



PUERTO RICO
Health Insurance
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The Ultimate Paradox-Medicare Advantage in Puerto Rico: Highest Performing Market, lowest reimbursement. A methodology problem, not a spending problem.

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Understanding the paradox begins with understanding our beneficiaries.

- Nearly **9 in 10 eligibles** enrolled in MA, highest penetration in the U.S.
- **24.6% of residents are 65+**, one of the highest shares nationally.
- **Sicker and poorer** than mainland peers.
- Higher prevalence of diabetes, cardiovascular disease, renal disease.
- Lower median income; higher dual eligible rates.
- Transportation, food insecurity, and social isolation more common.

Despite being a **high need, high risk** population receiving **the lowest MA reimbursement**, it consistently delivers **top-tier quality outcomes**.

Puerto Rico proves that tight coordination and aligned incentives can rival (and sometimes outperform) higher-resource systems—at least for chronic disease management.

It's not a perfect system—but in terms of managed care execution, **it's one of the most advanced real-world examples in the U.S.**

Medicare Advantage in Puerto Rico gets attention nationally because it's an extreme, real-world “stress test” of managed care. It shows both the potential strengths of MA and its risks under pressure, which is why policymakers and researchers watch it closely.

Category or Metric	Puerto Rico	Florida	U.S. Average
Chronic Disease Management (Puerto Rico's Strength)			
Diabetes Care (HbA1c testing, control, eye exams)			
HbA1c testing	90 - 95%+	85 - 90%	85 - 90%
Eye exams	70 - 80%	65 - 75%	65 - 75%
Medication adherence	High	Moderate - high	Moderate
Medication Adherence (critical for Star Ratings)			
Diabetes meds	Top quartile	Mid - high	Mid
Hypertension meds	Top quartile	Mid - high	Mid
Statins	High	Moderate	Moderate
Preventive Care & Screening			
Breast cancer screening	Comparable or slightly higher	High	High
Colorectal screening	Comparable	Moderate - high	Moderate
Annual wellness visits	Very high	Moderate	Moderate
Utilization & Hospitalization			
Diabetes-related admissions	Lower than expected	Moderate	Moderate
Hypertension crises	Well controlled	Moderate	Moderate
Readmissions			
30-day readmissions	Moderate	Moderate - Low	Moderate
Star Ratings (Big Picture Score)			
4+ Star Plans	High concentration	High	Moderate
4.5 - 5 Star Plans	Present, competitive	Present	Less common
Patient Experience (CAHPS Scores)			
Care Coordination	High	Moderate - High	Moderate
Getting needed care	Moderate	Moderate - High	Moderate
Customer Service	High	Moderate	Moderate

Today, Puerto Rico it's the most "fully realized" MA market in the U.S.

- ~93% of Medicare beneficiaries are enrolled in MA.
- Compare that to roughly ~50% or less nationally.

That means:

- Nearly the entire senior population is in private, capitated managed care.
- Providers, hospitals, and systems are built around MA, not traditional Medicare.

Why it matters?

- If MA keeps growing in the mainland U.S., Puerto Rico shows what a near-total transition looks like for two main reasons:
 - PR is the best-case potential (high enrollment, coordinated care, extra benefits).
- The failure modes (underpayment, provider shortages, access gaps).

Medicare Advantage Paradox

- Performance not matched by payment.
- But Puerto Rico represents a low risk, high return investment opportunity for CMS, which should serve to push the necessary policy changes.

Can we leverage our paradox of having quality metrics with low reimbursements to improve the general outcome of the MA program for CMS while we improve MA reimbursements for Puerto Rico?

Yes, we can showcase what Puerto Rico is doing to bolster our argument for more funds.

Puerto Rico should be recognized and supported as a high value MA market where targeted reimbursement adjustments can yield outsized returns in quality, equity, and cost containment.

The MA program in Puerto Rico demonstrates not only efficiency, but also the potential for significantly enhanced outcomes if funding mechanisms are recalibrated.

Puerto Rico is not a high-risk funding environment, it is a proven, high efficiency MA market operating below its full potential, due to structural reimbursement limitations.

Aligning payment and performance will not only strengthen outcomes locally but also provide CMS a scalable model for delivering high value care nationally.



✓ **Contacto**

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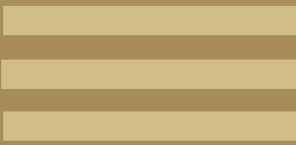
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