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U.S. House of Representatives

Committee on Natural Resources Washington, DC 20515

June 23, 2021

Ms. Natalie Jaresko Executive Director Financial Oversight and Management Board for Puerto Rico PO Box 192018 San Juan, PR 00919-2018

Dear Executive Director Jaresko:

I write to express my profound disappointment in your comments regarding the need for Medicaid parity for Puerto Rico.¹ If widely circulated, your comments could incalculably set our efforts back to secure equal treatment in federal programs for the U.S. territories. Expressing support for anything less, however well meaning, only serves to make it possible for Congress to give Puerto Rico and the other territories half a loaf instead of full parity, which is precisely what is needed. This may have already been the effect as we are beginning to see reports that there could be some loss in support for full Medicaid extension to Puerto Rico.²

The issue of Puerto Rico and the other territories not currently having the infrastructure to take on a full state-like Medicaid program also came up in 2019, when we were working to address the Affordable Care Act's territories Medicaid cliff. Instead of settling for less than full parity, we proposed providing a phase-in period, with sufficient funding and penalties if the territories didn't make the necessary investments to provide all the Medicaid mandatory benefits.

The residents of Puerto Rico and the other smaller U.S. territories have had to subsist on insufficient Medicaid funding for decades. This inadequate and unstable funding has left the territories unable to provide the full range of Medicaid benefits while struggling to provide their own matching funds due to their cash-strapped budgets. A failure to address this problem at this time, which has been a goal of territorial advocates for more than 30 years, will continue to cause significant harm.

As you know, President Biden's Fiscal Year 2022 budget calls for parity in the nation's safety net programs for resident of the U.S. territories. In addition to calling for the elimination of Medicaid funding caps for Puerto Rico and the other territories, the budget also calls for parity for other federal programs including Supplemental security Income (SSI) and the Supplemental Nutrition Assistance Program (SNAP). While you may have believed that you were just

 2 Id.

¹ Natalie Jaresko says Board pushes for fair treatment of Puerto Rico on Medicaid, not parity, EL NUEVO DÍA (June 18, 2021) https://www.elnuevodia.com/corresponsalias/washington-dc/notas/natalie-jaresko-dice-que-la-junta-presiona-por-trato-justo-a-puerto-rico-en-medicaid-no-por-paridad/.

explaining the reality of Puerto Rico on the ground, your comments could have the effect of causing us to lose an opportunity that has never before been more in reach.

Any efforts you can make to clarify that full parity is the goal we are all in favor of and working towards, will be greatly appreciated.

Sincerely,

Dan M. Spale

RAÚL M. GRIJALVA

Chair

House Committee on Natural Resources