



**The Puerto Rico Chamber of Commerce
Birling Capital, BDO Puerto Rico, LLC and El Nuevo Día present:**



Healthcare Sector
Jim O'Drobinak

Puerto Rico FIRST Goals (denotes those addressed in healthcare sector)

1. Transform Puerto Rico with robust economic development and sustained the growth of 4% over the next four years
2. Have an industrial structure in which employment in activities related to the knowledge bases economy with not less than 25% of GNP within ten years.
3. Create 300,000 new jobs in the private sector in the next six years.
4. Increase the labor participation rate to 55% in six years.
5. Reduce the unemployment rate to 5% in six years.
6. Reduce the government apparatus by transferring to the private sector any corporation, operation, or service that the private sector can perform more efficiently.
7. Increase median household income by 30%, from the current \$20,873.80.
8. Transform the educational system from primary to university level into one focused on entrepreneurship, trades, and transformation.

Current State – Healthcare Sector

- Tremendously underfunded – MA 40% below US average, Medicaid 60%*
 - Yields lack of innovation and technology
- Aging, fragmented, inexperienced leadership and constituent base
- Fallout from Population loss (2009 – 3.9M; 2019 – 3.1M, down >20%)
 - Best, youngest Doctors are leaving
 - Aging , expensive population (Deaths>Births)
 - Tremendous excess supply in hospitals, etc.
- Misconception that Vital is “Puerto Rico’s healthcare system”

Vision of Health Sector

To be one of the leading planks of the **New Puerto Rico Economic Recovery Platform**

- Significant driver of GNP (1. Tourism 2. Health Care 3.? 4.??)
- Significant employer of attractive jobs (\$ and knowledge-based economy) in private sector
- Stabilizing force for retention/attraction of (younger) population
 - + Security
 - + Public Education

Opportunities of Health Sector

- Optimize use of \$5.7B Medicaid Sustainability Funding
 - Use ALL money on 5 Sustainability measures
- Increases in Federal MA Funding
 - Need Bi-partisan local and national focus
- Public Private Partnership
 - Education programs in Universities
 - New Investments in facilities, technology
 - CMS Innovation programs
- Continued Privatization of Healthcare system

Recommendations for Health Sector

- Consolidate and believe in healthcare data
- Public Private Partnership re: \$5.7B Medicaid Funding
 - 60,000 MA lives transferred from Vital in 2020 (+\$500M in annual funding)
- Scale back and improve Vital
- Close Government Hospitals/focus on special needs of Mi Salud
- Combine Medicaid and ASES offices
- Create Local Healthcare Task Force
- Force HHS to renew PR/HHS Task Force
- HIGHLY emphasize MA funding as one of PR's (entire island) priority DC "asks"



THANK YOU!

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