

Tale of a Medicaid Block Grant: Notes from the Puerto Rico Health Crisis

Health Action Conference 2018
Families USA

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Boricua Medicaid Cliff 2019 (maybe 2018!!)

Total of \$6.3 billion increase in Medicaid cap for Puerto Rico from July 1, 2011 - September 30, 2019---ENDS!!!!



The ACA Territories Confusion

This confusion stems from two conflicting definitions of the term “state.” Because health insurance is defined in federal law as being offered “in a state” and being “subject to state law which regulates insurance,” whether coverage sold in the territories is subject to the reforms in the ACA hinges upon whether territories are considered states.

Title I of the Affordable Care Act (ACA), which includes the provisions applying to private health insurance, defines a “state” so as to exclude the territories:

In this Title, the term “State” means each of the 50 States and the District of Columbia.

Many of the most significant provisions in that title, however, take the form of amendments to the **Public Health Service Act (PHSA)**, which itself defines the term “state” to include the territories:

The term “State” means each of the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

COMMONWEALTH OF PUERTO RICO QUARTERLY REPORT --JULY 17, 2014

The cost of “Mi Salud” is significant: for fiscal year 2014, \$2.383 billion has been budgeted, of which \$885 million is paid from the General Fund, representing approximately 9.1% of General Fund expenditures, **approximately \$1.16 billion is paid from federal funds**, and the balance is being paid from municipal and other funding sources.

Upon exhaustion of the non-recurring ACA funds, currently estimated to occur in 2018, and absent Congressional action to renew the ACA funding, the amount of federal funds available for Mi Salud will revert to the recurring capped Commonwealth Medicaid and CHIP allocations, which would result in significantly higher requirements of Commonwealth funding, unless benefits or eligibility is reduced significantly

ACA: Largest Increase in Medicaid Funding for Puerto Rico—But Still A Disparity

Total of \$6.3 billion increase in Medicaid for Puerto Rico from July 1, 2011 - September 30, 2019

✓ Statutory FMAP local matching rate rose from 50% to 55%

But when compared with...

- Mississippi -- 73 % FMAP and received \$3.6 billion in federal funds.
- Oklahoma --- 64 % FMAP and received \$3.0 billion in federal funds.
- Oregon -- 63 % FMAP and received \$5.0 billion in federal funds.

Puerto Rico Medicaid Funding

- There is a “ceiling” or “cap” on the total amount of funding the federal government annually provides to support the Medicaid program.

- | 2011 | 2012 | 2013 | 2014 | 2015 |
|---------------|---------------|--------------|---------------|---------------|
| \$290,600,000 | \$298,700,000 | \$309,200,00 | \$321,300,000 | \$329,000,000 |

- CHIP

2011	2012	2013	2014	2015
\$99,566,548	\$103,910,799	\$132,659,456	\$140,979,029	\$149,820,354

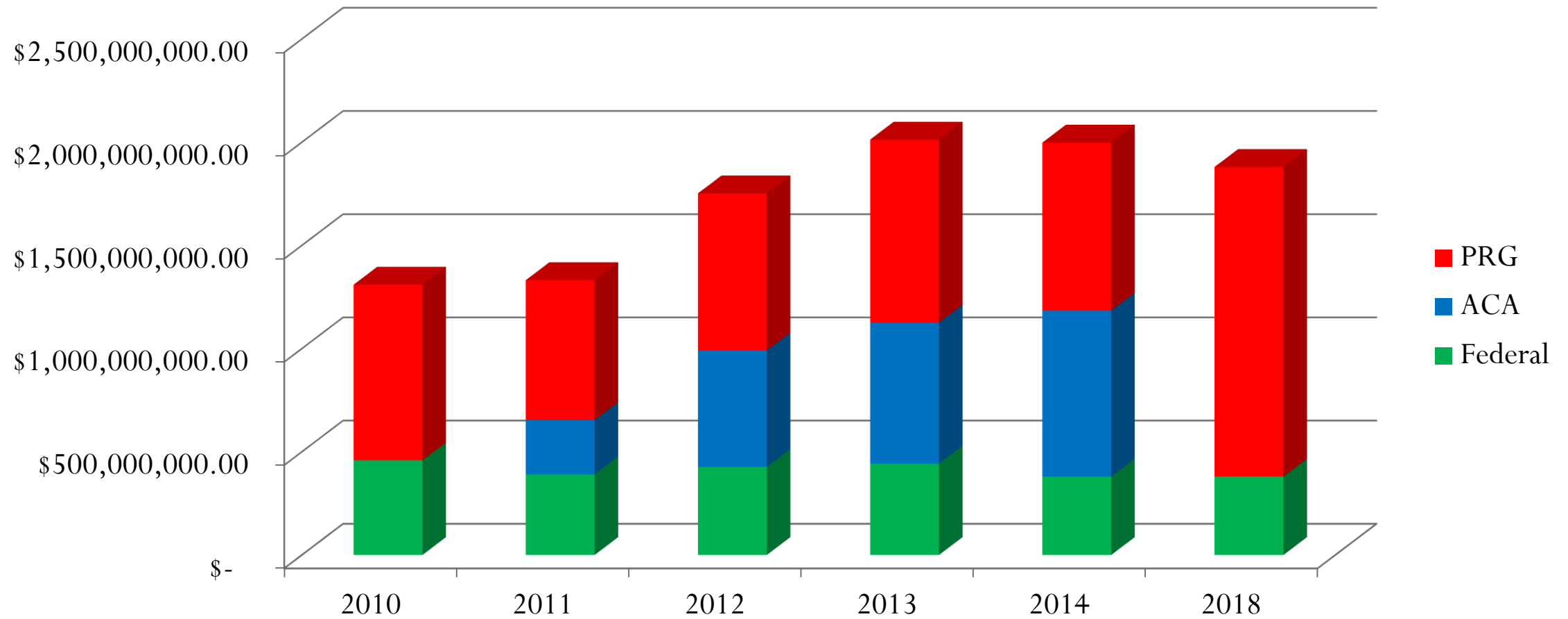
- EAP

2011	2012	2013	2014	2015
\$42,205,155	\$43,580,880	\$44,156,704	\$42,361,118	\$44,040,604

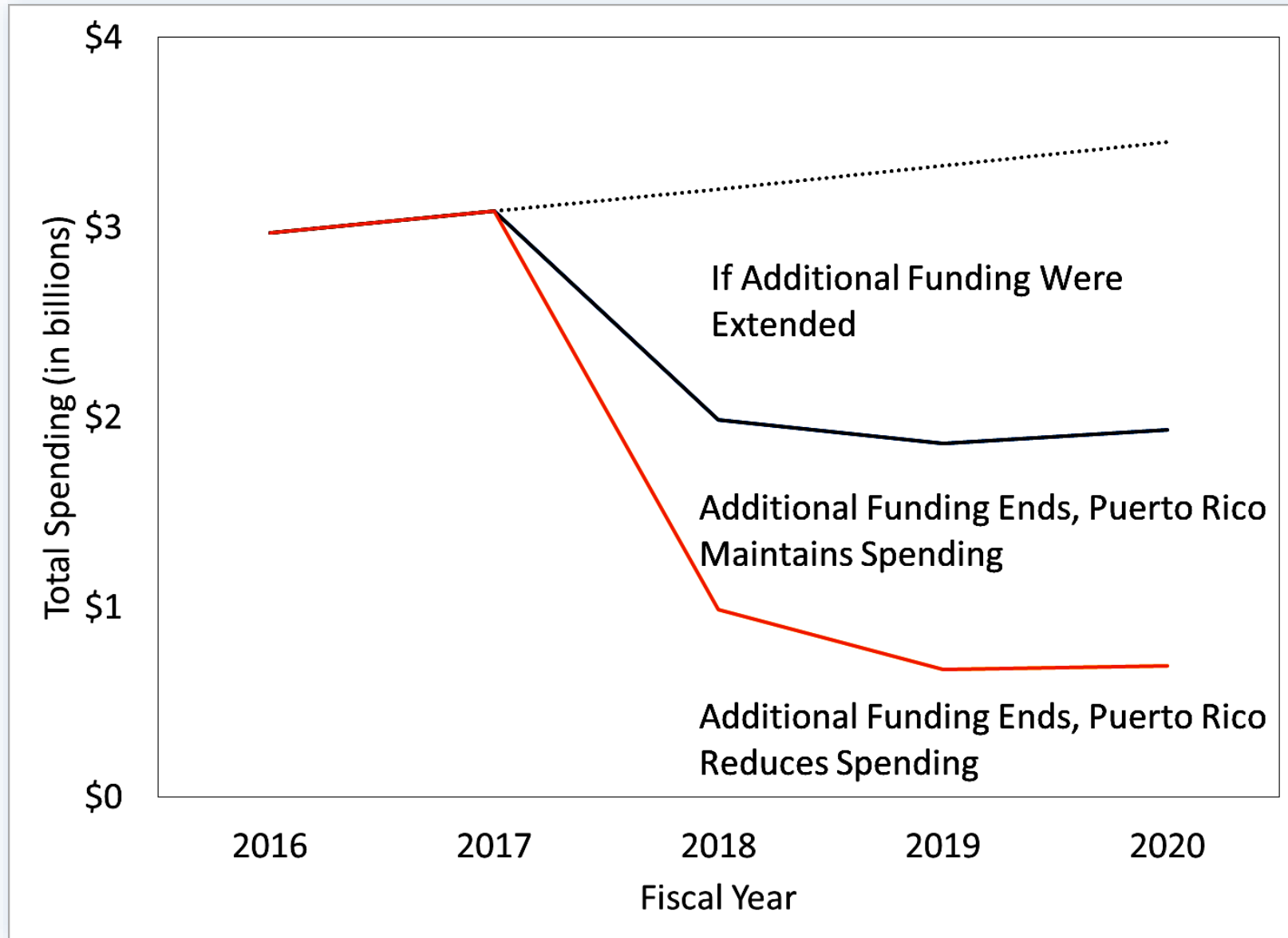
The Cost of Medicaid – A Comparison

State/Territory	Medicaid Managed Care PMPM in FY14	Federal Share	State/Territory Share	Federal Dollar by 400,000 enrollees per month
Puerto Rico	\$165.00	\$90.75	\$74.25	\$36,300,000
New York	\$1027.04	\$924.3	\$102.7	\$369,720,000
New Jersey	\$366.07	\$329.5	\$36.5	\$131,800,000

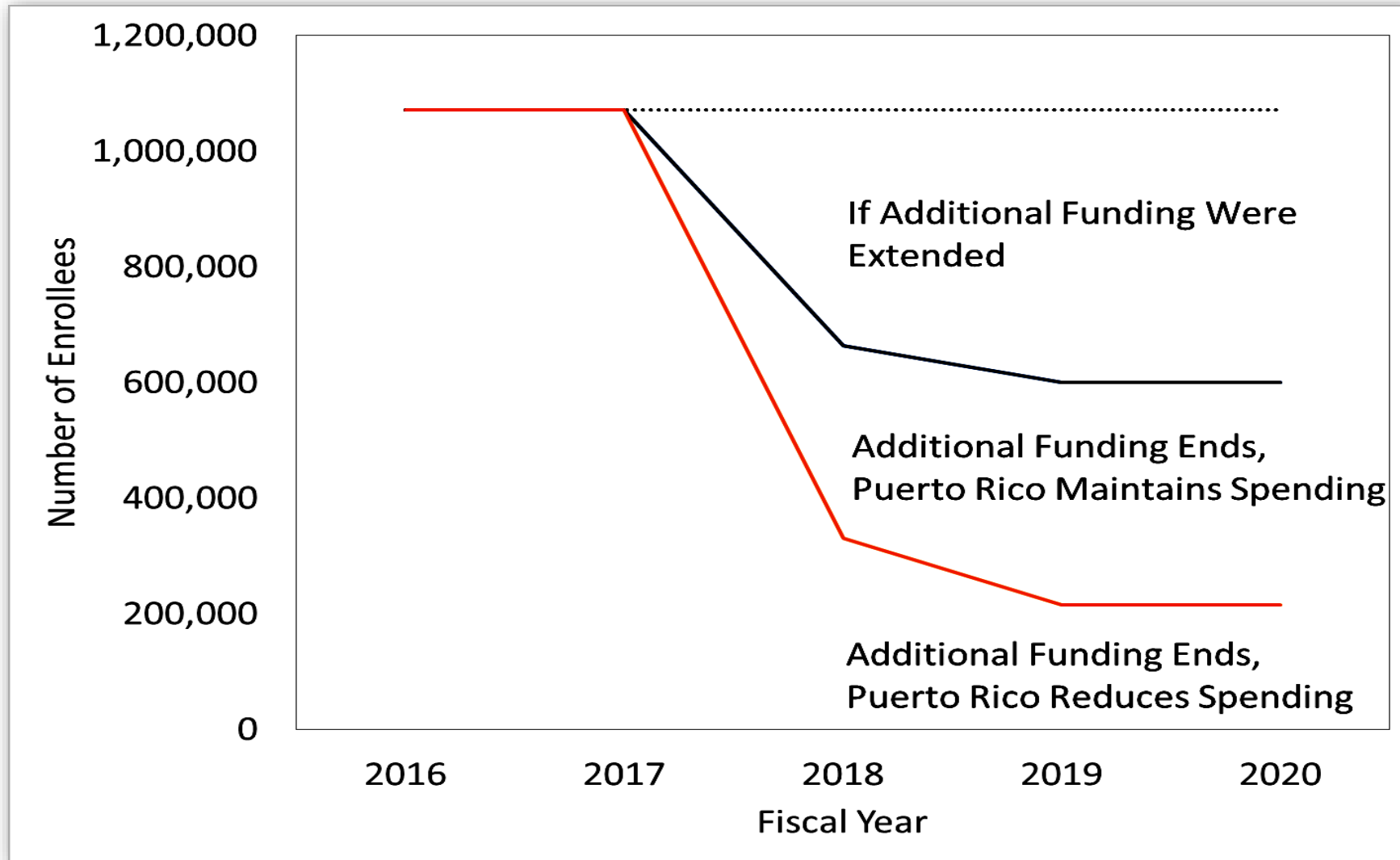
Puerto Rico Government Program – Mi Salud



Puerto Rico Total Medicaid Spending



Puerto Rico Medicaid Enrollment

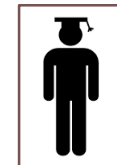
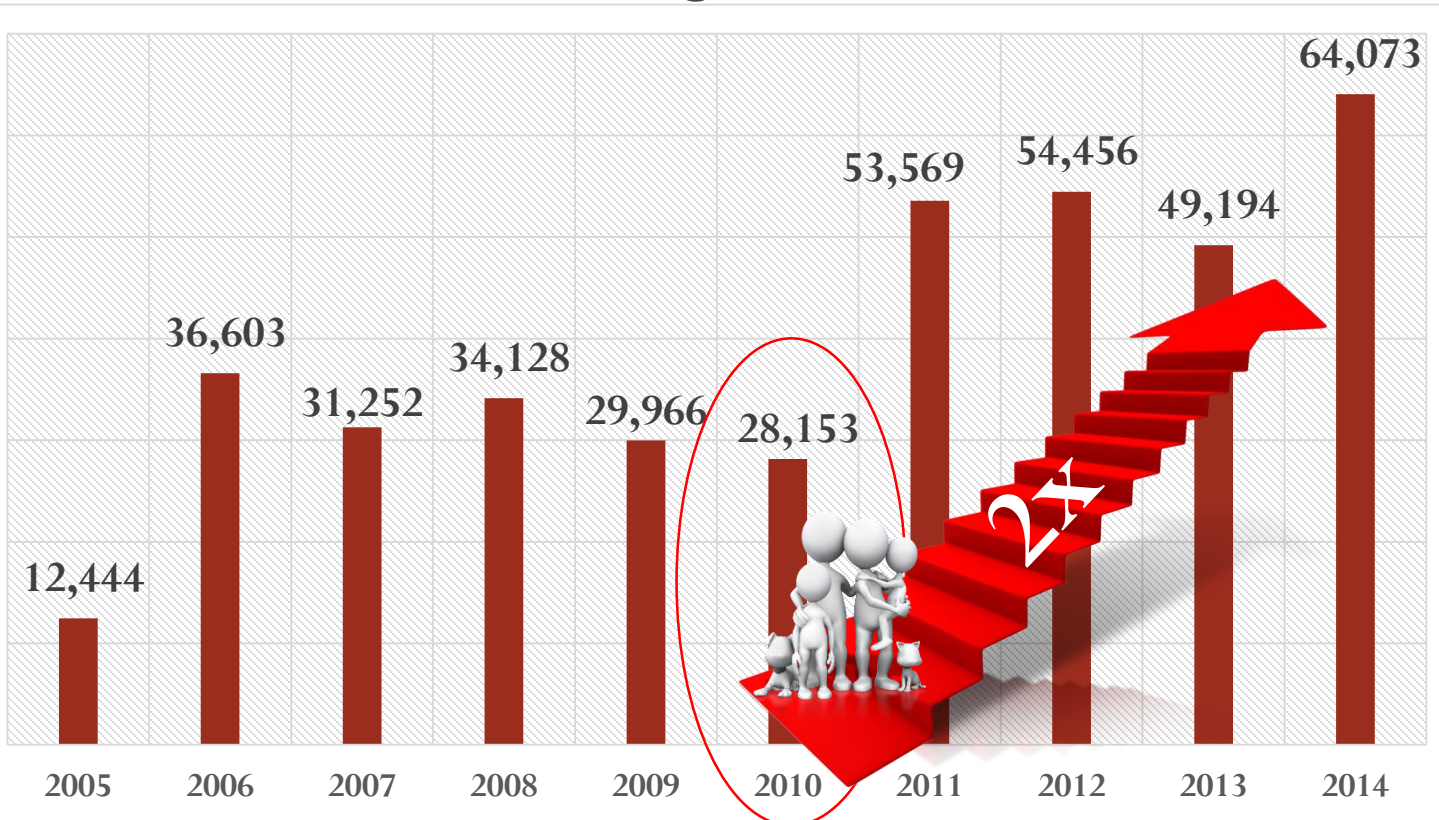




Net migration to U.S. has doubled from what it was 5 years ago
Around 60% of these migrants may be eligible to Medicaid

Puerto Rican Net Migration to the U.S.

Puerto Rican Migrant Profile



48% had some college education



46% were under 100% of FPL



median income was \$10,709 annually



58% may be eligible for Medicaid in USA

Boricua Medicaid Cliff

- Puerto Rico is experiencing a **humanitarian crisis** in health care services due to **severe Federal underfunding**.
- By 2018 the crisis will become a catastrophe if the federal government continues on the path to further reduce funding to Puerto Rico by another \$2.5 billion.



\$3

billion

less by 2019

**Almost 1
million
people will
be suddenly
uninsured**



Individuals



Families

Medical Conditions

Diabetes

16.0%

142,400



Hypertension

31.3%

278,570



Asthma

7.7%

68,530



Depression

11.2%

99,680



Questions?

Latinos

For Healthcare Equity

Latinos for Healthcare Equity (LHE) is a 501 (c)(3) not-for-profit New York-based national organization, whose mission is to serve as a Latino-focused organization which aims to educate government officials, organizations, media, leaders and the general public about the need to provide comprehensive, universal, accessible, equitable and affordable health services to every person living in the United States and its Territories

Puerto Rico Rises!!!!



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