

**Víctor M. Ramos Otero, MD, MBA Presidente**

# Colegio de Médicos Cirujanos de Puerto Rico

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March 5, 2018

Demetrios Kouzoukas

Principal Deputy Administrator and Director Center for Medicare and Medicaid Services

RE: Docket number: CMS-2017-0163 Dear Mr. Kouzoukas,

I write to you on behalf of the P.R. College of Physicians and Surgeon (the “CMCPR”), a compulsory association encompassing the totality of the licensed physicians in Puerto Rico. We subscribe the comments submitted by the Medicare and Medicaid Advantage Products Association of Puerto Rico ("MMAPA") to the 2019 Medicare Advantage and Part D Advance Notice Part II and Draft Call Letter. However, on behalf of the approximately 9,000 physicians licensed in Puerto Rico, the CMCPR submits that CMS must approve regulation to ensure that the rate increases based on the higher cost of living and of providing services is passed on to the providers who actually incur in those higher costs, and is NOT kept by the health insurance company as is currently happening.

CMS has acknowledged that a far greater proportion of Medicare beneficiaries in Puerto Rico receive benefits through Medicare Advantage than in any state or territory. The high concentration of these patients in the handful of Medical Advantage insurers in Puerto Rico has led to a concentration of market power to the ultimate detriment of the patients. This market power has been used by such insurers and their affiliates to force providers to accept such conditions such as unreasonably low payment rates and the contracting of TPAs who impose unreasonable conditions, the termination without cause or one-sided modification of provider contracts, in order not to be forced out of the market. This practice has led to a massive exodus of physicians from the Island, causing a shortage in specialists and a long waiting period for patients to see these doctors. It has also led to the concentration of patients in fewer physicians, to the detriment of the healthcare the patients receive. Additionally, it has also caused patients to leave to seek treatment, splitting families apart.

History has shown that increasing rates to Medicare Advantage insurers in Puerto Rico based on higher costs of providing the services is no guarantee that such increase will be passed on to the party who actually bears the cost. As CMCPR has consistently denounced, the recent increase based on a revised GPCI for Puerto Rico did not result in an increase in rates paid to providers;

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to the contrary, Medicare Advantage insurers kept the increase for themselves. CMS must make sure— for the ultimate benefit of the Medicare Advantage patients— that increases based on higher cost of living or of providing services is passed on to the provider who bears the increase in cost and is not kept by the insurer to increase profits for its shareholders.

We trust that CMS will take our comments into consideration and that it will act accordingly to protect its patients in Puerto Rico.

Attentively,



Victor Ramos, MD MBA President

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