



GOBIERNO DE PUERTO RICO
Administración de Seguros de Salud

Circular Letter 20-0723

July 23, 2020

To: Managed Care Organizations (MCOs) contracted to offer services under the Government Health Plan Program (Vital)

RE: 70% MEDICARE FEE SCHEDULE - SUSTAINABILITY MEASURE

The Puerto Rico Health Insurance Administration (ASES) has complete all the operational requirements including the submission to the Center of Medicare and Medicaid Services (CMS) the State Plan Amendment (SPA), this latter in coordination with the Puerto Rico Medicaid Program (PRMP), in order to establish the minimum fee schedule of 70% of the Puerto Rico Medicare Part B fee schedule (PRMFS). This process establishes at a minimum fee for all applicable providers of Plan Vital. Other criteria that also apply if the providers were furnished under Part B of title XVIII, disregarding services that are paid through sub-capitated arrangements. This is a mandate of House Resolution 1865, Further Consolidated Appropriations Act, 2020, Section 202. Also are one of the five sustainability initiatives that Congress details for ASES to strengthen the program and services and have access to additional federal funds.

As mentioned ASES intends to establish the effective on May 1, 2020, under the MCO arrangement which will be required to pay no less than the minimum fee schedule for all eligible professional services. ASES will increase the per member per month (PMPM) capitation rates to MCOs to account for the additional costs incurred by the MCOs with respect to the minimum fee schedule. All these changes are considered in detail in the MCO Contract Amendment.

The reference MCO Contract Amendment must be approve by CMS and the Financial Oversight and Management Board of Puerto Rico (FOMB). The Puerto Rico Medicaid Program received from CMS the approval for the SPA with FOMB. Although the meeting was held on June 21, 2020, as mentioned that it has been approved, currently ASES has not received from FOMB the approval letter in order to execute the reference Amendment. Meanwhile ASES will continue with the MCO payment at the Rates that existed prior to the Amendment Effective Date, until approved by FOMB.

Cordially,

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Executive Director



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Autorizado por la Comisión Estatal de Elecciones CEE-SA-19-166