

United States Senate
WASHINGTON, DC 20510-0908

July 8, 2021

The Honorable Ron Wyden
Chairman
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Mike Crapo
Ranking Member
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Wyden and Ranking Member Crapo:

Without congressional action, Puerto Rico will face a Medicaid fiscal cliff on September 30, 2021 that will lead to a significant shortfall in Fiscal Year 2022. As such, we urge the Senate Committee on Finance to implement a long-term, sustainable solution for Puerto Rico's Medicaid program.

Access to continued, stable support is especially critical as Puerto Rico continues its long road to recovery from the devastation of Hurricane Maria; a recovery that has only been further complicated by the ongoing impact of COVID-19. Under Section 1108 of the *Social Security Act*, territorial Medicaid programs, unlike state programs, are subject to an annual statutory cap. Most recently, in 2019, Congress acted to increase the limit of the Section 1108 cap for a period of two years. Should that expire without a legislative fix, Puerto Rico's Medicaid program will lose approximately 90 percent of its federal funding. This outcome would be devastating for the approximately 1.5 million beneficiaries who rely on the viability of Puerto Rico's Medicaid program.

On March 17, 2021, the Medicaid and CHIP Payment and Access Commission (MACPAC) Executive Director testified before the U.S. House of Representatives Committee on Energy and Commerce, Health Subcommittee that MACPAC does not expect Puerto Rico to be able to "fill the funding gap with local funds." The Commission also noted that the current financing structure based on short-term infusions make it "difficult for territories officials to plan, manage, and sustain long-term, reliable access to care for Medicaid beneficiaries." To address this concern, we request that the Committee work with the Government of Puerto Rico to secure a long-term, sustainable solution that eliminates the need for stop-gap measures and ensures stability for our fellow Americans on the island.

In light of the pending deadline, we request the Committee's urgent action to address this matter and stand ready to work with you. Thank you for your attention to this important matter.

Sincerely,



Marco Rubio
U.S. Senator

Robert Menendez
U.S. Senator



Rick Scott
U.S. Senator



Richard Blumenthal
U.S. Senator