

**Congress of the United States**  
**Washington, DC 20515**

June 18, 2015

The President  
The White House  
1600 Pennsylvania Avenue  
Washington, DC 20500

Dear Mr. President:

We write to express our concern regarding the numerous disparities that American citizens living in Puerto Rico face under Medicaid, traditional Medicare and Medicare Advantage. Most of these disparities are longstanding. But others—particularly those relating to federal payments to MA plans in Puerto Rico—are of recent vintage. The cumulative impact of these inequalities—on patients, doctors, hospitals, health insurance providers and other stakeholders—has been severe, causing a genuine crisis and putting the health of Puerto Rico’s residents at risk.

This issue is important not only to the three-and-a-half million residents of Puerto Rico and their elected representatives, but also to the five million individuals of Puerto Rican birth or heritage that live in the states and their public officials. We know that it is important to you as well and that you pledged in the past that you would “work closely with the government of Puerto Rico and Congress to strengthen the federal government’s investment in the health of the people of Puerto Rico.” We believe the Administration has not done enough to rectify the health care disparities that confront Puerto Rico, and we strongly urge the Administration to take immediate, decisive and concrete steps to eliminate or mitigate these disparities, through administrative action wherever possible and through collaboration with Congress where statutory solutions are required.

In a recent letter to Members of Congress, Andrew Slavitt, the Acting Administrator of CMS, acknowledged that “Puerto Rico has a unique health care market, with many low-income individuals in both Medicare and Medicaid, and a complex legal history that affects the health care system in many ways.” Mr. Slavitt indicated that the Secretary of HHS, Sylvia Burwell, will be “creating a workgroup within HHS so that there is a coordinated mechanism for engagement with and response from the Department regarding the number of issues affecting Puerto Rico’s health care system.” We understand that Secretary Burwell made a commitment last week to include individuals representing Puerto Rico’s interests as part of this workgroup.

The creation of this joint workgroup is a welcome step. It is imperative that the group’s deliberations commence without delay and that they culminate in specific actions. We believe that there are administrative measures that can be taken immediately to help Puerto Rico, and we are available to work with you to identify such measures. As noted, most of the disparities confronting Puerto Rico are rooted in federal statute and therefore require legislative fixes. A bill recently introduced in the House, H.R. 2465, the *Improving the Treatment of the U.S. Territories Under Federal Health Programs Act of 2015*, provides a detailed blueprint for federal

policymakers. The legislation identifies the various problems that exist under federal law with respect to Medicaid, traditional Medicare and Medicare Advantage and offers fair and realistic solutions to each problem. A similar bill will be introduced in the Senate as well. The workgroup should study this legislation, decide which specific provisions it supports, and then work with Congress on a bipartisan basis to enact those provisions into law.

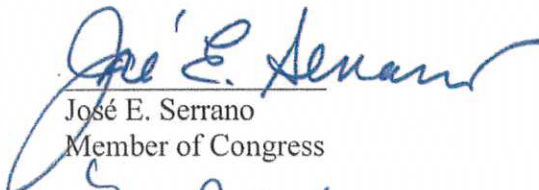
The disparate treatment that the U.S. citizens of Puerto Rico receive under federal health programs cannot be justified on public policy grounds. Island residents can relocate to the states and receive equal treatment, but are deprived of equal treatment if they choose to remain in Puerto Rico. In addition, workers in Puerto Rico pay the same federal payroll taxes as workers in the states. These taxes fund nearly 90 percent of Medicare Part A and constitute nearly 40 percent of total Medicare revenue. Moreover, Medicare beneficiaries in Puerto Rico pay the same premiums under Part B and Part D as their counterparts in the states.

The problems in Puerto Rico's health care system owe in large part to inadequate federal funding and unequal treatment under federal law. These problems are not going away and, indeed, are getting worse. We urge you to exercise leadership and to work with Congress to formulate a clear plan to address these problems.

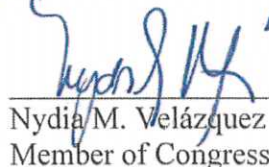
Sincerely,



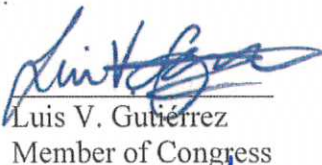
Pedro R. Pierluisi  
Member of Congress



José E. Serrano  
Member of Congress



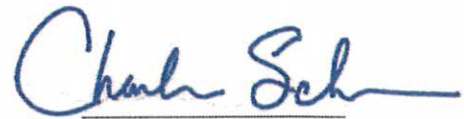
Nydia M. Velázquez  
Member of Congress



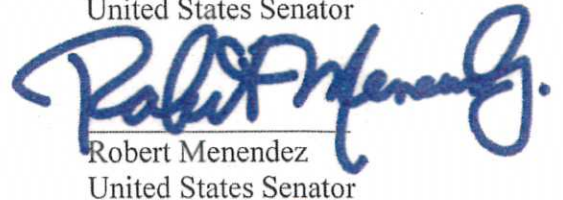
Luis V. Gutiérrez  
Member of Congress



Bill Nelson  
United States Senator



Charles E. Schumer  
United States Senator



Robert Menendez  
United States Senator



Kirsten E. Gillibrand  
United States Senator



Charles D. Rangel  
Member of Congress

cc: Hon. Sylvia M. Burwell, Secretary, U.S. Department of Health and Human Services  
Hon. Andrew Slavitt, Acting Administrator, Centers for Medicare & Medicaid Services