



GOVERNMENT OF PUERTO RICO

Department of Health
Medicaid Program

December 18, 2020

Mr. Russell Voth, MPP
Senior Analyst
US Government Accountability Office
Via email: VothR@gao.gov

Dear Mr. Voth:

Thank you again for giving us the opportunity to comment on the evaluation performed by the Government Accountability Office (GAO) of the contracts reviewed in the Puerto Rico Department of Health Medicaid Program.

On November 13, 2020 we responded to GAO's two questions and provided context regarding two selected procurements and Puerto Rico's development of a contracting reform plan. We understand that the GAO is currently finalizing their recommendations, and we would like to share the attached reports submitted by the Government of Puerto Rico, Office of the Governor in response to the requirements established by P.L. 116-94 Division N, Title I, Subtitle B, §202. The reports listed below were submitted to Chairman Grassley for approval by the December 20, 2020 deadline. Of these reports, the **Contracting Reform Plan** and the **Report on Contract Oversight and Approval** are of most relevancy to the GAO's current evaluation.

Puerto Rico Department of Health Medicaid Program's and Puerto Rico Health Insurance Administration's leadership and managerial staff worked collaboratively over the past three months to identify and establish agreement on how to address challenges facing the procurement and contracting processes and how to address them through contracting reform and enhanced contract oversight. In addition, we are also providing you with our response to the Office of the Inspector General's Risk Assessment of Puerto Rico's Medicaid Program in our **Audits of Managed Care Payments** report.

- **Contracting Reform P.L. 116-94: Division N, Title I, Subtitle B, §202(a)(7)(A)(iii):** Puerto Rico complies with the mandate of the law by publishing a contracting reform plan to combat fraudulent, wasteful, or abusive contracts under Puerto Rico's Medicaid program. We establish our vision to be recognized as a leader in ethics and transparency in procurement and contracting by identifying opportunities for our improvement, as well as,

implementation plans to help Puerto Rico achieve our vision and reform the contracting processes of our Medicaid Enterprise.

- **Report on Contract Oversight and Approval P.L. 116-94: Division N, Title I, Subtitle B, §202(f)(2):** Report that outlines our own assessment of our contracting and oversight processes that provides an overview of our competitive and non-competitive contracting processes and identifies opportunities to help enhance our contract oversight processes.
- **Audits of Managed Care Payments P.L. 116-94 Division N, Title I, Subtitle B, §202(f)(3):** Report that outlines a summary of our response to the U.S. Department of Health and Human Services (HHS), Office of the Inspector General (OIG) Risk Assessment of Puerto Rico's Medicaid Program (December 10, 2020), and highlight the upcoming planned enhancements to our program that will address the high risk areas identified by OIG and will be implemented to strengthen our processes for the evaluation of Managed Care Payments.

If you need any further information, feel free to contact us.

Sincerely,



Luz E. Cruz- Romero
Executive Director
Medicaid Program