



## Legislation Text

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**File #:** Res 0818-2015, **Version:** \*

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### Res. No. 818

Resolution calling upon the United States Congress to pass and the President to sign the Improving the Treatment of the U.S. Territories Under Federal Health Programs Act of 2015 (H.R. 2635), which would make improvements to the treatment of the United States territories under the Medicare and Medicaid programs

By Council Members Torres, The Speaker (Council Member Mark-Viverito), Mendez, Arroyo, Koo, Koslowitz, Richards, Johnson, Rosenthal, Menchaca, Cohen, Reynoso, Lancman, Greenfield, King, Lander, Kallos and Barron

Whereas, According to the 2010 Census, Puerto Ricans make up nine percent of New York City's total population and New York State contains 23 percent of all Puerto Ricans in the United States (U.S.); and

Whereas, Puerto Ricans are United States citizens who pay the same Medicare taxes, yet the island receives less healthcare funding than any of the fifty states; and

Whereas, Enrollment numbers show that up to sixty percent of the Island's population receives their health care through Medicare, Medicare Advantage or Medicaid; and

Whereas, Even though these public programs are such a large portion of Puerto Rico's health care industry, practitioners receive much smaller Medicare and Medicaid reimbursement rates than those received by their counterparts on the mainland; and

Whereas, The amount of funding that the federal government provides to support the Medicaid program in territories is capped although there is no limit in matching funds for states; and

Whereas, The federal contribution to states for Medicaid ranges from 50 percent for the wealthiest states to 83 percent for the poorest states, however territories are capped at 50 percent; and

Whereas, The situation is so bad that some advocates estimate that one doctor a day leaves Puerto Rico to go work in the states; and

Whereas, One study found that compared with hospitals in the states, hospitals in the U.S. territories have significantly higher 30-day mortality rates and lower performance levels on every standard of care measured in the study; and

Whereas, The Patient Protection and Affordable Care Act (ACA) of 2010 provided \$6.4 billion in additional Medicaid funding to Puerto Rico from Fiscal Year 2011 to the end of Fiscal Year 2019; and

Whereas, With this additional funding running out in the coming years and the territory's current disastrously low funding rate, Puerto Rico will have to come up with billions of dollars starting in 2018 or dramatically reduce its Medicaid program; and

Whereas, Puerto Rico is currently facing one of the greatest fiscal and economic crises in its modern history and the austerity measures needed for its fiscal well-being are sure to take a toll on public health services; and

Whereas, Pedro R. Pierluisi, Puerto Rico's resident commissioner to the U.S. Congress, introduced the Improving the Treatment of the U.S. Territories Under Federal Health Programs Act of 2015 (H. R. 2635); and

Whereas, Starting in Fiscal Year 2017, the bill would provide the territories, including Puerto Rico, with state-like treatment by eliminating the funding cap for Medicaid and calculating reimbursement based on a territory's per capita income; and

Whereas, H.R. 2635 would amend the Social Security Act to include the territories in the Medicaid disproportionate share hospital program (which provides funding to hospitals that treat a high percentage of low-income and uninsured patients), from which they have always been excluded; and

Whereas, The legislation would also improve the formula for the Medicare disproportionate share hospital program in Puerto Rico, as the current formula calculates payments based on the number of patients enrolled in the federal Supplemental Security Income program, a program that was not extended to Puerto Rico; and

Whereas, H. R. 2635 would also change the base rate for Puerto Rico's hospitals to be equal to those in

the states; and

Whereas, The bill would establish a reasonable floor for Medicare payments to compensate for a Medicare formula that many believe is disadvantageous to Puerto Rico and results in insufficient payments to physicians; and

Whereas, H. R. 2635 would also cut in half the annual fee on insurers in territories that was created in the ACA, since the purpose of the fee was to help offset the cost of the ACA and territories are not eligible for many of the benefits provided in the ACA; and

Whereas, If the government does not intervene, hundreds of thousands of patients in Puerto Rico could see a dramatic decrease in their healthcare coverage; and

Whereas, President Barack Obama and Health and Human Services Secretary Sylvia Mathews Burwell should also strengthen the federal government's investment in the health of the people of Puerto Rico and work to ensure healthcare equity for Puerto Rico; and

Whereas, We need to act now to save Puerto Rico's healthcare system; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the United States Congress to pass and the President to sign the Improving the Treatment of the U.S. Territories Under Federal Health Programs Act of 2015 (H.R. 2635), which would make improvements to the treatment of the United States territories under the Medicare and Medicaid programs.

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