ROL DEL SECTOR PRIVADO EN LA PRESTACION DE SERVICIOS DE SALUD

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PUERTO RICO HEALTH ECOSYSTEM

Priorities

- Recognizing and understand the importance of public health.
- Collaborate to promote the health of the population using public and private sectors.
- The importance of an equitable health system.

Must Understand

- Historical background of Puerto Rico's health system.
- Organization of Puerto Rico's Health System.
- The Road after the Health Reform 1993.

PUERTO RICO HEALTH SYSTEM FACTS

- Responsibility of the Government.
- Most of health care services rendered on the 20th Century was through a public health system.
- Challenge is the increase of Operational Costs
  - Professionals.
  - Diagnostic technology
  - Population levels and demographics
  - Emergence of health conditions that require intensive care and resources.
- Economic growth after 1960
  - Employers offer health insurance coverage facilitating access to private health services.

PUERTO RICO HEALTH SYSTEM FACTS

- Puerto Rico Economic model after 1960
  - Majority of employers offer health insurance coverage facilitating access to private health services.

Result…

Puerto Rico health system is a dual system.

PUERTO RICO HEALTH SYSTEM FACTS

- 1820-1949 – The government was responsible for health care services
- 1916-1919 - Headed by a commissioner who was part of the governor's cabinet the Department of Health was created
- 1930-1939 - Every town had a public health.
- 1940-1949 - A regional health system and the School of Medicine of the University of Puerto Rico.
- 1950-1959 - all municipalities had a Diagnostic and Treatment Centers, known as CDTs, directed towards primary health care.
- 1960-1969 – Observed the prevalence of chronic and degenerative diseases in acute stage medical care requiring highly specialized hospitals.
- 1976-1979 - the government privatized the secondary level hospital care through a program called "democratization of medicine“ with the objective of hiring private companies whose expertise allowed them to achieve greater efficiency in the operation of hospitals.

PUERTO RICO HEALTH SYSTEM FACTS

- The public sector served approximately
  - 55% of the population with fewer beds, medical and diagnostic technology
- The private sector attend
  - 45% of the population with more beds, medical and diagnostic technology.

- Operation of the public system is extremely costly, without the necessary funds to
  - recruit health professionals
  - meet the infrastructure needs
  - Lacks the necessary diagnostic technology to provide adequate health services.
- In 1992 the General Health Council, advisor to the Office of the Secretary of Health, concluded that it was necessary to integrate the two sectors of the country's health system. **This led to the 1993 Health Reform.**

MODERNIZATION OF A HEALTHCARE SYSTEM

- From 1954 to 1993, experienced 3 initiatives to transform the structure and operation of health care on the island .
- All shared similar goals.
  - ensuring access to quality health services to the entire population;
  - give greater emphasis to primary health care,
  - facilitate the integration of the levels of service delivery, and
  - promote efficiency in the operation of the health system.

REFORMS

1st Reform

- Led by by Drs Guillermo Arbona and John B. Grant, (Rockefeller Foundation)
- To structure health care based on preventive care and early in
- Facilities located in each municipality, which facilitated the ac to these services

2nd Reform - Law 11, 1976, the Comprehensive Reform Act Health Services Puerto Rico

- A comprehensive public health policy aimed at guaranteeing the population access to a health system (in 1976)
- Main strategy would be primary care.
- Kept the official policy of Puerto Rico
  - that the government will be responsible for providing the population with access to health services,
  - that primary health care should be the main priority in the health system, and
  - that the state should have the participation and collaboration of the private sector to address the health needs of the population.

Law 11 recognizes that the state can use private strategies to fulfill its ministerial role to ensure the health of the people of Puerto Rico.

REFORMS

3rd Reform

- To improve access and quality of health services received by the low-income population of the country.
- Address claims that there was a mismatch between the population of high socioeconomic status and poor people in terms of access to quality health services. Generally known's as “La Tarjeta de Salud”

- based on two parallel strategies:
  - privatize the management of access to health services through the private health insurance market, and
  - private transfer to the provision of government health services through sale of public health facilities.

Both strategies pursued to achieve higher quality service at lower cost to the government.

THE 1993 HEALTH REFORM

- Law 72 of 1993 created the Health Insurance Administration, known as ASES,
  - ASES is a public corporation with autonomous powers to implement, manage, negotiate and contract medical cover for all residents of Puerto Rico, including participants Medical Assistance Program.
  - responsible for providing quality health care and hospital services to the eligible population.
  - an initiative to correct problems bedeviling the government health system, particularly in terms of unequal access to quality health services and the sharp increase in the government spending on health services
  - In December 1993, by a dispensation by the Federal Medicaid Program, ASES signed a contract with a private health plan to provide health coverage to approximately 60,500 eligible individuals through a managed care system.
  - In charge of hiring insurance companies and establish control mechanisms to prevent unwarranted increases in the cost of health services. It should also examine the access, quality, cost and utilization of health services and protect the rights of beneficiaries and providers of services.
  - The 1993 Health Care Reform was established with three main strategies:
    - privatize the management of access to health services;
    - privatize provision of services, and
    - implement a managed care model to guide the financing and management of the privatization process.

A REGIONAL SYSTEM OF SERVICES

This Regional System includes three levels of care:

1. CDTs offered in each municipality,
2. A district hospital, and
3. secondary, tertiary or specialized supratertiary, offered in the regional hospitals and the Puerto Rico Medical Center.

Primary level

Primary care in the CDTs was oriented toward health promotion, preventive services and management of outpatients with acute conditions. Primary preventive services for certain specific diseases and secondary preventive care for people with hypertension, diabetes and asthma. Also offered prenatal care and health services for healthy children.

The CDTs were the entry point to the health care system and served as the setting for the coordination and continuity of care.

Secondary level

Strengthened by grouping area hospital beds and secondary health services in hospitals (Carolina area, Guayama, Humacao, Manatí and Yauco) were located a short distance from the people they served and provided support to several CDTs.

Patients requiring secondary treatment were referred to these hospitals in the area. They offered access to specialists in internal medicine, pediatrics, surgery, gynecology and obstetrics. When necessary, area hospitals referred patients to regional hospitals for tertiary care.

A REGIONAL SYSTEM OF SERVICES

Tertiary level

Regional hospitals that offered tertiary care (in Arecibo, Bayamón, Caguas, Mayaguez, Ponce and San Juan and subsequently added Aguadilla and Fajardo).

At this level, attending patients with complex medical conditions requiring specialized personnel and sophisticated diagnostic technology.

The Rio Piedras Medical Center served as hospital care center supraterciary level for the whole island and offering more specialized services.

ASES
Asegurando tu Salud

PLAN PARA PUERTO RICO

1. Una sola región para los servicios de salud
2. Fortalecimiento de regulación y supervisión
3. Costo de medicamentos y salud mental
4. Regulación de Administradores de Beneficios de Farmacia
5. Éxodo de médicos y arbitraje para casos de impericia
6. Salud para todos y utilización adecuada de los recursos

FACILITIES

- Puerto Rico have 69 general and special hospitals
  - 55 are private and
  - 14 are operated by the government.
- More than 100 health centers distributed in all municipalities.

- The Puerto Rico Medical Center in Rio Piedras.
  - An academic center for medical research and the training of doctors and other health professionals.
  - The main place to meet conditions traumatic disaster and other catastrophes.
  - Chronic and degenerative diseases in acute stage medical care requiring highly specialized hospital.

Government Healthcare Ecosystem

HEALTHCARE PRIVATE FACILITIES AND COALITIONS

- **Pediatrics** – San Jorge Children's Hospital and Puerto Rico Children Hospital
- **Robotic Surgery/Stroke** – Hima San Pablo
- **Liver Transplant** – Auxilio Mutuo
- **Cardio Vascular** – San Pablo, Ashford, Pavia, Damas, Mayaguez
- Cancer centers many
- Renal Dialysis from 60 centers down to 43
- PUERTO RICO HEALTHCARE COORDINATING COUNCIL
- PUERTO RICO BUSINESS EMERGENCYOPERATIONS (BEOC)

PUERTO RICO IS SEVERELY UNDERFUNDED BY THE FEDERAL GOVERNMENT

Puerto Rico

Medicaid population: 1.5 million

Federal Funds: $1.8 billion

PR Funds: $1.0 billion

Total program cost: **$2.8** billion

Mississippi

Medicaid population: 677,630

Federal Funds: $3.9 billion

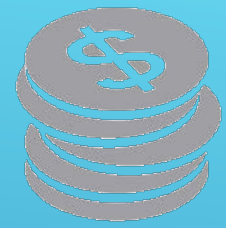
State Funds: $1.3 billion*

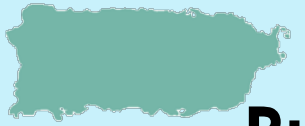
Total program cost: **$5.2** billion

In FY17 Mississippi received approximately $3.9 billion in Federal Funds even though their Medicaid population is less than half of Puerto Rico's.

*FY2015

WITHOUT ACA FUNDS PR WOULD HAVE TO PROVIDE 82.1% OF THE FUNDS





Puerto Rico

Medicaid population: 1.5 million

Federal Funds: $500 million

Total program cost: $2.8 billion

Effective FMAP: 17.9%

Mississippi

Medicaid population: 677,630

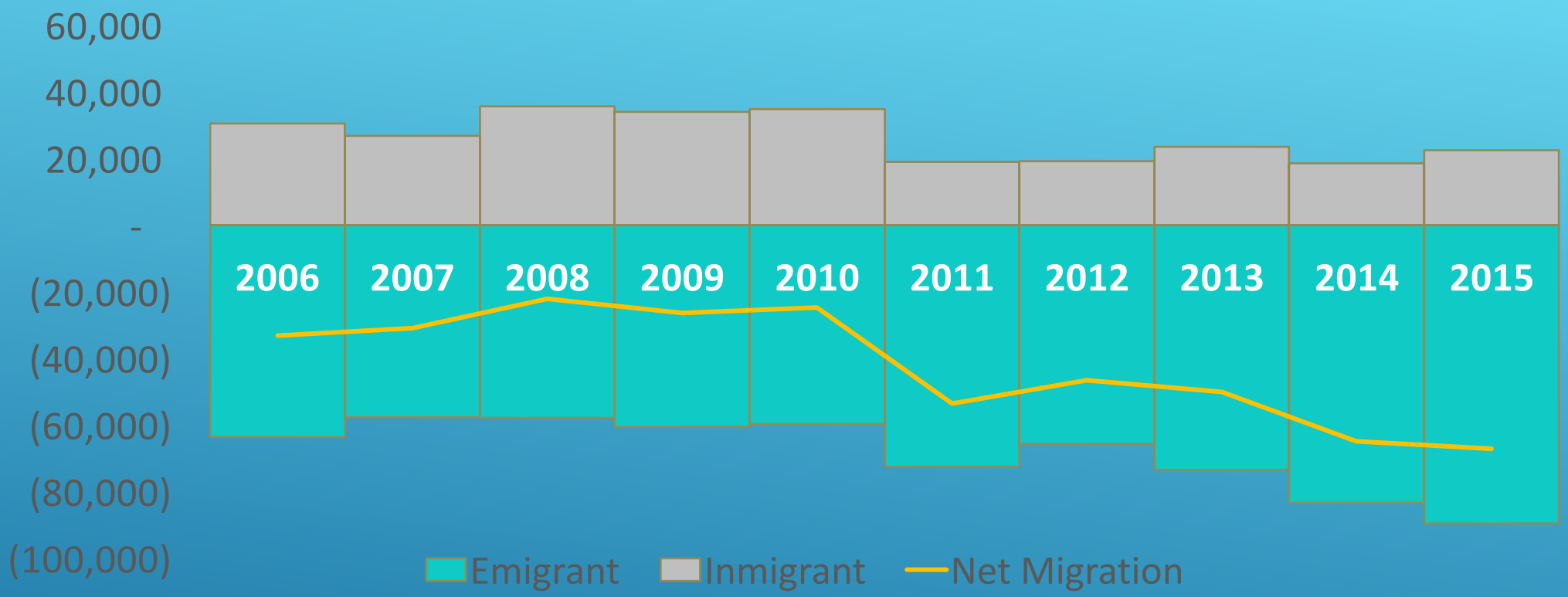
Federal Funds: $3.9 million

Total program cost: $5.2 billion*

Effective FMAP: 74.6%

*FY2015

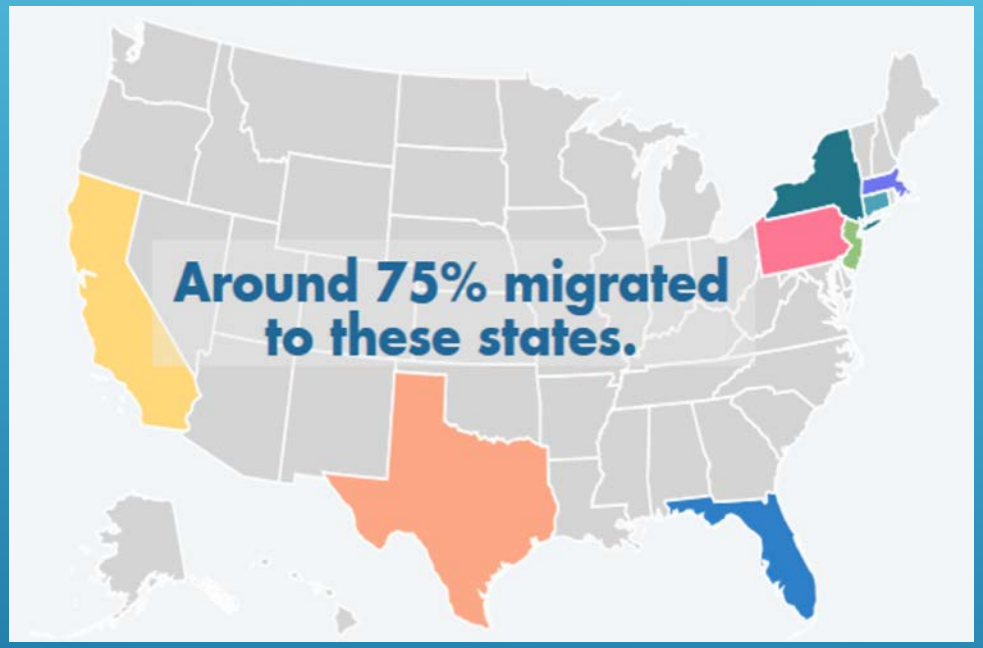
PUERTO RICANS IN THE UNITED STATES



MIGRATION 2006 - 2015

Source: American Community Survey (PUMS) – US Census Bureau, 2006-2015.
Puerto Rico Community Survey (PUMS) – US Census Bureau, 2006-2015. Analyses exclude institutionalized participants.

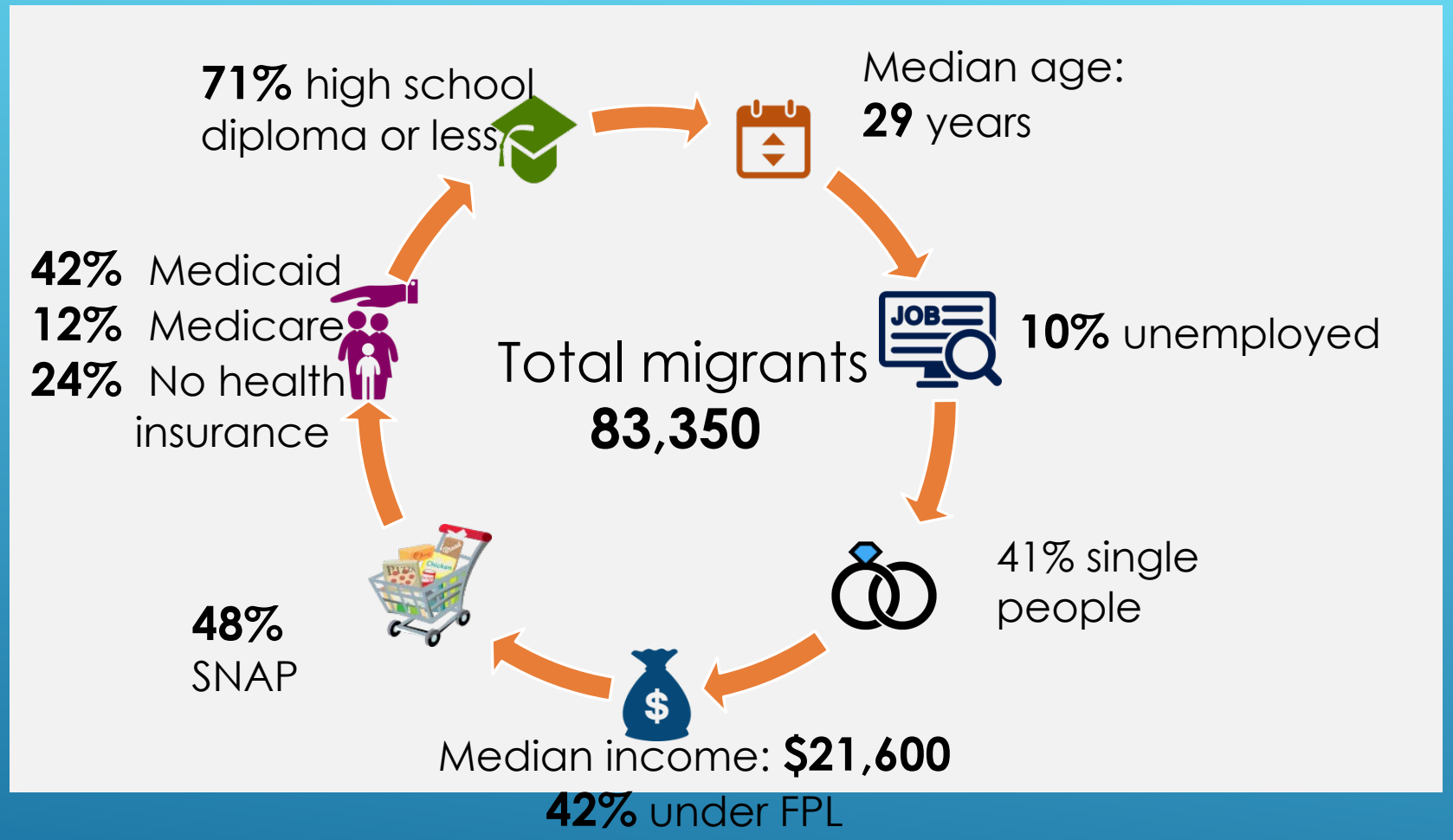
During the last five years 384,594 individuals migrated from PR to US.



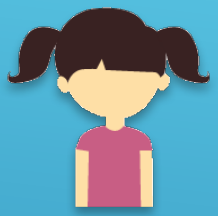
States	Migrants 2011-2015
Florida	122,526
Texas	29,826
Massachusetts	19,406
New York	32,540
New Jersey	18,665
Pennsylvania	29,483
Connecticut	15,449
California	11,841
Ohio	10,890
Georgia	9,143
Other states	84,825
Total	**384,594**

MIGRATION FROM PUERTO RICO TO THE STATES

Source: American Community Survey (IPUMS) – US Census Bureau, 2011-2015. Analyses exclude institutionalized participants.



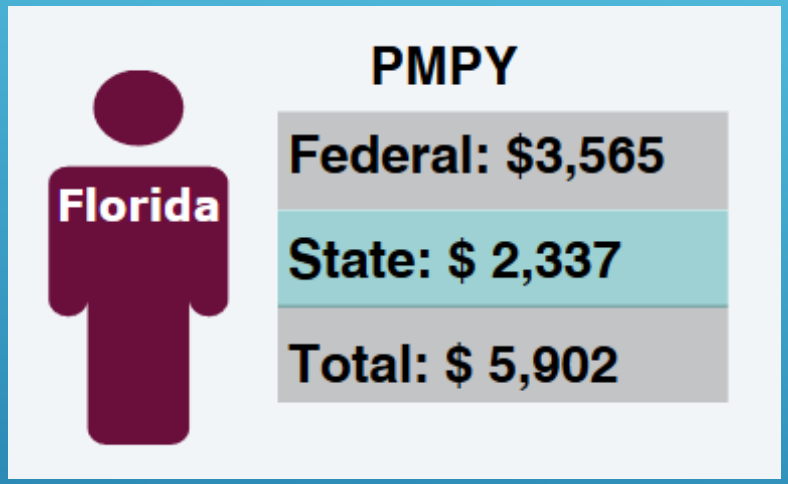
Children population (2014): 12,404

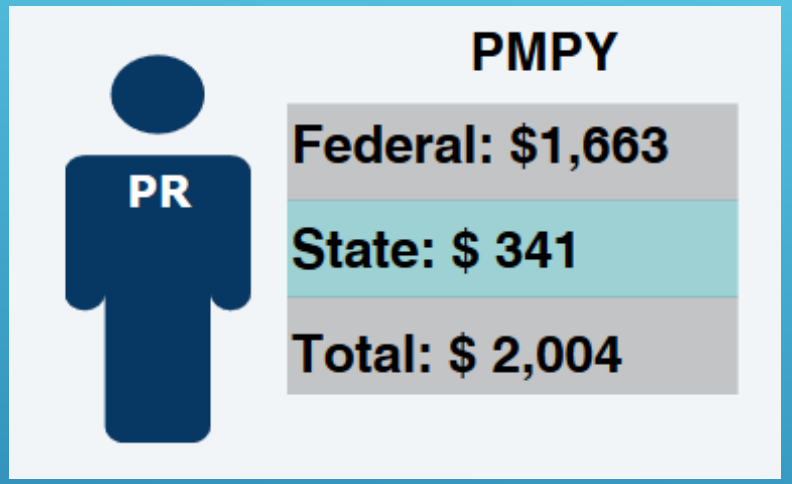


61% Public school

PR TO US MIGRATION PROFILE: 2014

Spending in Medicaid: Florida vs. Puerto Rico



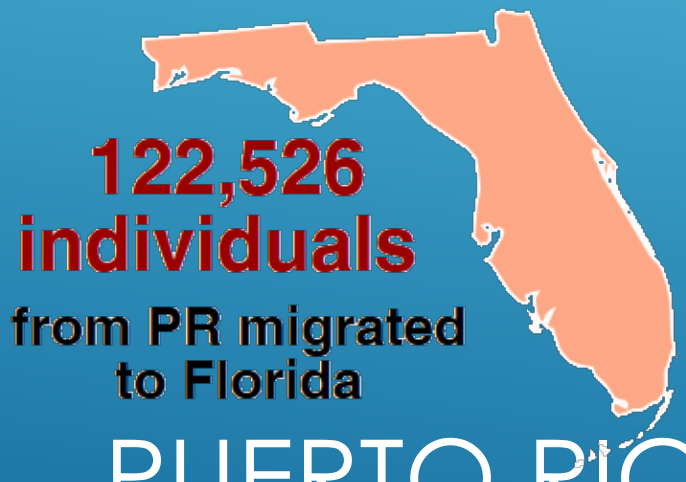


EVEN IF PR IS GIVEN PARITY, HEALTH IS LESS EXPENSIVE IN PR

Even applying an 83% FMAP to the current PR premium, the Medicaid Program in Florida is 3 times more expensive in comparison to Puerto Rico's.

Migrants in Florida rely on Medicaid Program

During the period of 2011-2015



Migrants in Medicaid 39,537

Migrants in SNAP 56,718

Children from PR in Public School 20,816

The expenditures of this individuals during this period have been….

PUERTO RICAN MIGRANTS IN FLORIDA

$578 million

$22 million

$501 million

Source: American Community Survey (IPUMS) – US Census Bureau, 2011-2015. Analyses exclude institutionalized participants.

During the period of 2011-2015

384,594 individuals

from PR migrated to USA

Migrants in Medicaid 139,300

Migrants in SNAP 162,878

Children from PR in Public School 67,873

The expenditures of this individuals during this period have been….

PUERTO RICAN MIGRANTS IN USA

$3.0 billion

$60 million

$2.4 billion

MIGRANTS PROFILE: MEDICAID

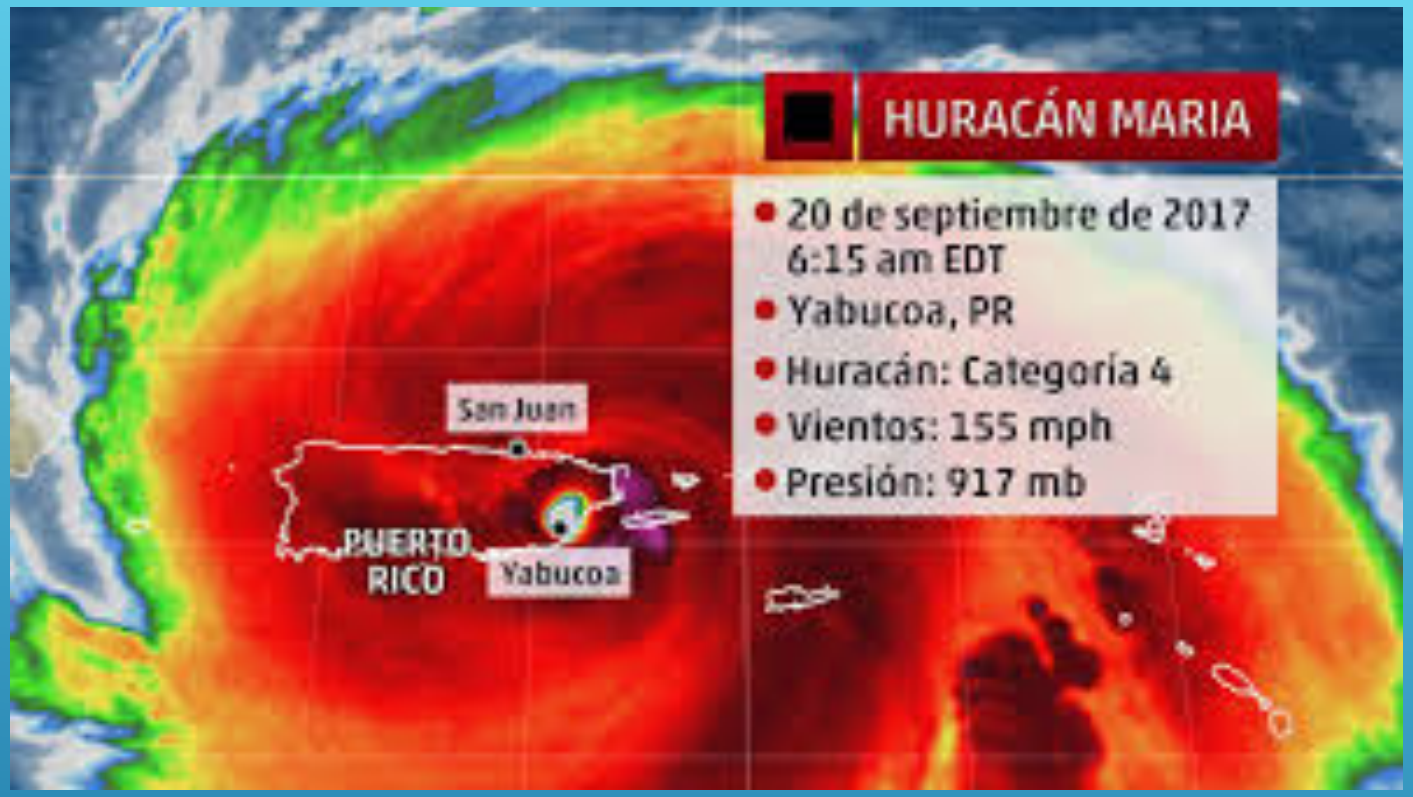
Puerto Ricans in the US Medicaid Program, 2015
1,964,587

Migrants from PR in Medicaid, 2011-2015:
139,300

Medical expenditures during the past 5 years (2011-2015)	
Federal	$1,643
State	$1,383
Total	$3.0 billion

Projected Medicaid expenditures (2011-2025)

States	Medicaid expenditures 2011-2025 (million)	Federal expenditures 2011-2025 (million)	State expenditures 2011-2025 (million)
Florida	$6,278	$3,749	$2,529
Pennsylvania	$4,074	$2,111	$1,963
New York	$3,573	$1,787	$1,786
Massachusetts	$2,642	$1,321	$1,321
Connecticut	$2,075	$1,037	$1,037
Texas	$1,639	$951	$687
Ohio	$1,226	$768	$458
New Jersey	$654	$327	$327
Georgia	$194	$130	$64
California	$205	$103	$102
Others	$3,784	$2,213	$1,573
Total	**$26,344**	**$14,497**	**$11,847**



DIFFERENCES IN PRIORITIES BETWEEN 2017 AND 2018


Puerto Rico from space
Arecibo
San Juan
Mayagüez
Ponce
Before Maria
Arecibo
San Juan
Mayagüez
Ponce
After Maria


GERALD HERBERT/AP


Before
After


TOYOTA


U.S. NAVAL HOSPITAL SHIP
COMFORT
U.S. NAVAL HOSPITAL SHIP
COMFORT

CURRENT PUBLIC HEALTH PRIORITIES

- Parallel set of priorities
  - Recovery Operations
  - Continuation of initiatives interrupted by Maria
  - Addressing tope health sector trends

Phase 1: Relief	Phase 2: Recovery	Phase 3: Redesign	Phase 4: Disaster preparedness
Time frame			
Immediate Day of disaster 6 months after	Intermediate Days after disaster 1 to 2 years after	Long term Weeks/months after disaster 5 to 15 years after	Ongoing/continuous
Goal			
Short term triage to establish order	Stabilization	Rebuilding for a better future	Emergency risk reduction and prevention
Services provided			
Rescue, medical attention, food, water, temporary shelter	Food, water, long-term shelter, sanitation, healthcare, return to school and work	Engagement of local population in planning and reconstruction of communities	Training, policy and procedure creation, relationship building among service providers and communities
Media			
Extensive coverage; high emotional pull	Coverage declines as first emergency efforts dissipate	Coverage continues to decline	Little coverage; no emotional pull

2018 TOP HEALTH SECTOR TRENDS (AFTER HURRICANE MARIA)

1. Instability of the electric grid, water works and telecom
2. Patients presenting with more social basic/needs
3. Reduced number of patient visits and elective surgeries
4. Physician/specialist migration
5. Aligning payment models and hospital contracting policies to service models that improve patient outcomes
6. Increased philanthropy and volunteers
7. Medicaid funding at risk of global reduction
8. Need for resilience

THANKS


RECINTO DE CIENCIAS MEDICAS
UNIVERSIDAD DE PUERTO RICO


ADMINISTRACION DE SERVICIOS MEDICOS DE PUERTO RICO
1962
CENTRO MEDICO