

Remarks: The Henry J. Kaiser Family Foundation

Re: Briefing on Status of Hurricane Recovery and Health Care System 6 months after the

Storms. Puerto Rico and USVI

Monday, March 19. 9:30 am (speaking at 10:30 am)

Good morning. I want to thank everyone for coming and for your interest in following recovery efforts in both Puerto Rico and the USVI in the aftermath of hurricanes Irma and Maria. I also want to thank the Kaiser Foundation for inviting me to be here with you today and for our panelists and their participation in this event.

The recovery efforts in response to the devastation inflicted by hurricanes Irma and Maria are still very much underway in Puerto Rico. Particularly with Maria, we feared even before the hurricane made landfall that it would be a catastrophic, life-changing event for every single one of my constituents. Sadly, we were right. Maria blanketed the entire island, leaving no corner untouched and unscathed. A large number of my constituents lost absolutely everything, with others reporting damages to their homes, businesses and other belongings. Most notably, the island's power grid took such a significant hit, that today- 6 months after the storm- hundreds of thousands of my constituents continue to live without power and with limited access to potable water and communication services. The lucky ones that do have power, still experience frequent power outages and interrupted services. Life is far from normal and even

further from what it used to be before these two historical storms. The Puerto Rico we live in today is most certainly different from the one we knew six months ago. There is a before and after that continues to challenge my constituents in different ways.

Puerto Rico already had health care related setbacks long before hurricanes Irma and Maria devastated the island. Historically we've had unequal treatment under the Medicaid program, which includes capped federal funding, and finite block-granted funding under the Affordable Care Act resulted in a federal funding shortfall. This was a problem. We were not treated equally under the ACA and realized what this meant and the magnitude of the problem it represented when Puerto Rico quickly began running out of money before the 2019 deadline, meaning we were facing a Medicaid cliff that threatened to leave over 600,000 of my constituents without access to health care services. As Puerto Rico's sole representative in Congress, responsible for representing over 3.4 million American citizens, these are the disparity issues that keep me up at night, knowing that with every passing day- we were getting closer to the cliff and closer to large portions of my constituency losing access to health care services.

Thankfully, with the approval of the Bipartisan Budget Act of 2018, which included supplemental funds for disaster relief for Puerto Rico and the USVI, we now have a new two-year \$4.9 billion allocation for our Medicaid program. Of those \$4.9 billion, \$4.8 billion were allocated specifically for Puerto Rico at 100% share of Federal Medical Assistance Percentage (FMAP) and with no 45% cost-share requirement. This allocation of money is unprecedented for the island. The ACA allocated \$6.3 billion to cover Medicaid expenses in Puerto Rico from 2011-2019, yet the island had to provide a 45% cost-share match. Failure to act would have resulted in Puerto Rico reverting to the

previous Medicaid funding level of 350 million per year, plus a 50% cost-share match requirement. The \$4.8 billion brought a huge sense of relief and eliminated the looming Medicaid cliff. I will be forever thankful for my colleagues in Congress who voted in favor. Now, for next steps, we are looking to find a long-term solution for the unequal treatment Puerto Rico receives under the Medicaid Program beyond the two years.

Another health care disparity my constituents face relates to Medicare Part B enrollment. As you are probably aware, US citizens residing in the states and territories other than Puerto Rico who are receiving Social Security benefits are automatically enrolled in both Medicare Part A and Part B, with coverage beginning the first day of the month in which they turn 65 years old. However, Puerto Rico lacks an automatic enrollment process for Medicare Part B. Consequently, my constituents over 65 must actively enroll in Medicare Part B within the 7-month initial enrollment period. If they fail to do so, they are subjected to a lifetime late enrollment penalty fee for Medicare Part B services. As remedial action for this disparity, I have introduced H.R. 2531, the Puerto Rico Medicare Part B Equality Act, and am currently working with my colleagues in Congress to gather their support and hopefully end this additional hurdle on our seniors.

After the hurricanes, there has been a noticeable decline in mental health. Puerto Rico has a mental health and suicide prevention hotline that is accessible to constituents. The line reportedly received over 26,000 calls after the hurricanes in September and December of last year. Of these calls, many indicated suicidal thoughts or intentions. This number has somewhat subsided in 2018, however, the hotline continues to receive a higher number of calls compared to previous years. Additionally, my constituents still

display trauma-related behavior by noting feelings of intense fear when listening to sudden gusts of wind or heavy rainfall. They automatically associate it with the struggles they had during the hurricane and the fear they felt when having to physically secure their belongings during the storm.

Lastly, another of the more acute issues at hand is the constant departure of medical doctors, nurses, and health professionals from the island. This problem was noticeable before the storms. Doctors and nurses were some of the main groups of professionals that opted for better pay and benefits in the U.S. mainland, in comparison with staying in Puerto Rico. Following Irma and Maria, departure rates rapidly increased and we are now at a deficit of medical professionals in multiple fields. This is a rather alarming fact since, as you know, the medical community is an essential component of recovery efforts. Another motivating factor is the fact that health care providers in Puerto Rico are reimbursed at dramatically lower rates than their counterparts in the 50 states and even in our fellow territories. To give you an example, the benchmark for health care providers in Puerto Rico under the Medicare Advantage program is 26% lower than in the USVI and 45% lower than the average in the states. This is an issue that we are currently trying to address with CMS and HHS.

In short, the road ahead remains long and arduous. I have complete faith in my constituents and the resilience they have demonstrated these past 6 months. As a Puerto Rican myself, I can firmly attest to the strength and courage of Puerto Ricans everywhere. Yet, help and federal assistance continues to be of paramount importance. We cannot do this alone. I appreciate my colleagues in Congress for their assistance

and collaboration thus far and request their continued support as we continue to move forward.

Thank you again for having me here and for allowing me to make remarks on this important issue. Safeguarding health care services is an intrinsic part of the path towards greater recovery.