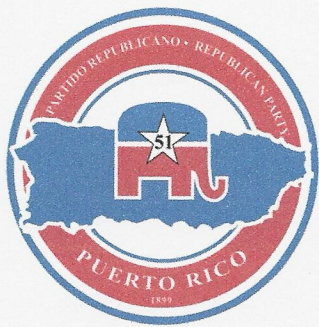




REPUBLICAN PARTY OF PUERTO RICO

MAI Center, Suite 316

2000 Kennedy Avenue

San Juan, PR 00920

Tel: (787) 957-9900

Email: republicanPR@gmail.com

June 23rd, 2026

The Honorable Robert F. Kennedy, Jr.
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Mr. Secretary:

On behalf of the Republican Party of Puerto Rico, we write in strong support of Governor Jenniffer González-Colón's request that the Department of Health and Human Services (HHS) and the Centers for Medicare & Medicaid Services (CMS) address one of the most significant remaining challenges within the Medicare Advantage (MA) program: the structural underfunding of MA in Puerto Rico.

Puerto Rico is home to the most successful MA market in the United States. More than 670,000 seniors—over 96 percent of Medicare beneficiaries on the Island—have chosen MA as their preferred form of coverage. No state or territory has embraced the program to the extent that Puerto Rico has. This extraordinary participation rate demonstrates the value beneficiaries have placed on private-sector innovation, coordinated care, and patient-centered healthcare delivery.

Furthermore, Puerto Rico is not only the nation's highest-enrollment MA market—it is also one of its top-performing, as close to 100 percent of MA beneficiaries on the Island are enrolled in plans rated 4.5 stars or higher.

Yet, despite this success story, Puerto Rico continues to receive the lowest benchmark payments in the nation. Current MA rates remain approximately 41 percent below the national average and nearly 20 percent below those in our neighboring territory of the U.S. Virgin Islands.

We therefore urge CMS to establish a *National Medicare Advantage Benchmark Floor* beginning with the 2028 payment year. Specifically, CMS should consider establishing a minimum national benchmark equal to the level currently observed in the U.S. Virgin Islands—approximately 70 percent of the national Average Geographic Amount (AGA).

This paradox reveals a fundamental flaw in the current payment methodology. Because benchmark calculations currently rely on fee-for-service Medicare spending, regions like Puerto Rico with exceptionally high MA participation can find themselves trapped in a cycle where the success of the program itself undermines the accuracy of future payment rates.

In Puerto Rico, more than 96 percent of beneficiaries have already chosen MA. As a result, benchmark calculations are based on the experience of only about 29,000 beneficiaries enrolled in Original Medicare Parts A and B. That population is just too small to accurately reflect the healthcare needs and costs of the Island's Medicare population. Simply put, Puerto Rico is being penalized because of its MA program's overwhelming success.

The more beneficiaries choose MA, the smaller and less representative the remaining fee-for-service population becomes. Over time, this creates structural distortions in benchmark calculations that understate the resources necessary to provide high-quality care. Puerto Rico's experience demonstrates that the current methodology was never designed for a market where Medicare Advantage has become the dominant form of coverage.

The consequences of this policy in Puerto Rico are significant. Lower benchmark payments place undue pressure on provider reimbursement, contribute to physician shortages, strain provider networks, and encourage both healthcare professionals and beneficiaries to relocate to the United States mainland. This outcome is detrimental not only to Puerto Rico, but also to the federal and state governments, which ultimately bear the much higher cost of healthcare migration and the continued erosion of healthcare capacity on the Island.

Puerto Rico presents a unique opportunity for HHS and CMS to strengthen MA at the point where it is most heavily utilized and where federal dollars can have the greatest impact. Fixing MA in Puerto Rico would demonstrate that the program can successfully serve high-risk, low-income, and medically vulnerable populations while maintaining the principles of free market choice, competition, innovation, and coordinated care that have made MA so successful nationwide.

Moreover, fixing MA in Puerto Rico is preferable to maintaining a system that pressures providers and patients to leave the Island in search of better-funded healthcare systems in the states. Strengthening healthcare delivery in Puerto Rico is in the best interest of beneficiaries, providers, American taxpayers, and the federal government alike.

Such a policy would enhance provider participation, improve network adequacy, support workforce retention, expand access to specialty care, improve health outcomes, and reduce incentives for a continued provider and beneficiary exodus to the mainland.

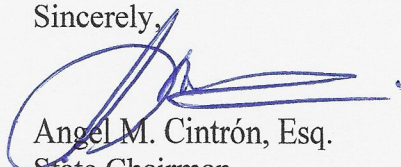
Puerto Rico's Medicare beneficiaries are not asking for special treatment. Puerto Rican workers and employers pay the same Medicare payroll taxes as their fellow American citizens in the states and contribute directly to the Medicare Trust Fund that finances the program.

The Island therefore presents more than a territorial healthcare challenge—it presents an opportunity to strengthen MA nationally. If left unaddressed, the same structural dynamics could emerge in other regions as MA enrollment continues to grow across the country.

Thus, Puerto Rico should be viewed not as an outlier, but as a preview of MA's future. As enrollment continues to grow nationwide, the lessons learned in Puerto Rico can help CMS build a stronger, more sustainable MA program for all Americans. By addressing these challenges now, HHS and CMS have an opportunity to modernize MA, promote fairness within the program, and ensure that success is rewarded rather than penalized.

We appreciate your consideration of this request and stand ready to work with the Trump Administration to ensure that Puerto Rico's seniors receive the healthcare access and support they deserve.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Angel M. Cintrón', with a stylized flourish extending to the right.

Angel M. Cintrón, Esq.
State Chairman
Puerto Rico Republican Party