



Circular Letter 20-1016

October 16, 2020

To: Managed Care Organizations (MCOs) and Primary Medical Groups (PMGs) contracted to offer services under the Government Health Plan Program (Vital)

Re: Stop-loss and Reinsurance

As you all may know, recently the Government Health Plan (GHP) Contract between the Puerto Rico Health Insurance Administration (ASES) and the Managed Care Organizations (MCOs) for the Plan Vital was amended.

Please receive this communication as a reminder to all MCOs and each Primary Medical Groups (PMGs) contracted to provide health services under the GHP, of its obligation under **Section 23.3.4** of the Plan Vital Contract, regarding the Stop-loss and Reinsurance.

For that purposes please note the new amended Section 23.3.4:

23.3.4 The Contractor's stop-loss responsibility shall not be transferred to a PMG unless the PMG and the Contractor expressly agree in writing to the PMG's assuming this risk. In this event, Contractor shall evaluate and accept any stop-loss insurance and reinsurance obtained by the PMG from a licensed insurer or reinsurer that meets agreed-upon coverage amounts and other requirements, and shall neither refuse to accept such qualifying coverage nor obligate the PMG to utilize insurance provided by the Contractor. Stop-loss and reinsurance coverage must comply with Puerto Rico insurance law, as applicable.

Cordially,

Jorge E. Galva, JD, MHA
Executive Director

