

**Geiger Gibson /
RCHN Community Health Foundation Research Collaborative**

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Puerto Rico's Community Health Centers in a Time of Crisis

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About the Geiger Gibson / RCHN Community Health Foundation Research Collaborative

The Geiger Gibson Program in Community Health Policy, established in 2003 and named after human rights and health center pioneers Drs. H. Jack Geiger and Count Gibson, is part of the Milken Institute School of Public Health at The George Washington University. It focuses on the history and contributions of health centers and the major policy issues that affect health centers, their communities, and the patients that they serve.

The RCHN Community Health Foundation is a not-for-profit foundation established to support community health centers through strategic investment, outreach, education, and cutting-edge health policy research. The only foundation in the U.S. dedicated solely to community health centers, RCHN CHF builds on a long-standing commitment to providing accessible, high-quality, community-based healthcare services for underserved and medically vulnerable populations. The Foundation's gift to the Geiger Gibson program supports health center research and scholarship.

Additional information about the Research Collaborative can be found online at <http://publichealth.gwu.edu/projects/geiger-gibson-program-community-health-policy> or at rchnfoundation.org.

Executive Summary

In 2014, Puerto Rico's twenty federally funded community health centers, operating in 71 sites located throughout the Commonwealth, served 330,736 patients, approximately one in ten Commonwealth residents. Compared to other Puerto Rico residents, health center patients are less likely to be insured. Despite considerable growth in Medicaid as a result of the supplemental funding provided under the Affordable Care Act, in 2014, 12.2% of health center patients remained uninsured.

Compared to health centers outside Puerto Rico, Puerto Rico's health centers show a greater proportion of Medicaid patients served (69% compared to 46% outside Puerto Rico), a greater dependence on physician staffing, and higher performance on most key quality measures. Health centers are key participants in Puerto Rico's Medicaid managed care program as well as Medicare Advantage and make extensive use of health information technology.

While supplemental Medicaid expansion funding from the Affordable Care Act (ACA) appears to have enabled significant growth in health centers' service capacity, health centers identified a number of technical and financial barriers to expansion. The ongoing ability of Puerto Rico's health centers to meet the growing need among higher risk populations for accessible health care depends heavily on the extent to which the structural shortcomings of Medicare and Medicaid financing are addressed.

Background

Puerto Rico's 20 federally funded community health centers operate against a background of extraordinary need for publicly subsidized health services, amidst an unprecedented economic crisis and shrinking public resources. For decades, Puerto Rico, the largest territory in the U.S., has faced significant economic and fiscal challenges. Poverty and high unemployment are entrenched, and the population has been in decline, falling by five percent between 2010 and 2014, from 3.72 million to 3.54 million.¹ Nearly 1 in 2 Commonwealth residents (45%) lived below the poverty line in 2013.² Puerto Rico also has an aging population that will increasingly lead to greater reliance on public programs.³

¹ Mach, A.L. (2015). *Puerto Rico and health care finance: frequently asked questions*. (CRS Report No. R44275). Congressional Research Service. <https://www.fas.org/sgp/crs/row/R44275.pdf>

² Bishaw, A. & Fontenot, K. (2014). *Poverty: 2012 and 2013*. The U.S. Census Bureau's American Community Survey Office. <https://www.census.gov/content/dam/Census/library/publications/2014/acs/acsbr13-01.pdf>

³ Werner, C.A. (2011). *2010 Census Briefs, The Older Population: 2010*. The U.S. Census Bureau. <https://www.census.gov/prod/cen2010/briefs/c2010br-09.pdf>

In recent months, the situation has markedly worsened. Facing a \$72 billion debt crisis,⁴ the government has instituted severe austerity plans that in turn have triggered widespread retrenchment in public programs and employment, a spike in unemployment, and deepening poverty. Today, unemployment exceeds 12 percent, far higher than the U.S. average of 5 percent.⁵ Labor participation stands at 40 percent, and 46 percent of Puerto Rico's citizens qualify for Medicaid,⁶ whose eligibility limits for a family of 3 are set at \$750 per month.⁷ The Puerto Rican government could run out of cash by January 2016.⁸

Failure to generate sufficient revenue from public investments, the loss of special tax incentives for businesses to locate in Puerto Rico, and other factors help explain Puerto Rico's economic crisis, which in turn has triggered a massive run-up of public debt.⁹ But another key element in the overall economic crisis has been a long-simmering and building health care crisis, as various forms of public health care financing continue to fall vastly short of need given the extent of poverty and the aging of the population. Today an estimated 70 percent of the population relies on Medicare, Medicaid, or both.¹⁰

The public health care financing crisis and its consequences can be summarized as follows:

- Many of Puerto Rico's Medicare beneficiaries are covered by Part A (hospital care) but not Part B (physician services and related medical care) because, unlike Medicare Part B on the U.S. mainland, Part B coverage is not automatic; in 2012, 18 percent of Puerto Rico's Medicare beneficiaries were covered only by

⁴ Walsh, M. W., Corkery, M. & Davis, J.H. (October 21, 2015). Obama Administration draws up plan to help Puerto Rico with debt. *The New York Times*. <http://www.nytimes.com/2015/10/22/business/dealbook/obama-administration-draws-up-plan-to-help-puerto-rico-with-debt.html>

⁵ Bureau of Labor Statistics. (2015). *Regional and state employment and unemployment summary*. <http://www.bls.gov/news.release/laus.nr0.htm>

⁶ Walsh, M. W., Corkery, M. & Davis, J.H. (October 21, 2015). Obama Administration draws up plan to help Puerto Rico with debt. *The New York Times*. <http://www.nytimes.com/2015/10/22/business/dealbook/obama-administration-draws-up-plan-to-help-puerto-rico-with-debt.html>

⁷ Centers for Medicare and Medicaid Services. Medicaid Overview (Puerto Rico). <http://www.medicaid.gov/medicaid-chip-program-information/by-state/puerto-rico.html>

⁸ Walsh, M. W., Corkery, M. & Davis, J.H. (October 21, 2015). Obama Administration draws up plan to help Puerto Rico with debt. *The New York Times*. <http://www.nytimes.com/2015/10/22/business/dealbook/obama-administration-draws-up-plan-to-help-puerto-rico-with-debt.html>

⁹ D'Vera, C., Patten, E. & Lopez, M.H. (2014). Puerto Rican population declines on island, grows on U.S. Mainland. Pew Research Center's Hispanic Trends Project. http://www.pewhispanic.org/files/2014/08/2014-08-11_Puerto-Rico-Final.pdf

¹⁰ Coto, D. (November 5, 2015). NY Governor, NYC Mayor join Puerto Rico health care rally. *The Big Story*. <http://bigstory.ap.org/article/3e6dfaa60b884292a11bea80374728af/ny-governor-nyc-mayor-join-puerto-rico-health-care-rally>

Part A compared to 8 percent nationally.¹¹ On the mainland, all Medicare beneficiaries are enrolled in Part B unless they opt out. In Puerto Rico, by contrast, beneficiaries must affirmatively purchase Part B, and many cannot afford to do so given their low incomes. Thus, although annual per capita Medicare spending is about one-third lower than for those on the mainland,¹² Medicare Part A must finance a far greater range of services than is the case in the U.S. mainland.

- In order to manage the depressed level of Medicare funding available, the government has made extensive use of the Medicare Advantage market, with beneficiary participation rates of 75% compared to 32% participation in Medicare Advantage on the mainland.¹³ This heavy dependence on Medicare Advantage exists despite the fact that Medicare Advantage payments are approximately 40% lower than payments for comparable plans sold on the mainland.¹⁴
- Puerto Rico's Medicare beneficiaries do not qualify for the Low Income Subsidy (LIS) available to mainland beneficiaries to assist in the purchase of Medicare Part D outpatient prescription drug coverage.¹⁵ As a result, beneficiaries who do not also qualify for Medicaid coverage are without the means to afford outpatient prescription drugs, thereby complicating the problem of medication adherence, which in turn leads to higher health care costs.
- Medicaid plays a central role in Puerto Rico's health economy despite the fact that Medicaid per capita spending in Puerto Rico is about 70% lower than the national average.¹⁶ Although the Affordable Care Act provided an additional \$5.4 billion in federal Medicaid funding over the 2011-2019 time period,¹⁷ these additional funds are available to support only the Commonwealth's very poorest

¹¹ Centers for Medicare and Medicaid Services. *Medicare Enrollment – All Beneficiaries as of July 2012*.

<https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MedicareEnrpts/Downloads/12All.pdf>

¹² Crescioni, X. N. (March 20, 2015). Obamacare health plan and its impact on Puerto Rico's health services.

Caribbean Business; Kaiser Health News. (December, 2013). *Table: Medicare Spending by State Category*.

<http://khn.org/news/post-acute-care-table-by-state/> (\$5575 vs. \$9294)

¹³ Mach, A.L. (2015). *Puerto Rico and health care finance: frequently asked questions*. (CRS Report No. R44275). Washington, DC: Congressional Research Service.

¹⁴ Coto, D. (November 5, 2015). NY Governor, NYC Mayor join Puerto Rico health care rally. *The Big Story*.

¹⁵ Congressional Research Service. (2015). *Puerto Rico and Health Care Finance: Frequently Asked Questions*; Crescioni, X. N. (April 2, 2015). Puerto Rico's healthcare system is going down because of unfair treatment from Washington." *Caribbean Business*. http://www.caribbeanbusinesspr.com/prnt_ed/puerto-ricos-healthcare-system-is-going-down-because-of-unfair-treatment-from-washington-11070.html

¹⁶ Rosario-Pabon, Z. & Medina-Martinez, G. (March 5, 2015). 2015 PRHIC chart-book: why is Puerto Rico unique? Statistical report prepared by graduate students from University of Puerto Rico, Medical Sciences Campus. Puerto Rico Health & Insurance Conference. <http://www.camarapr.org/Pres-Izq/PRH-2015/Why-is-PR-unique.pdf>

¹⁷ General Accounting Office. (March 2014). *Fiscal effects of Puerto Rico statehood*. <http://www.gao.gov/assets/670/661334.pdf>

residents, given the island's enormous need. The less frequent use of Part B Medicare as well as the absence of the Medicare LIS payment puts additional strain on Puerto Rico's Medicaid program, which plays an even more central role in ensuring that low income Medicare beneficiaries have access to coverage.

- Unlike in the U.S. mainland, very low income working Puerto Rican residents cannot qualify for federal tax subsidies to purchase affordable insurance through the Marketplace; tax subsidies were not extended to Puerto Rico, which instead received additional Medicaid funding. As a result, a far smaller proportion of Puerto Rican residents are covered by some form of private health insurance compared to the mainland (38% vs. 66%).¹⁸
- The debt owed by Puerto Rico's Health Insurance Administration (ASES) poses a significant threat to maintaining a deteriorating health care system.¹⁹ While the level of debt has declined somewhat, ASES owes tens of millions of dollars to a wide array of health care providers. This debt has triggered a cascade of developments, including longer waits for procedures, overcrowded emergency rooms, attempts to charge patients directly for care, and increasingly, an exodus from Puerto Rico of those physicians who have the ability to leave.
- Between 2010 and 2012, more than 4,000 health professionals left Puerto Rico to work in the U.S. mainland.²⁰ Certain specialties have been especially hard hit; for example, the number of cardiologists and anesthesiologists dropped by 63% and 67%, respectively, since 2008. In 2013, there were approximately 62,000 health care workers in Puerto Rico and the ratio of primary care providers was 117.5/100,000 residents. The executive director of ASES has noted that the shortage of doctors has resulted in an increase in emergency room visits and longer waits for specialist doctor appointments of up to nine months.²¹ Shortages are now so severe that the United States Department of Health and Human Services has designated 123 separate Health Professional Shortage Areas in Puerto Rico and 72 out of 78 Municipios, as Medically Underserved Areas.²²

¹⁸ Mach, A.L. (2015). *Puerto Rico and health care finance: frequently asked questions*. (CRS Report No. R44275). Washington, DC: Congressional Research Service.

¹⁹ Vazquez, S. (September 30, 2015). ASES Abona \$44 millones a deuda con proveedores. *Metro*. <http://www.metro.pr/noticias/ases-abona-44-millones-a-deuda-con-proveedores/pGXoiD!3OWQVlbcYlPr2>

²⁰ Asociación de Salud Primaria de Puerto Rico, Inc. (June 24, 2014). In depth analysis of the policy and health care market landscape in Puerto Rico. <http://www.saludprimariapr.org/>

²¹ Braun, M. Z. (December 7, 2015). Puerto Rico says sick will head north without health-care fix. *Bloomberg Business*. <http://www.bloomberg.com/news/articles/2015-12-07/puerto-rico-says-sick-will-head-north-without-health-care-fix>

²² Health Resources and Services Administration Data Warehouse. <http://datawarehouse.hrsa.gov/topics/hrsainyour/factsheetstate.aspx?geocd=72>

An Overview of Puerto Rico's Health Centers

Like their counterparts on the mainland, health centers in Puerto Rico are best understood in terms of the patients they serve, the sources of revenues that sustain them, and their performance as a central means by which medically underserved communities and populations gain access to comprehensive primary health care and a point of entry into the health care system. This overview of Puerto Rican health centers is based on the Health Resources and Services Administration's (HRSA) Uniform Data System (UDS), which collects information on patient demographics, staffing and utilization, and financial and clinical performance. In collaboration with Dr. Roberto Ramirez-Garcia, Professor from the University of Puerto Rico School of Public Health, we conducted a focus group with health center leaders and the primary care association, Asociación de Salud Primaria de Puerto Rico (ASPPR) to assess the key challenges for improving access to health center services.

Puerto Rico's health centers serve nearly 1 in 10 residents

In 2014, Puerto Rico's 20 federally funded community health centers, operating in 71 sites located throughout the Commonwealth, served 330,736 patients,²³ approximately one in ten of the Commonwealth's 3.5 million residents.²⁴ A majority of health center patients are non-elderly adults (58%), while almost one-third (31%) are children under age 18.²⁵ More than half (57%) are female, of whom 42% are women of childbearing age (ages 15-44). Nearly all patients are Hispanic (99%) and virtually all Puerto Rico health centers not surprisingly report that their patients are best served in a language other than English (99%).

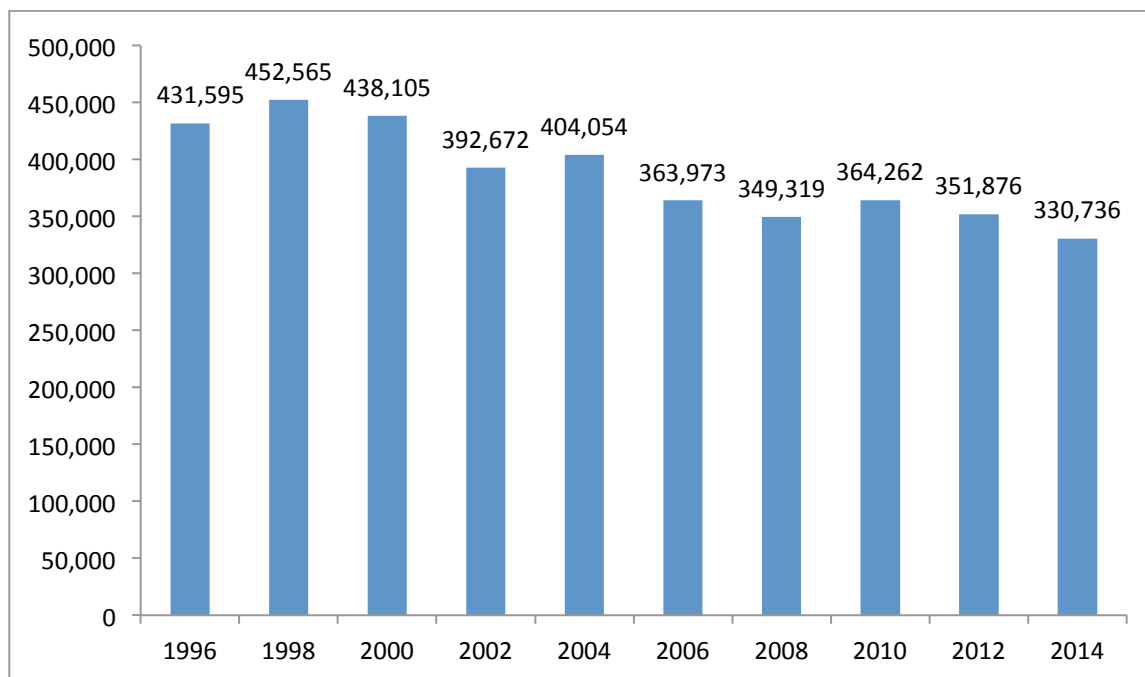
As Puerto Rico's overall population has declined, so has the health center patient population. The total number of patients served by health centers has dropped by one-third since its 1998 high of more than 452,000 patients (**Figure 1**). The decline in the number of patients served is not well understood and may be the result of several factors, including overall population declines, greater accuracy in patient counts following the introduction of health information technology and electronic health records, Medicaid managed care auto-enrollment practices that may have shifted patients into other primary care settings, and other matters.

²³ Bureau of Primary Health Care, Health Resources and Services Administration. (2015). *Puerto Rico 2014 health center data*. <http://bphc.hrsa.gov/uds/datacenter.aspx?q=tall&year=2014&state=PR>

²⁴ U.S. Census Bureau. (2015). *Annual estimates of the resident population: April 1, 2010 to July 1, 2014*. <http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk>

²⁵ Bureau of Primary Health Care, Health Resources and Services Administration. (2015). *2014 Health Center Data: Puerto Rico Program Grantee Data*. <http://bphc.hrsa.gov/uds/datacenter.aspx?year=2014&state=PR>

Figure 1: Number of patients served by Puerto Rico health centers, 1996-2014



Source: GW analysis of data from the 1996-2014 Uniform Data System, Health Resources and Services Administration

Compared to other Puerto Rico residents, health center patients are less likely to have health insurance. In 2010, when 9.4% of the Puerto Rico population was uninsured,²⁶ the proportion of uninsured health center patients stood at 18.7%.²⁷ Following the ACA's Medicaid expansion, in 2014, 12 percent of Puerto Rico health center patients remained uninsured (**Figure 2**), less than half the rate of uninsured patients for health centers outside Puerto Rico. Nearly seven in ten health center patients in Puerto Rico (69%) had Medicaid in 2014 compared to less than half (46%) outside Puerto Rico (**Figure 3**) and Puerto Rico health centers serve 1 in 7 Medicaid beneficiaries.²⁸ At the same time, the proportion of health center patients with private insurance remains well below the level of privately insured health center patients outside Puerto Rico (**Figure 3**), an indication of the impact of Congress's decision not to extend premium credits to qualified Puerto Rico residents.

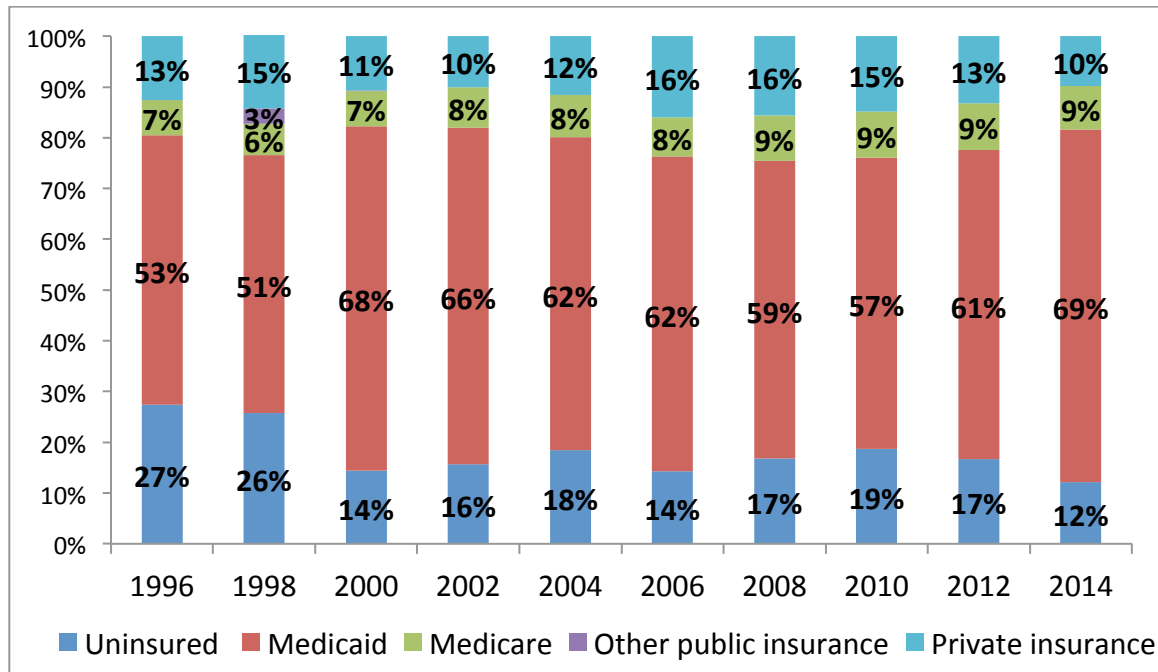
²⁶ Pan American Health Organization. (2012). *Health in the Americas*.

http://www.paho.org/saludenlasamericas/index.php?option=com_docman&task=doc_view&gid=144&Itemid=

²⁷ Bureau of Primary Health Care, Health Resources and Services Administration. (2011). *2010 Puerto Rico health center data*. <http://bphc.hrsa.gov/uds/view.aspx?year=2010&state=PR>

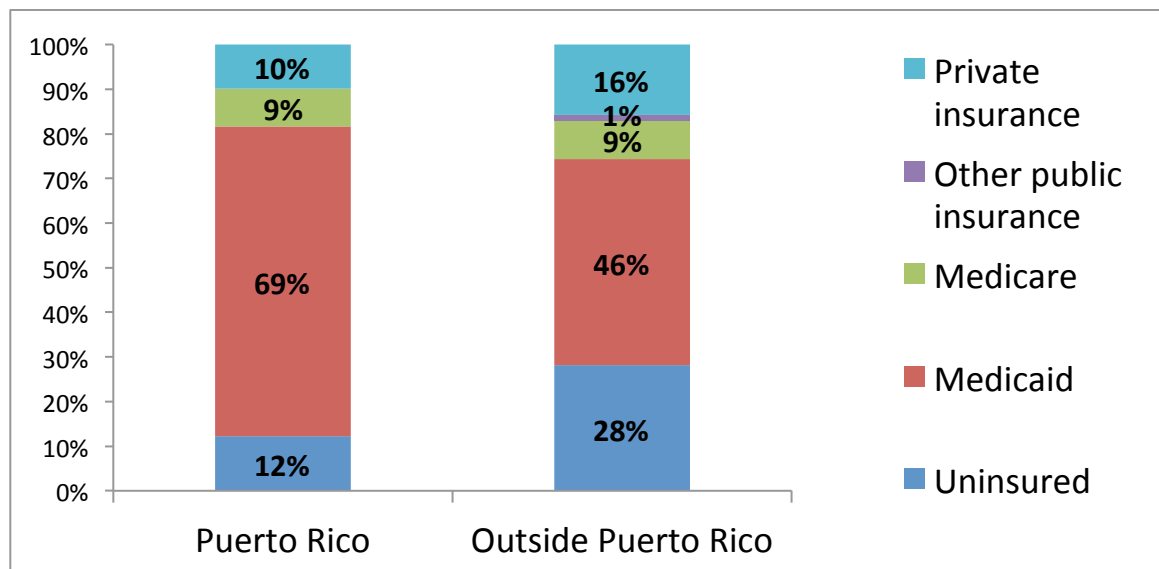
²⁸ Amador Fernández, G. (March, 2015). Paying for quality and integration, and getting federal grants. Puerto Rico Health & Insurance Conference 2015. <http://camarapr.org/Pres-lzq/PRH-2015/PP/21-PP-Gloria-del-C-Amador.pdf>

Figure 2: Insurance coverage of Puerto Rico health center patients, 1996-2014



Source: GW analysis of data from the 1996-2014 Uniform Data System, Health Resources and Services Administration

Figure 3: Insurance coverage of health center patients in Puerto Rico and health centers outside Puerto Rico, 2014



Source: GW analysis of the 2014 Uniform Data System, Health Resources and Services Administration

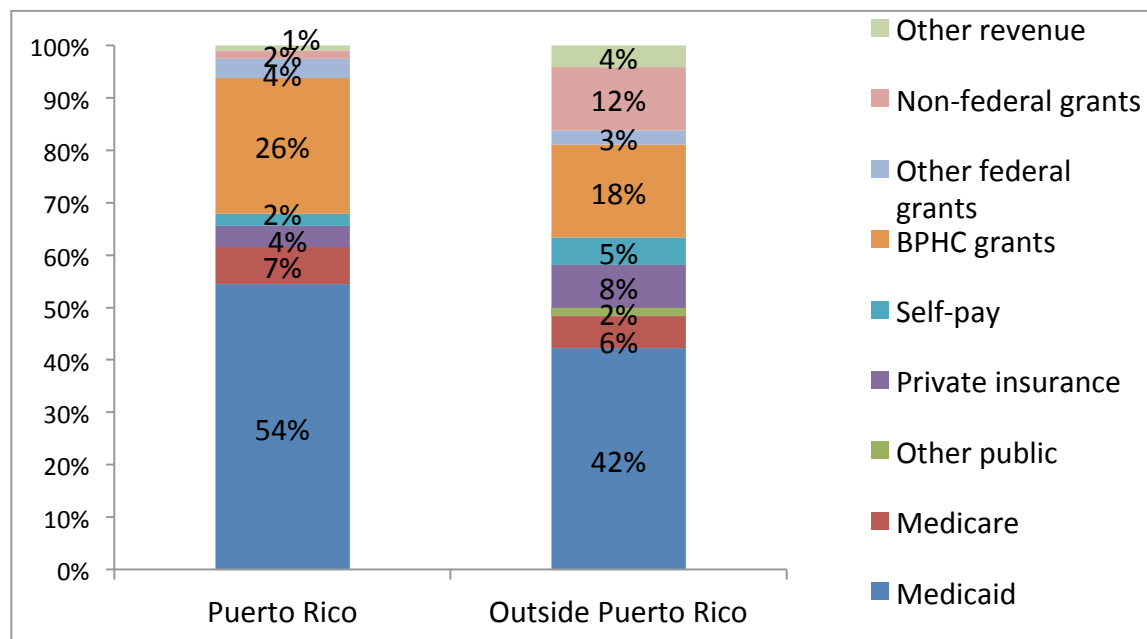
Puerto Rico's health centers show a greater proportion of Medicaid patients, more reliance on physician staffing, and higher performance on 10 key quality measures than health centers outside Puerto Rico.

Puerto Rico health centers differ significantly from health centers outside Puerto Rico in a number of ways (see Appendix tables). On average, Puerto Rico health centers serve a significantly greater proportion of elderly patients, patients who are low-income or poor, and patients who are insured and who have Medicaid. Puerto Rico health centers also show a higher average physician-to-patient ratio, a staffing pattern consistent with an older and poorer patient population, as well as the absence of mid-level health professionals (nurse practitioners, physician assistants, and certified nurse midwives) in Puerto Rico. The island's health centers are significantly more likely to be located in rural areas (80%) compared to health centers outside of Puerto Rico (54%).

On quality measures, Puerto Rico's health centers outperform other health centers on 10 measures of quality or health outcomes, including the percentage of children who have been fully immunized by their third birthday, the percentage of women who have had a recent Pap test for cervical cancer, the percentage of older adults who have been screened for colorectal cancer, and the percentage of hypertensive patients with blood pressure controlled.

On average, Puerto Rico health centers receive lower Medicaid revenues per patient than health centers outside Puerto Rico, reflecting lower overall health care payments. Puerto Rico health centers in 2014 received on average \$100 less per Medicaid patient than health centers outside Puerto Rico that year. At the same time however, Puerto Rico health centers depended significantly more on Medicaid revenues as a source of payment than their U.S. counterparts. Compared to health centers outside Puerto Rico, Medicaid accounts for a higher percentage of total revenues at Puerto Rico's health centers (54% vs. 42% nationally), and private insurance as a source of revenue is significantly lower (**Figure 4**).

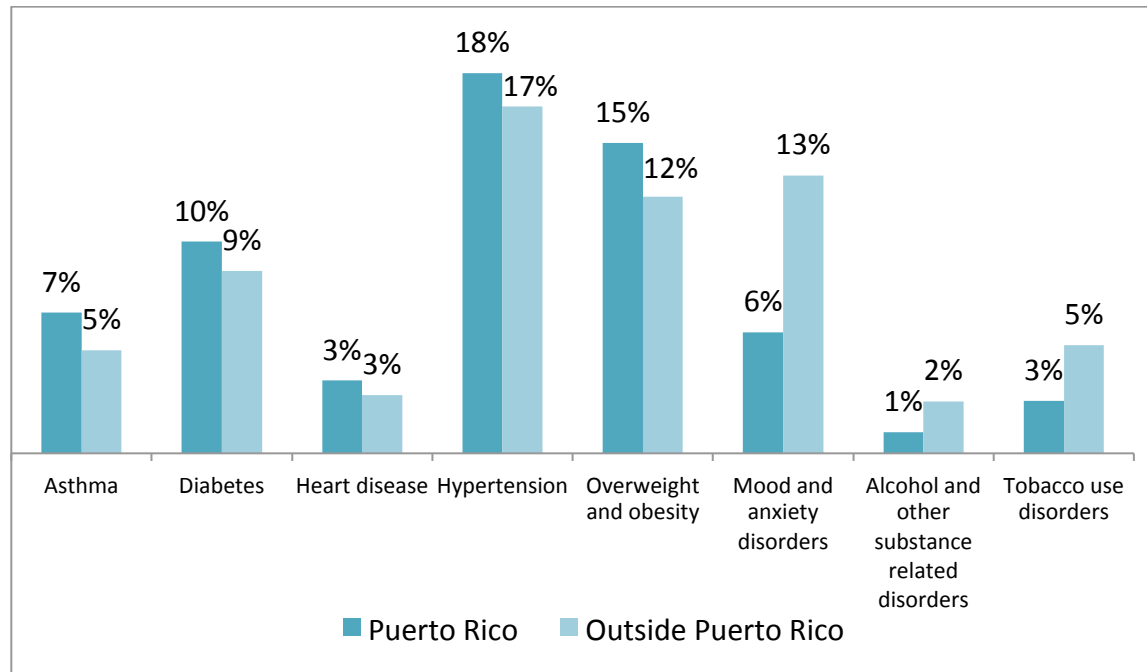
Figure 4: Health center revenues in Puerto Rico and outside Puerto Rico, 2014



Source: GW analysis of the 2014 Uniform Data System, Health Resources and Services Administration

Figure 5 compares major health diagnoses among patients of Puerto Rico health centers against those found among all health centers outside Puerto Rico. As Figure 5 indicates, the percentage of Puerto Rican health center patients with diagnoses of asthma, diabetes, hypertension, and overweight/obesity is slightly higher than the percentages reported for health centers not located in Puerto Rico. However, Puerto Rico health center patients have lower percentages of reported mood and anxiety disorders, substance use disorders, and tobacco use disorders compared to the percentages found among other U.S. health center patients outside Puerto Rico.

Figure 5: Percentages of patients with specific diagnoses at Puerto Rican CHCs and CHCs outside Puerto Rico, 2014



Source: GW analysis of the 2014 Uniform Data System, Health Resources and Services Administration

Puerto Rico's health centers provide a broad scope of services

Given that health centers are mandated to provide comprehensive primary care to all patients without regard to their ability to pay, Puerto Rico health centers must be prepared to provide a wide array of clinical services. Most already provide dental care (19 of 20 health centers) and behavioral health services (17), and some offer specialty physician care (4) and vision services (5). All health centers provide enabling services to effectuate cost-effective care, such as care management for patients with chronic health issues.

The health center workforce at Puerto Rico's health centers emphasizes physicians over mid-level professionals

In 2014, health centers employed 2,770 full-time equivalent (FTE) staff members,²⁹ including 309 physicians, 29 dentists, and 49 behavioral health professionals. They were supported by other staff, including 535 nurses, 51 dental hygienists and assistants, and 53 case managers. The ratio of nurses to physicians in Puerto Rico

²⁹ Bureau of Primary Health Care, Health Resources and Services Administration. (2015). 2014 Health center data: Puerto Rico data. <http://bphc.hrsa.gov/uds/datacenter.aspx?q=tall&year=2014&state=PR&fd=>

health centers is 1.7 compared to 2.1 nationally. The ratio of physicians per 10,000 patients at Puerto Rico health centers is twice that of health centers outside Puerto Rico (Appendix Table B). Puerto Rico health centers do not employ mid-level providers because insurers in Puerto Rico do not cover services provided by nurse practitioners³⁰ and physician assistants are not authorized to practice in the island.³¹

Health centers' participation is critical to Puerto Rico's Medicaid managed care system as well as its Medicare Advantage system

All health centers participate in Puerto Rico's Medicaid managed care system and 16 health centers participate in Medicare Advantage.³² In 2014, Puerto Rico health centers reported extensive participation in both Medicare Advantage and Medicaid managed care. Participation data from the UDS are reported in member months, meaning the cumulative number of patients enrolled monthly over the time period covered by the reporting system. These data show that health centers in Puerto Rico reported over 2.3 million capitated member months and nearly 120,000 fee-for-service (FFS) member months in Medicaid managed care. Puerto Rico health centers also reported just under 80,000 capitated member months and nearly 16,000 FFS member months in Medicare managed care.

Puerto Rico health centers make extensive use of health information technology

In 2014, 75% of Puerto Rico health centers made electronic health record (EHR) systems available to all providers and at all sites.³³ Furthermore, 16 Puerto Rico health centers (80%) had patient centered medical home recognition or certification for at least one site in 2014.

Results from the Follow-up Survey of Health Centers' Outreach and Enrollment Activities

In fall 2014, a national survey of health centers was conducted by George Washington University and the Kaiser Family Foundation to gauge their experiences in the first full year of the ACA's implementation.³⁴ Twelve Puerto Rican health centers responded to

³⁰ Personal communication, ASPPR

³¹ American Academy of Physician Assistants. (August 11, 2015). Letter to Mr. Dennis Rivera.

<https://www.aapa.org/WorkArea/DownloadAsset.aspx?id=2147486501>

³² 2014 UDS, Health Resources and Services Administration. Based on enrollee and revenue data from managed care; participation in Medicare Advantage based on capitated member months and revenue from capitated Medicare plans.

³³ Bureau of Primary Health Care, Health Resources and Services Administration. (2015). *Electronic health record information: Puerto Rico data*. <http://bphc.hrsa.gov/uds/datacenter.aspx?q=tehr&year=2014&state=PR&fd=>

³⁴ Shin, P., Sharac, J., Zur, J., Rosenbaum, S., & Paradise, J.. (2015). *Health center patient trends, activities, and service capacity: recent experience in Medicaid expansion and non-expansion states*. The Kaiser Commission on Medicaid and the Uninsured. <http://kff.org/medicaid/issue-brief/health-center-patient-trends-enrollment-activities-and-service-capacity-recent-experience-in-medicaid-expansion-and-non-expansion-states/>

the survey and their responses to selected survey questions of particular interest given the structure of the ACA expansion in Puerto Rico (expanded Medicaid financing but no premium subsidies, along with direct health center funding) are presented in Table 1. The results suggest the high importance of the ACA Medicaid expansion funding, which appears to have enabled significant growth in sites and services in 2014.

Table 1: Puerto Rico’s Health Centers Reporting Capacity Changes Following the ACA-Funded Medicaid Expansion

| | Percentage reporting an increase (n=11) |
|---|---|
| Mental health staff | 64% |
| Mental health services | 55% |
| Number of sites | 55% |
| Hours of operation | 55% |
| Dental services | 45% |
| Wait time to obtain an appointment | 36% |
| Days of operation | 27% |
| Dental staff | 27% |
| Substance abuse treatment services | 18% |
| Substance abuse treatment staff | 18% |
| Wait time in the waiting room to see the provider | 9% |
| Vision care services | 9% |
| Vision care staff | 9% |

Although uninsured health center patients were eligible only for Medicaid in view of the absence of subsidized Marketplace plans, over 80% of health centers reported that patient confusion was a major barrier to their current enrollment activities and nearly three in four (73%) reported inadequate consumer information provided by the state as a major barrier.

Challenges Facing Puerto Rico’s Health Centers

As with health centers nationally, Puerto Rico’s health centers benefitted substantially from the ACA. In addition to the Medicaid funding expansion, which in turn led to a significant increase in the proportion of Medicaid patients, health centers received \$4.5 million in service expansion funding in 2014 alone and have also sought supplemental mental health service capacity funding. With nearly 2,800 employees, Puerto Rico health centers have served their communities both as sources of comprehensive

primary care as well as employment. At the same time, the fate of health centers in Puerto Rico is heavily dependent on continued Medicaid funding beyond the 2019 time period, when the ACA expansion funding is set to expire.

In addition, because there is no subsidized marketplace, Medicaid's extremely low financial eligibility standards mean that a significant proportion of health center patients in Puerto Rico – more than 1 in 8 – remain without health insurance. Preserving health centers' mission to treat the uninsured makes continuation of the ACA's special health center grant funding – recently extended by Congress until 2017 – essential.

In a roundtable discussion held in Puerto Rico in February 2015, before the Puerto Rican economy entered its most recent critical phase, participants were asked to reflect on the challenges they face. Center leaders identified several key issues:

- the ongoing need to ensure compliance with federal grant requirements in order to be able to continue to receive grant funding and technical support;
- the Commonwealth's dependence on health centers to treat the highest-risk patients, and the tendency of other network health care providers to refer their most complex patients to health centers, a problem intensified by the growing number of older, high-need patients coupled with the exodus of younger, healthier residents who are leaving the Commonwealth to seek a better life on the mainland;
- the ongoing need for comparative data on performance quality that enables health centers to compare their performance to that of other providers, particularly private clinical practice groups, as well as problems with coordination between hospitals and health centers and the lack of data exchange.

Looking Forward

As Puerto Rico faces an exceptionally difficult financial situation emanating from high public debt and serious under-funding of public health insurance programs, health centers remain a source of health care for 1 in 10 residents. As a group, health centers in Puerto Rico out-perform health centers on a nationwide basis, and the ACA's Medicaid expansion and Health Center fund have enabled Puerto Rico's health centers to further strengthen their services and expand their locations. Whether Puerto Rico's health centers will be able to meet the growing need among higher-risk populations depends heavily on the extent to which the structural shortcomings of Medicare and Medicaid financing are addressed. This is particularly true given the deep poverty of Puerto Rico's residents, Medicaid's importance in paying both Medicare Part B premiums and the cost of enrollment in Part D outpatient prescription drug plans, and the absence of public premium tax subsidies for low income working residents who are ineligible for Medicaid.

Appendix: Puerto Rico Health Centers Compared to Health Centers Outside Puerto Rico

Table A. Profile of Health Center Patients

| Mean percentages for 2014 UDS variables | Health centers outside Puerto Rico (N=1,258) | Puerto Rico health centers (N=20) |
|---|--|-----------------------------------|
| <i>PATIENTS' AGE, GENDER, AND INCOME</i> | | |
| Average number of registered patients | 17,919 | 16,537 |
| Percent of patients who are female | 57.0% | 54.9% |
| Percent of patients who are children age 0-17 | 26.6% | 29.4% |
| *Percent of elderly patients age 65 and older | 8.6% | 10.6% |
| *Percent of patients who are poor (at or below 100% FPL) | 67.9% | 80.8% |
| *Percent of patients who are low-income (at or below 200% FPL) | 91.4% | 96.9% |
| <i>HEALTH INSURANCE</i> | | |
| Medicare patients as a percent of total patients | 9.8% | 8.4% |
| *Percentage of patients who are uninsured | 31.0% | 12.3% |
| *Medicaid patients as a percent of total patients | 40.3% | 69.5% |
| *Patients with private insurance as a percent of total patients | 17.9% | 9.8% |
| *Percent of patients with insurance | 69.0% | 87.7% |

* Significant difference between groups at the $p < 0.05$ level

Source: GW analysis of the 2014 Uniform Data System, Health Resources and Services Administration

Table B. Health Center Staffing

| Mean ratios for 2014 UDS variables | Health centers outside Puerto Rico (N=1,258) | Puerto Rico health centers (N=20) |
|--|---|---|
| *Physicians per 10,000 patients | 4.8 | 10.3 |
| *Total mid-level providers per 10,000 patients | 5.3 | 0.0 |
| *Total dental FTEs per 10,000 patients | 6.3 | 2.1 |
| Total medical FTEs per 10,000 patients | 28.1 | 32.8 |
| Total mental health FTEs per 10,000 patients | 3.7 | 2.3 |
| Total substance abuse FTEs per 10,000 patients | 0.9 | 0.2 |
| Total vision FTEs per 10,000 FTEs | 0.2 | 0.2 |
| Total enabling services FTEs per 10,000 patients | 9.8 | 8.1 |

* Significant difference between groups at the $p < 0.05$ level

Source: GW analysis of the 2014 Uniform Data System, Health Resources and Services Administration

Table C. Health Center Quality Measures

| Mean percentages for 2014 UDS variables | Health centers outside Puerto Rico (N=1,258) | Puerto Rico health centers (N=20) |
|--|--|---|
| *Children who have received age appropriate vaccines prior to reaching their 3rd birthday | 70.2% | 88.4% |
| *Female patients aged 24-64 who had at least one Pap test performed | 50.9% | 74.3% |
| *Children and adolescents aged 3 until 17 with a BMI percentile, and counseling on nutrition and physical activity documented | 49.4% | 70.5% |
| *Patients aged 18 and older with (1) BMI charted and (2) follow-up plan documented if patients are overweight | 53.5% | 79.7% |
| *Patients aged 18 and older who (1) were screened for tobacco use and (2) for those found to be a tobacco user, received cessation counseling intervention or medication | 77.2% | 88.6% |
| *Patients aged 18 and older with a diagnosis of CAD who were prescribed a lipid lowering therapy | 76.9% | 89.0% |
| *Patients aged 18 and older with a diagnosis of IVD or AMI, CABG, or PTCA procedure with aspirin or another antithrombotic therapy | 76.5% | 89.3% |
| *Patients age 51 through 74 years of with appropriate screening for colorectal cancer | 31.3% | 58.7% |
| *Patients whose first ever HIV diagnosis was made by health center staff and who were seen for follow-up treatment within 90 days of that first ever diagnosis | 75.7% | 97.1% |
| *Percent of hypertensive patients with blood pressure controlled | 62.7% | 74.8% |
| Patients aged 5 through 40 diagnosed with asthma who have an acceptable pharmacological treatment plan | 81.7% | 84.1% |
| Patients aged 12 and older who were (1) screened for depression with a standardized tool and if screening was positive (2) had a follow-up plan documented | 38.6% | 41.5% |
| Percent of diabetic patients with Hba1c <9% | 67.8% | 72.6% |

* Significant difference between groups at the $p < 0.05$ level

Source: GW analysis of the 2014 Uniform Data System, Health Resources and Services Administration

Table D. Health Center Revenues

| Mean percentages and numbers for 2014 UDS variables | Health centers outside Puerto Rico (N=1,258) | Puerto Rico health centers (N=20) |
|---|--|-----------------------------------|
| *Medicaid revenue as a percentage of total revenue | 31.9% | 48.4% |
| *Private insurance revenue as a percentage of total revenue | 8.2% | 4.1% |
| *Self-pay revenue as a percentage of total revenue | 6.2% | 2.5% |
| *Grant revenue as a percentage of total revenue | 47.0% | 37.4% |
| Patient revenue as a percentage of total revenue | 53.1% | 62.6% |
| Total revenue per patient | \$855 | \$757 |
| Patient revenue per patient | \$432 | \$489 |
| Medicaid revenue per patient | \$648 | \$547 |
| Grant revenue per patient | \$424 | \$268 |
| Medicare revenue as a percentage of total revenue | 6.0% | 7.6% |
| Total revenue | \$14,102,832 | \$12,283,378 |

* Significant difference between groups at the $p < 0.05$ level

Source: GW analysis of the 2014 Uniform Data System, Health Resources and Services Administration