San Pablo, Inc., and nine (9) affiliated companies (collectively, the "Debtors") filed petitions in the United States Bankruptcy Court for the District of Puerto Rico seeking relief under chapter 11 of the United States Bankruptcy Code. The Debtors' cases have been assigned to Judge Enrique S. Lamoutte. The cases are jointly administered for procedural purposes and all pleadings will be maintained on the case docket for Grupo HIMA San Pablo, Inc., Case No. 23-02510 (the "Main Case Docket"). The Main Case Docket can be accessed through [PACER](#). An unofficial version of the Main Case Docket is accessible in Epiq's website by [clicking here](#).

MLR Comparison: P.R. vs U.S. (2022)



Source: Puerto Rico Office of the Insurance Commissioner, Mark Farrah Associates & NAIC

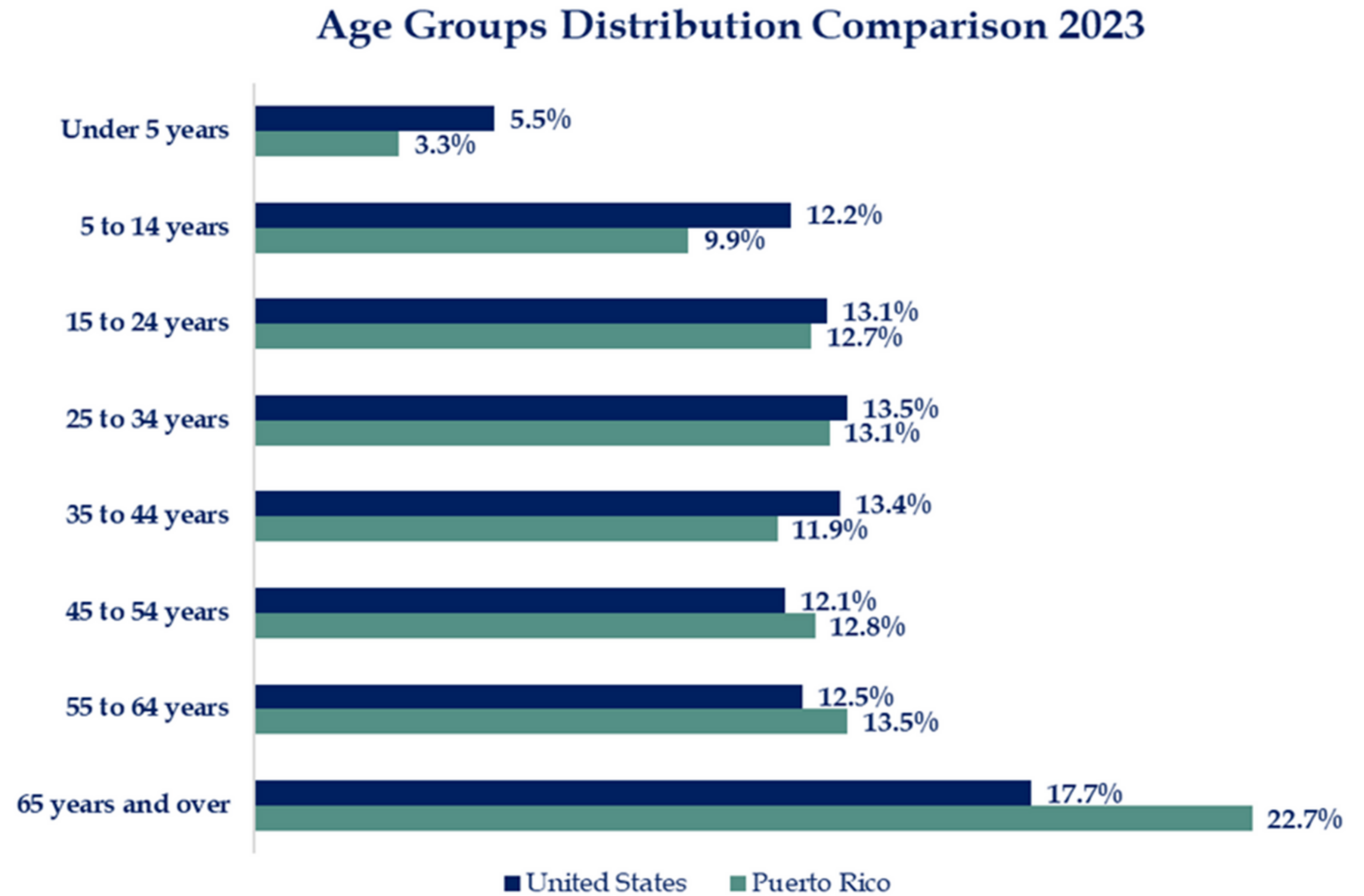
EVERYBODY KNOWS THAT THE POPULATION IN PUERTO RICO IS AGING.



Percentage Distribution of the Population Change by Age - (2020- 2023)			
Age Group	2020	2023	% of Change
16 to 19 years	172,596	158,408	-8.2%
20 to 34 years	633,096	644,424	1.8%
35 to 54 years	826,800	804,382	-2.7%
55 to 64 years	429,141	440,314	2.6%
65 years and over	667,206	740,397	11.0%

Source: American Community Survey 5 Year Period

P.R. POPULATION IS OLDER THAN U.S. POPULATION



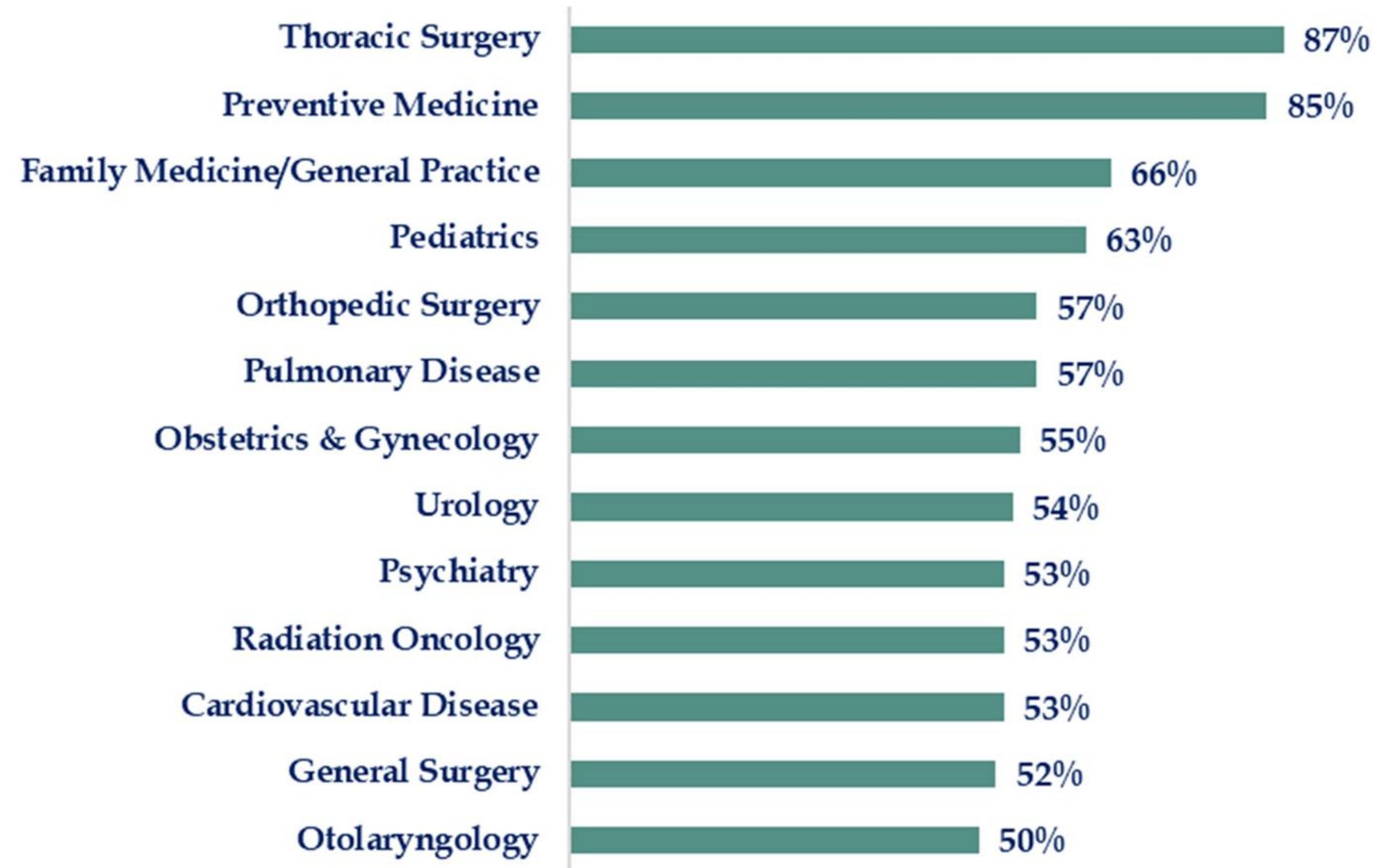
Source: American Community Survey 5 Year Period

PHYSICIANS FORM PART OF THE AGING POPULATION.



**LOW SALARIES
MAKE IT DIFFICULT
TO BRING NEW
TALENT TO
PUERTO RICO'S
HEALTH SECTOR.**

Specialties where more than 50% of physicians are over 60 years old - Puerto Rico 2020



Source: AMA Physician Masterfile

REQUESTS ARE EASY UNTIL THE TIME COMES TO PAY THE BILLS.

Allocation of Healthcare
Cost Burdens: Who
Should Bear the Cost of
Medication?



01 LOCAL GOVERNMENT



02 FEDERAL GOVERNMENT

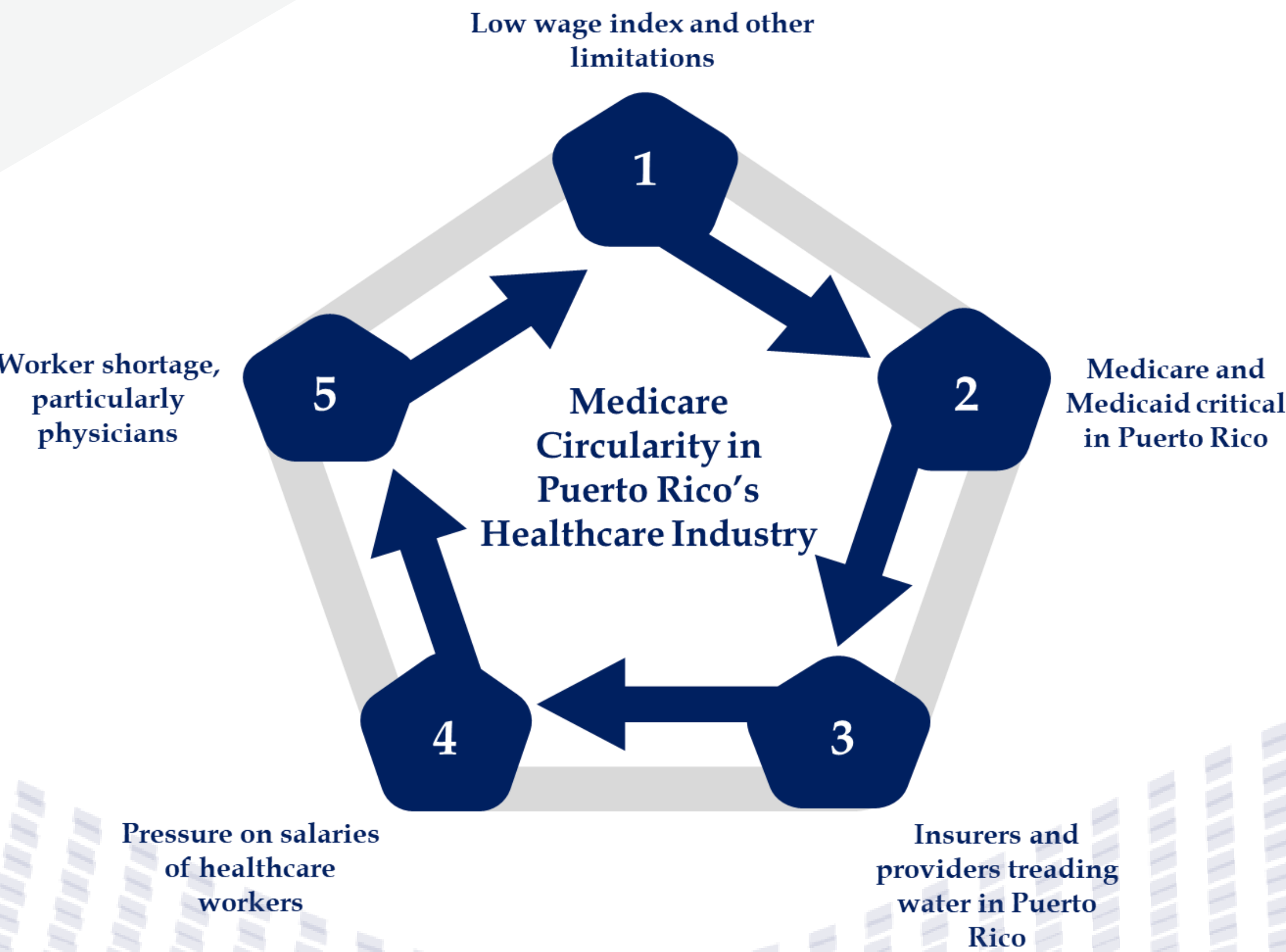


03 INDIVIDUALS



04 EMPLOYERS

AND THUS, WE COME FULL CIRCLE.



THANK YOU FOR YOUR ATTENTION



advantagebusinesspr@gmail.com



www.advantagepr.net



787-751-1818

