



# Health Insurance for Individuals and Corporations in Puerto Rico

Presenter: María Fernanda Levis  
December 8, 2017  
Puerto Rico Chamber of Commerce



# Affordable Care Act Basics

## Key Marketplace Provisions

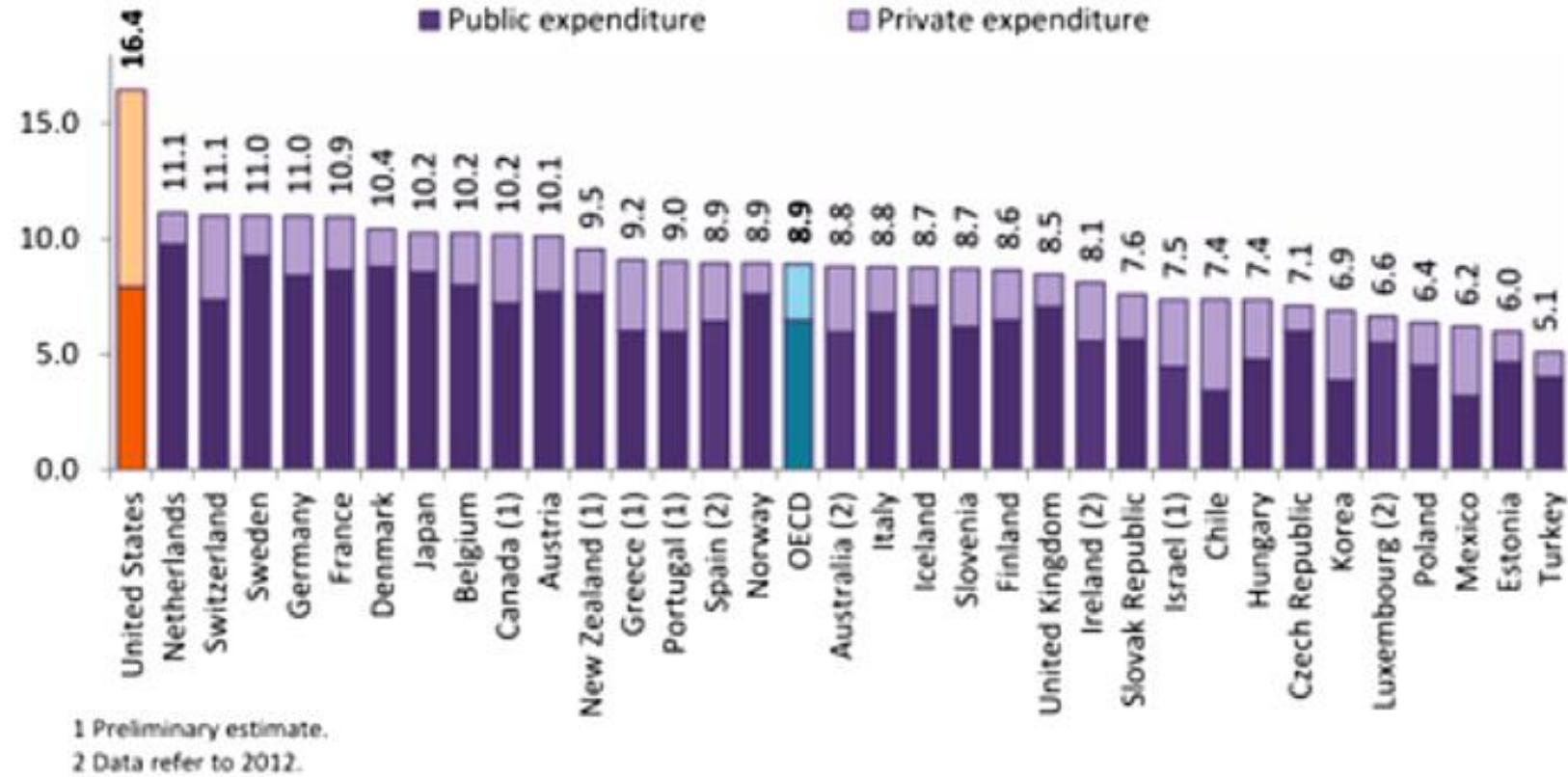
- Consumers cannot be denied health coverage based on a pre-existing condition or health history
- Children can stay on a parent's plan until they turn 26
- Consumers' insurance company can no longer drop their coverage if they get sick
- Requiring Americans to enroll in health insurance coverage.
- 10 Essential Health Benefits – Comprehensive Coverage
- Marketplace enrollment is the only place where consumers can access the new tax credit to off-set the cost of monthly premiums.
- Health insurance plans with lower co-pays and deductibles also available to certain individuals and families who earn over the Medicaid guidelines.
- Insurance companies held accountable for rate increases

# Affordable Care Act Basics

**At the health law's core is a “three-legged stool” approach to reforming these markets:**

- New rules that prevent insurers from denying coverage or raising premiums based on preexisting conditions,
- requirements that everyone buy insurance, and
- subsidies to make that insurance affordable.

## Health Spending\* as a share of GDP, 2013



# Trumpcare Update

## **Senate Republicans are getting ready to repeal Obamacare's individual mandate**

Repealing the mandate means millions more uninsured and higher premiums.

*Updated by Dylan Scott and Sarah Kliff | Nov 27, 2017, 12:10pm EST*

Vox, 2017

# Trumpcare Update

## Obamacare stabilization bills

[Collins-Nelson](#) would provide \$4.5 billion in federal reinsurance funding over 2018 and 2019 to help lower insurance premiums by compensating insurers for their costliest patients.

[Alexander-Murray](#) would guarantee federal payments to health insurers for what are called [cost-sharing reductions](#), discounts that insurers are required to provide to their lowest-income customers, for the next two years.

Vox, 2017

# Trumpcare Update

## State Flexibility

Giving the states greater flexibility to set their own premium subsidy and insurance market rules. That leeway would include reducing assistance to lower-income consumers and increasing it for people with somewhat higher incomes.

### **Examples:**

Iowa sweeping state innovation waiver request to the CMS next week that would substantially revamp the ACA premium tax credit model and use some of the federal subsidy money to set up a reinsurance program to protect insurers that sign up high-cost enrollees.

Oklahoma filed a waiver request, also under the ACA's Section 1332 state innovation waiver authority, to use federal subsidy money to fund a new reinsurance program, as the first step in a broader reform of the ACA coverage system. Oklahoma wants to replace the federal insurance exchange with its own purchasing platform and modify income eligibility for premium subsidies. Unlike Iowa, it also wants to revise the ACA's essential benefits requirements. Oklahoma also has only one insurer currently selling ACA-compliant plans.

APA Citation

<http://www.modernhealthcare.com/article/20170818/NEWS/170819889/with-congress-deadlocked-iowa-and-oklahoma-seek-to-reform-the-aca>

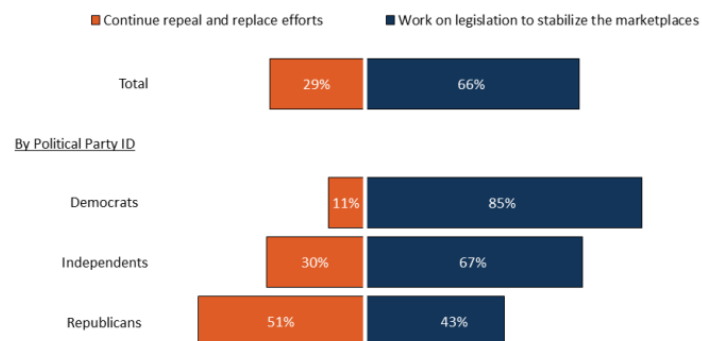


# Kaiser Health Tracking Poll – October 2017:

Figure 1

## More Say Lawmakers Should Work on Legislation to Stabilize ACA Marketplaces than Continue Efforts to Repeal the ACA

Do you think it is more important for President Trump and Congress to work on legislation to stabilize the marketplaces in order to minimize premium increases and encourage more insurers to participate or continue efforts to repeal and replace the 2010 health care law?



NOTE: Don't know/Refused responses not shown.  
SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted October 5-10, 2017)



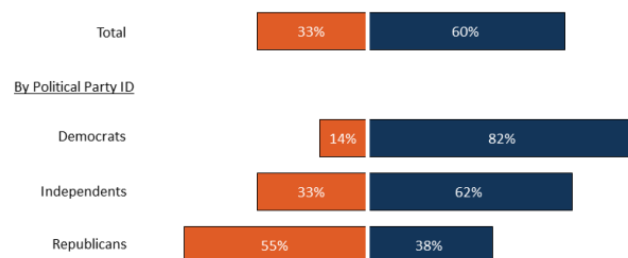
Figure 1: More Say Lawmakers Should Work on Legislation to Stabilize ACA Marketplaces than Continue Efforts to Repeal the ACA

Figure 2

## Democrats and Independents Favor Congress Guaranteeing CSR Payments, Republicans Want Payments Stopped

As you may know, currently the federal government pays insurance companies to cover the cost of lowering deductibles and copayments for low-income people who buy insurance on their own. The Trump Administration has said they may stop making these payments, and insurance companies say in response that they would raise premiums or stop selling insurance on the marketplaces. Which comes closer to your view?

- These payments amount to a bailout of insurance companies and should be stopped
- Congress should guarantee the funds to continue these payments to help stabilize the insurance market



NOTE: Don't know/Refused responses not shown.  
SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted October 5-10, 2017)

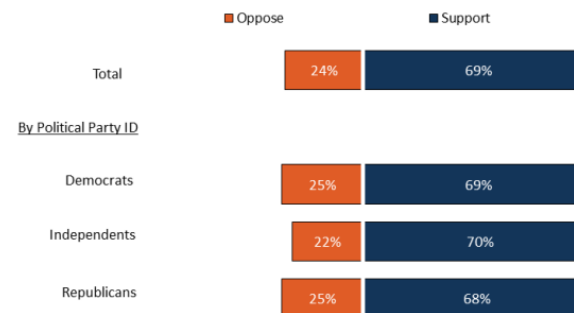


Figure 2: Democrats and Independents Favor Congress Guaranteeing CSR Payments, Republicans Want Payments Stopped

Figure 3

## Majorities, Across Parties, Support Congress Guaranteeing CSR Payments When Part of Bipartisan Legislation

Some lawmakers are working on bipartisan legislation to help stabilize the marketplaces. Under their plan, Congress would guarantee the funds to continue these payments to insurers and in return, states would be given more flexibility in the types of plans that can be sold on their state marketplaces. Do you support or oppose this compromise?



NOTE: Don't know/Refused responses not shown.  
SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted October 5-10, 2017)



Figure 3: Majorities, Across Parties, Support Congress Guaranteeing CSR Payments When Part of Bipartisan Legislation



# Kaiser Health Tracking Poll – October 2017:

## Most Are Not Confident President Trump and Congress Will Be Able to Work Together to Improve ACA, Half of Republicans Are Confident

How confident are you that President Trump and Congress will be able to work together to make improvements to the Affordable Care Act marketplaces?

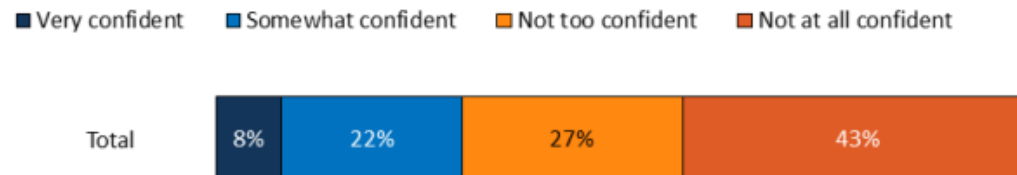
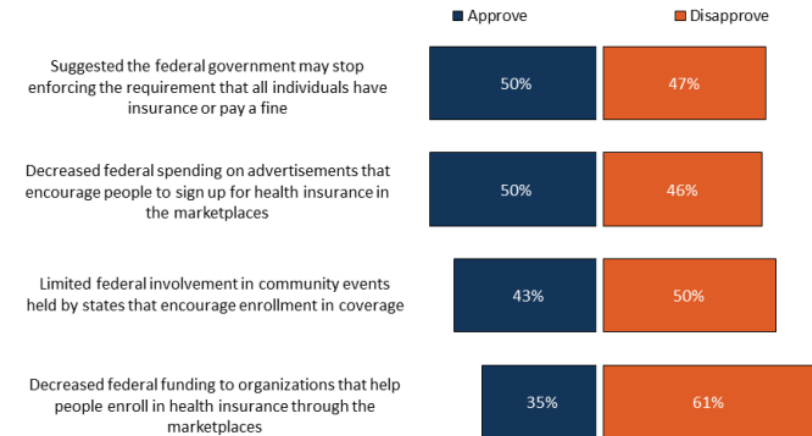


Figure 7

## Public Divided on Most Federal Actions on Marketplaces, Majority Disapprove of Decrease Funding to Aid Enrollment

The Trump administration has made a number of changes related to the health insurance marketplaces. Do you approve or disapprove of the following actions made by the Trump administration?



NOTE: Don't know/Refused responses not shown.

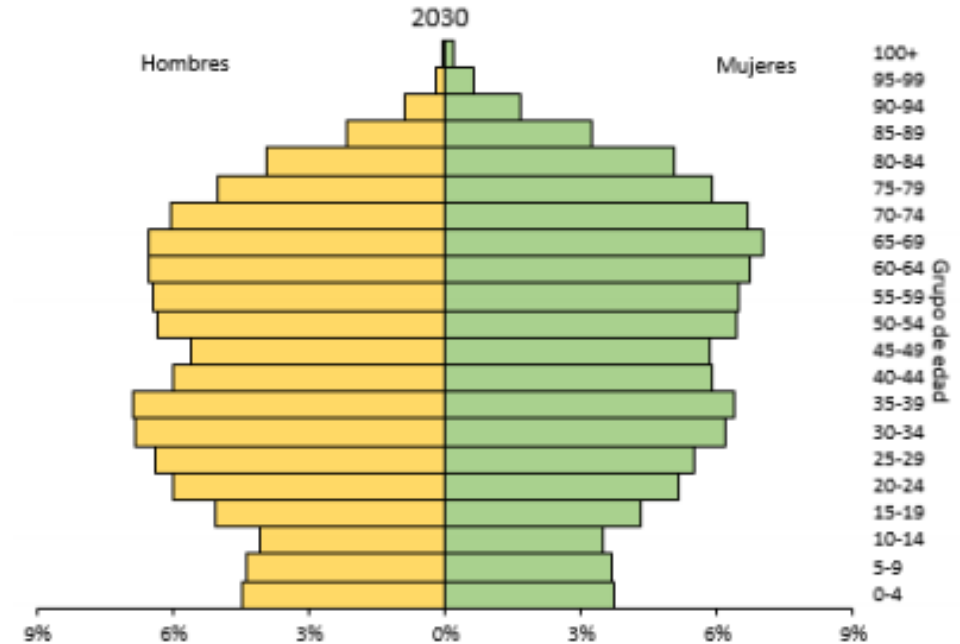
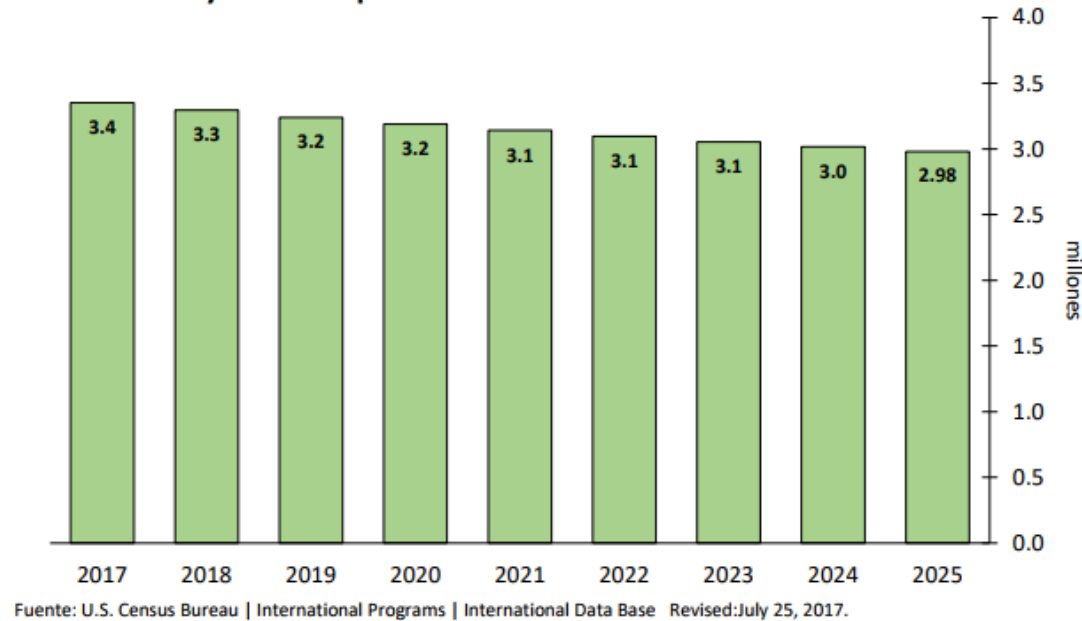
SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted October 5-10, 2017)



Figure 7: Public Divided on Most Federal Actions on Marketplaces, Majority Disapprove of Decrease Funding to Aid Enrollment

# Pre-María Population Trends

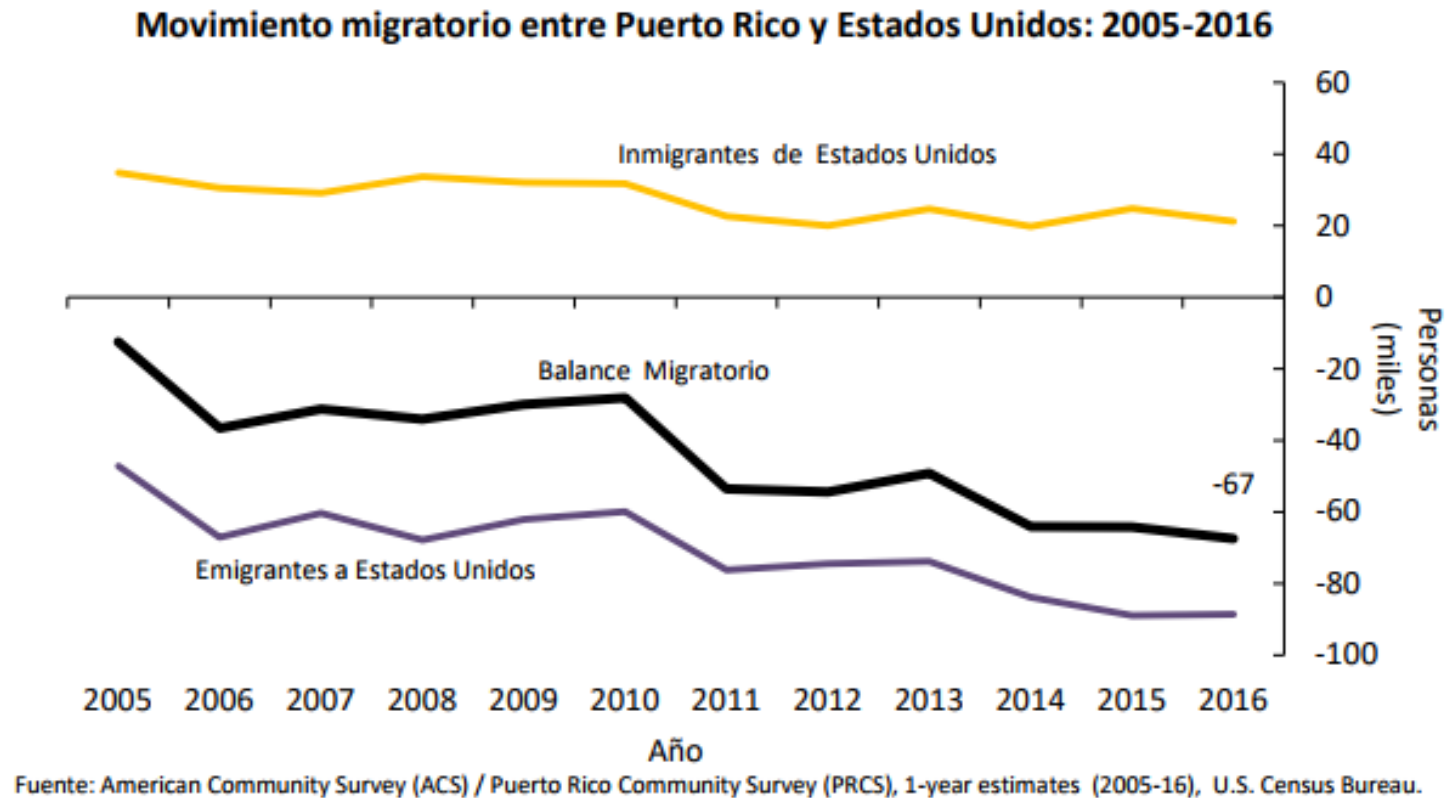
Proyección de población de Puerto Rico: 2017-2025



Instituto de Estadísticas. U.S. Census Bureau Proyecta Población en Puerto Rico estará por debajo de tres millones de habitantes en tan solo 8 años. 17 de septiembre, 2017.

[https://estadisticas.pr/files/Comunicados/CP-Actualizacion\\_Proyeccion\\_Poblacionales\\_IDB-FINAL.pdf](https://estadisticas.pr/files/Comunicados/CP-Actualizacion_Proyeccion_Poblacionales_IDB-FINAL.pdf)

# Pre-María Population Trends

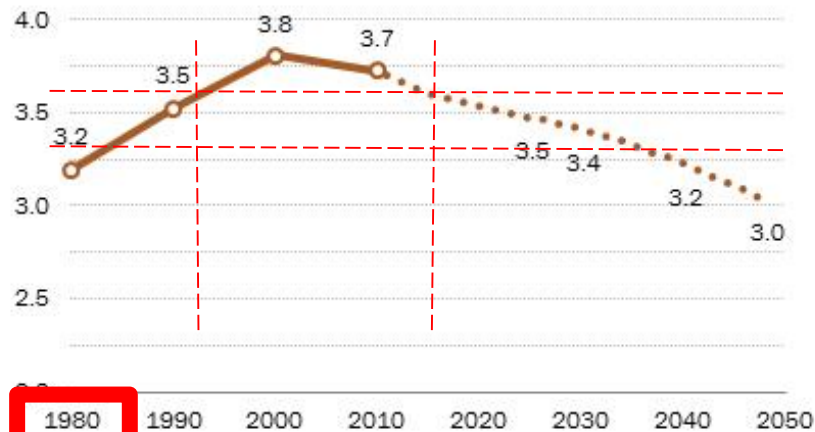


Instituto de Estadísticas, *Unas 67 mil personas emigraron a Estados Unidos en el 2016*. 14 de septiembre, 2017.  
[https://estadisticas.pr/files/Comunicados/CP\\_9\\_14\\_2017\\_SDC\\_1\\_year\\_ACS\\_PRCs\\_2016-FINAL.pdf](https://estadisticas.pr/files/Comunicados/CP_9_14_2017_SDC_1_year_ACS_PRCs_2016-FINAL.pdf)

# Pre-María Population Trends

## Puerto Rico's Population Projected to Decline Through 2050

In millions



Note: Solid line represents decennial census population counts; dotted line represents population projections. Data labels are for 1980, 1990, 2000, 2010, 2025, 2030, 2040 and 2050.

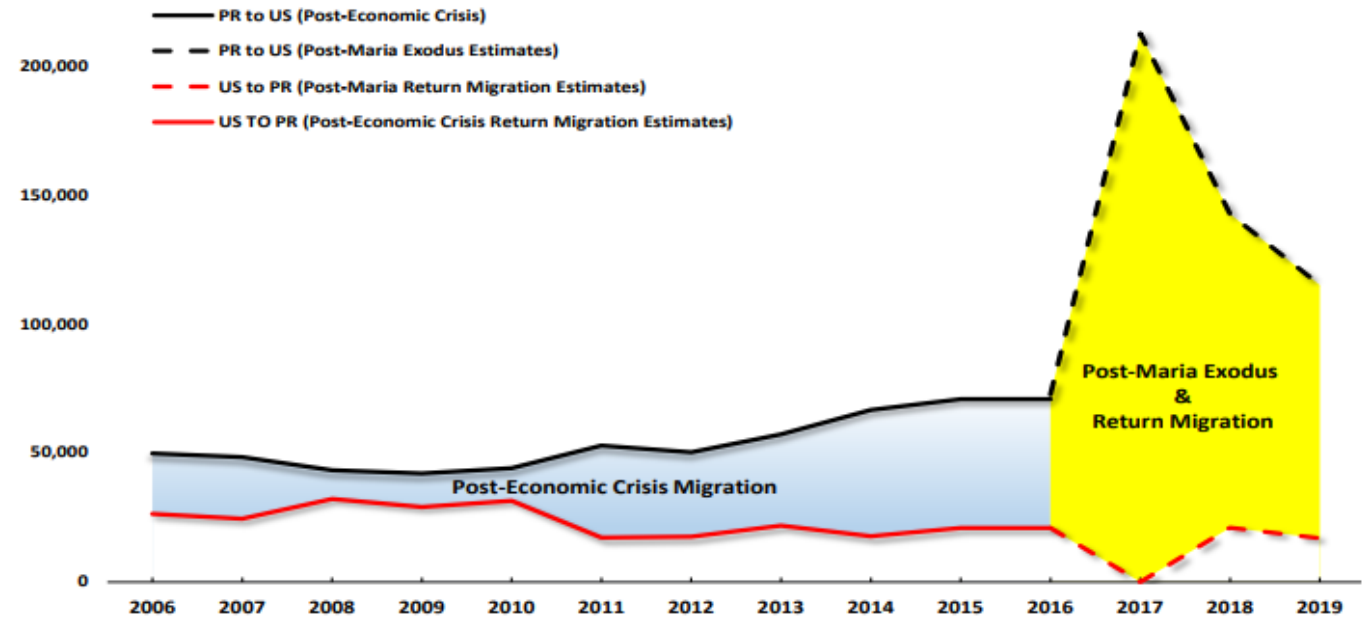
Source: U.S. Census Bureau population projections for Puerto Rico (<http://1.usa.gov/WGdgdwP>) and Decennial Censuses (1980, 1990, 2000, 2010), Integrated Public Use Microdata Series (IPUMS)

PEW RESEARCH CENTER

Population Reduction 2010-2016  
-314,850 (8.5%)

Source: US Census

Graphic 2. Post-Maria Migration from Puerto Rico to the United States 2006 to 2016 and 2017 to 2019 Estimates



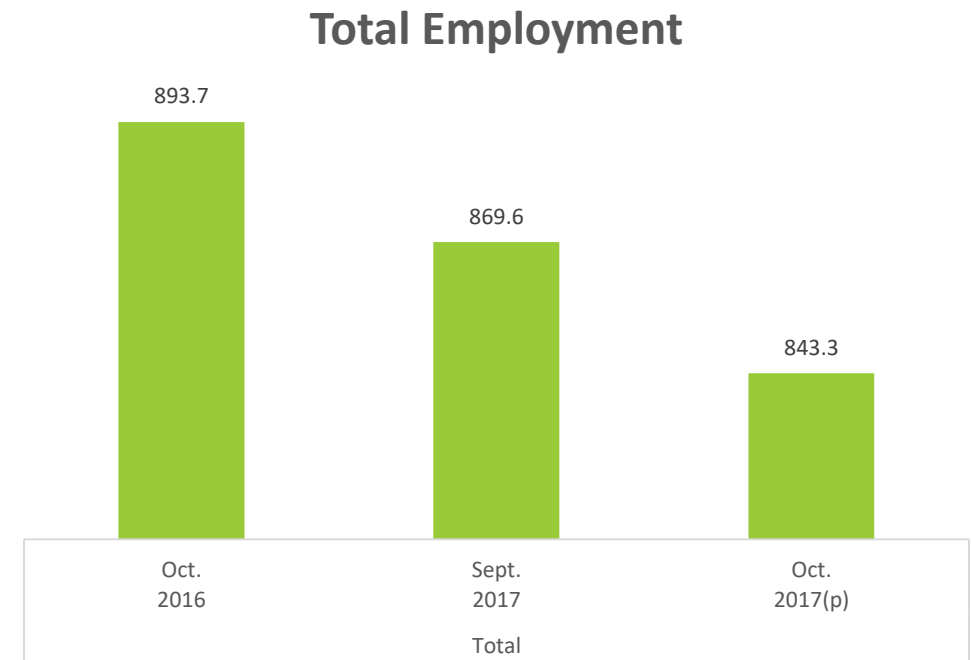
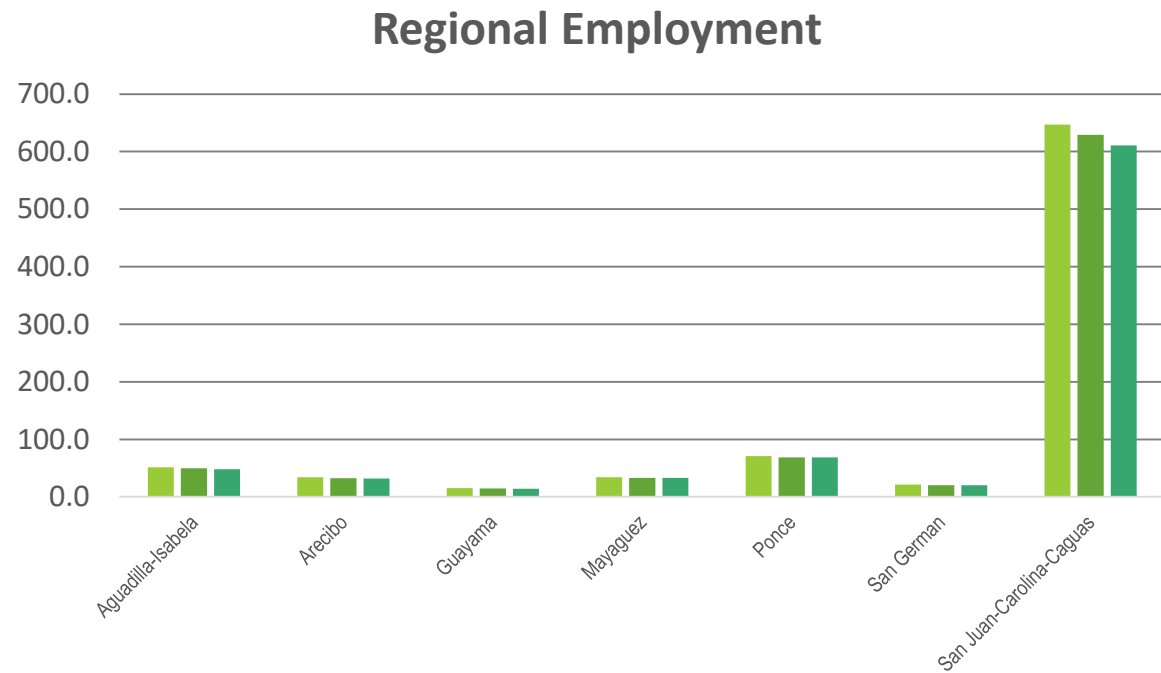
Source: American Community Survey, various years.

Note: Lower bound estimates are double the lowest number of migrants registered during the prior three years. Upper bound estimates are three times the highest number of migrants registered during the prior three years. Since the ACS estimates are based on random sampling of the population, the smaller the numbers reported in this table the larger the margin of error for the estimates.

Source: Center PR, 2017

# Post-María Puerto Rico State Employment

(in thousands)



Source: Bureau of Labor Statistics, 2017

# Post-María Puerto Rico State Employment

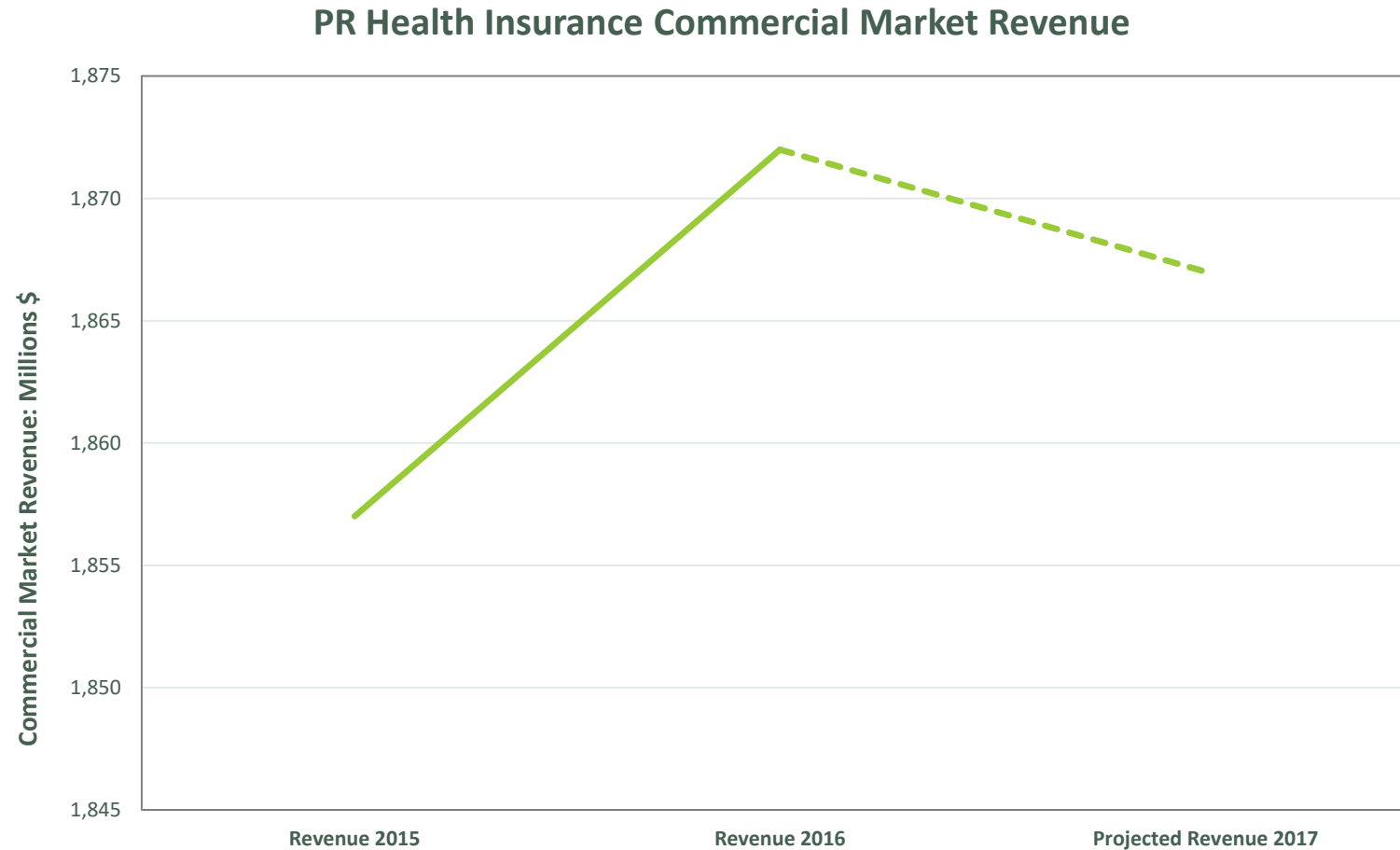
(in thousands)

## Industry Employment

	Mining and Logging	Construction	Manufacturing	Trade, transportation and utilities	Information	Financial activities	Professional and business services	Education and health services	Leisure and hospitality	Other services	Government
■ Year Change	0.0	-2.4	-3.9	-10.9	-0.2	-1.0	-4.1	-4.0	-15.9	-0.2	-7.8
■ Oct. 2017(p)	0.5	19.9	69.9	160.9	17.5	41.4	111.0	120.1	65.5	17.4	219.2
■ Sept. 2017	0.5	20.8	70.9	166.6	17.8	41.7	112.5	121.4	81.2	17.4	218.8
■ Oct. 2016	0.5	22.3	73.8	171.8	17.7	42.4	115.1	124.1	81.4	17.6	227.0

Source: Bureau of Labor Statistics, 2017

# PR Health Insurance Commercial Market Revenue



Source: OCS, 2017, MCS/Impactivo calculations.



# Phases of Disaster Relief

Phase 1: Relief	Phase 2: Recovery	Phase 3: Redesign	Phase 4: Disaster preparedness
<b>Time frame</b>			
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
<b>Goal</b>			
Short term triage to establish order	Stabilization	Rebuilding for a better future	Emergency risk reduction and prevention
<b>Services provided</b>			
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
<b>Media</b>			
Extensive coverage; high emotional pull	Coverage declines as first emergency efforts dissipate	Coverage continues to decline	Little coverage; no emotional pull

Source: Strauss, 2017

# 2018 Top Health Commercial Insurance Challenges (After Hurricane Maria)

1. Changes in population demographics
2. Patients presenting with more social basic/needs
3. Instability of the electric grid, water works and telecom
4. Physician/specialist migration
5. Aligning payment models and provider contracting policies to service models that improve patient outcomes
6. Mental Health

IF OUR BEDS  
ARE FILLED,  
IT MEANS WE'VE FAILED.



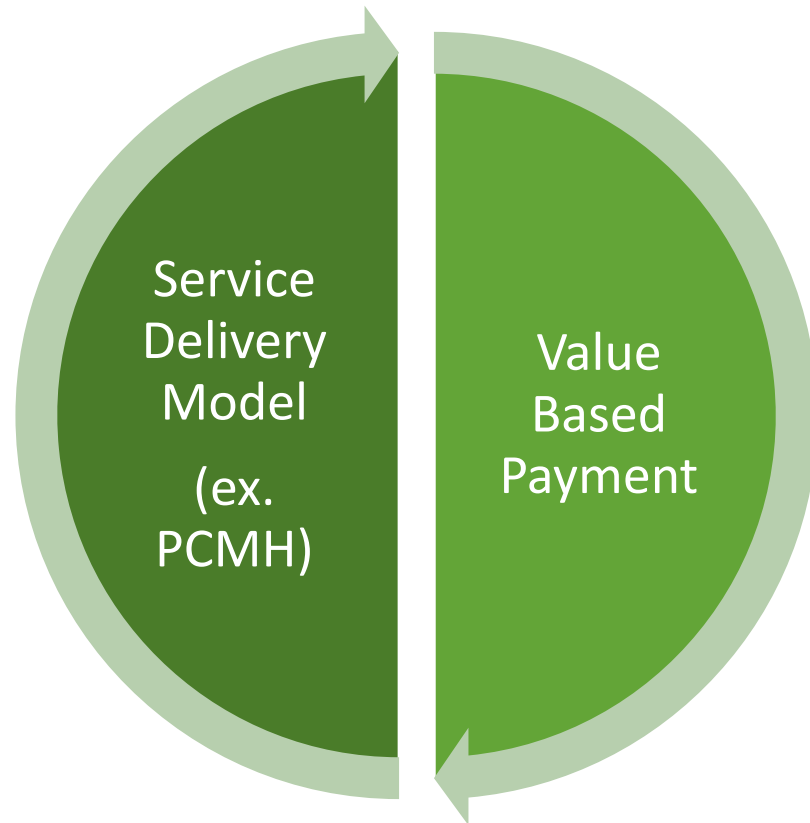
## Reinventing Healthcare Delivery After Hurricane María

Presenter: María Fernanda Levis  
November 17, 2017  
Sheraton Convention Center



# Health System Transformation

## Aligning Service Delivery and Payment Models



Accountable Care  
Organizations

Bundled Payment

Medicare  
Advantage Star  
Ratings

Pay for  
Performance /  
Value Based  
Purchasing

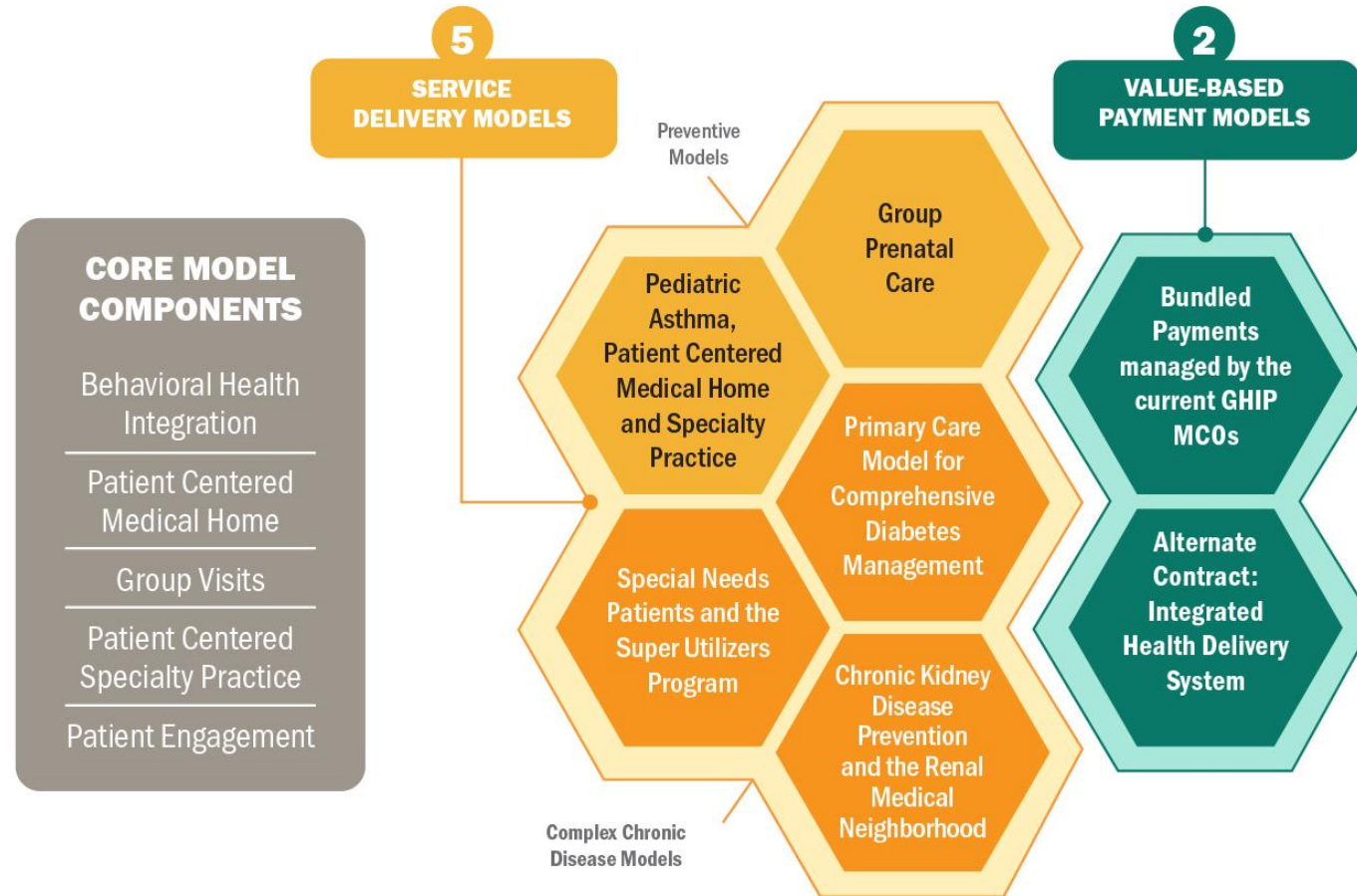
Managed Care

Tiered Networks

# Health System Transformation

## Aligning Service Delivery and Payment Models

### PROPOSED TESTING MODELS



### SIM INVESTMENTS WILL ENABLE:

- 10 Group Prenatal Care Practices serving 5,000 women
- 10 Pediatric Asthma Patient Centered Medical Home and Specialty Practices serving 50,000 children
- 10 Primary Care Model for Comprehensive Diabetes Management Practices serving 10,000 diabetic patients
- 10 Chronic Kidney Disease Prevention Practices serving 10,000 CKD patients
- 10 Special Needs Patients and Super Utilizer Program Practices serving 10,000 high needs patients
- 3 provider led Integrated Health Delivery Systems serving 30,000 patients

### ESTIMATED SAVINGS

**\$95M**

**MILLION FROM TESTING ACTIVITIES**

# Health System Transformation

## Aligning Service Delivery and Payment Models

### BUILDING BLOCKS

#### WORKFORCE DEVELOPMENT



#### STAKEHOLDER ENGAGEMENT



#### HEALTH INFORMATION TECHNOLOGY INFRASTRUCTURE

Establish HIT/HIE Governance and Roadmap that leverage federal investments to establish:

1. Encounter notification
2. Medication Adherence Tracking
3. Master Patient Index
4. Healthcare Provider Directory
5. Public Health Registries
6. Core Quality Metrics
7. Summary of Care Exchanges
8. Care Management Solutions
9. Population Health Analytics
10. Enable Value Based Payment



# Managing through turbulence in healthcare: Tips for health execs

November 18, 2017

By Rosemarie Day

## SCENARIO PLANNING

1. Identify crucial decision points and levers
2. Quantify the range of potential impacts and level uncertainty
3. Assess your options:
  - Make big bets (“shape the future”)
  - Hedge your bets (“adapt to the future”)
  - Wait and see (“reserve the right to play”)

For any scenario, identify the “no regrets moves,” i.e., the things that are worth doing no matter which outcome. Those could be building skills of employees, gathering competitive intelligence, and finding ways to reduce costs and run more efficiently.

R Day, 2017. <http://managedhealthcareexecutive.modernmedicine.com/managed-healthcare-executive/news/managing-through-turbulence-healthcare-tips-health-execs>





Subscribe for Newsletter and Events

Your email address..

SUBSCRIBE

787.993.1508

787.993.1508

info@impactivo.com

Monday - Friday: 9:00AM to 6:00PM



HOME ABOUT US SERVICES TRAINING CENTER RESEARCH SALÚDAME SALUDABLE **BLOG** CONTACT JOIN OUR

## ImpactiVISTA Blog

Home > ImpactiVISTA Blog



### Reinventing Healthcare Delivery After Hurricane María

November 16, 2017

READ MORE



### ACTION REQUIRED: How underfunding Puerto Rico's health system costs federal and state governments more money than it saves

September 6, 2017

READ MORE



### El presupuesto de Salud y el futuro de Puerto Rico

July 2, 2017

READ MORE



## What is Impactivo?

Impactivo is a social impact consulting firm that works with leaders to make health and wellbeing accessible to communities.



## Impactivo Contact Information:

PMB 140

1357 Ashford Avenue

San Juan, PR 00907

(787) 993-1508 (t)

Email: [maria.levis@impactivo.com](mailto:maria.levis@impactivo.com)

Web: [www.impactivo.com](http://www.impactivo.com)

<https://www.facebook.com/Impactivo/>

# Thanks!

