



James Firman, Chair

October 19, 2017

Dear Senator:

The Leadership Council of Aging Organizations (LCAO) is a coalition of national nonprofit organizations concerned with the well-being of America's older population and committed to representing their interests in the policy-making arena. We write to urge you to address the deteriorating and dire health emergency in Puerto Rico. Specifically, we urge Congress to provide immediate Medicaid assistance to the Commonwealth as part of the supplemental and does not require Puerto Rico to match federal funds.

Roughly one third of Puerto Rico's population is 55 years or older, and because of their age are more likely to have medical conditions that require regular treatment. The situation is particularly serious for Puerto Rico's 6,000 dialysis patients who are having their care rationed because of limited electricity and diesel fuel for generators. Most of the island is without basic services such as power and potable running water. Roughly half of the 65 hospitals on the island still do not have electricity and many are running low on medicines and fuel for generators.

The death toll attributable to the hurricanes is 45 and rising. Deaths from infections due to contaminated water are occurring.

Forty-nine percent of the Commonwealth's population is enrolled in Medicaid. Even before the devastation wrought by Hurricanes Irma and Maria, the fixed federal Medicaid matching payment (FMAP) and Medicaid cap on funding to Puerto Rico put substantial stress on the health care system and contributed to the fiscal instability of the Commonwealth.

Puerto Rico and U.S. territories face an inequity in federal Medicaid funding for their U.S. citizens. The federal government picks up a fixed share of all states' Medicaid costs and continues to pay the federal share as those costs rise. But in Puerto Rico (and other territories) the federal government pays 55% of the Medicaid costs for U.S. citizens within a highly inadequate block grant. This block grant is a fixed and capped amount of federal funding that is well below actual Medicaid costs for each territory. Once a territory such as Puerto Rico spends its federal block grant, it must pay 100% of Medicaid costs going forward.

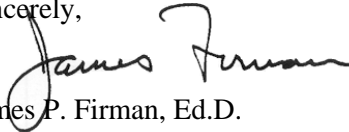
Moreover, if each territory's matching rate were based on the same formula used for the states, the federal matching rate for Puerto Rico would be 83%. The ACA provided additional Medicaid funding for Puerto Rico available through 2019, but Puerto Rico had nearly exhausted its share of those funds *before Hurricanes Irma and Maria put more U.S. citizens out of work and in need of health care coverage.*

That is why it is urgent for Congress to act quickly to address this humanitarian crisis to bolster the health care system and ensure health care services for these citizens of the United States of America. Congress must ensure full federal funding for Puerto Rico to provide Medicaid coverage for its U.S. citizens that do not evacuate. As with Hurricane Katrina evacuees, the federal government should ensure 100 percent federal funding for any state Medicaid costs related to treatment of evacuees from Puerto Rico and the Virgin Islands.

After addressing the immediate health care needs of this crisis, we urge Congress to address the ongoing inequity of the current fixed and capped Medicaid program for Puerto Rico and other U.S. territories. To rebuild the health care system and protect health care services for Puerto Rico's older adults and people with disabilities, we urge Congress to eliminate the cap on federal matching payments and to set the matching rate for Puerto Rico and other territories under the same rules that are used to set matching rates for the states and the District of Columbia.

Again, we strongly urge Congress to include Medicaid assistance to Puerto Rico as emergency funding that does not require a match from the Commonwealth.

Sincerely,

A handwritten signature in black ink that reads "James P. Firman". The signature is written in a cursive style with a large initial "J".

James P. Firman, Ed.D.
President & CEO, National Council on Aging
Chair, Leadership Council of Aging Organizations