May 13, 2024

Circular Letter 24-0513

TO: Managed Care Organizations (MCOs) contracted by the Puerto Rico Health Insurance Administration (PRHIA) under the Plan Vital Program, Primary Medical Groups, Primary Care Physicians, Specialists, Sub-Specialist, and Participating Providers

RE: Communication of Current and New Initiatives for the Government Health Plan Program - Fiscal Year 2023-2024

At the Puerto Rico Health Insurance Administration (PRHIA) we promote open and transparent communication within all sectors that serve the Medicaid Plan Vital Program. The role of each stakeholder is key in the administration of the managed care model, access to care, and quality and health improvement of our beneficiaries. Therefore, PRHIA would like to inform all sectors about the current initiatives under Plan Vital, and those that will be implemented during the Fiscal Year 2023-2024. The objective of these initiatives is to enhance healthcare quality and ensure the well-being of our beneficiaries.

The following public policy initiatives will be implemented by PRHIA retroactive to October 1, 2023:

- **Nutritional Services**
  - Under Plan Vital, all beneficiaries diagnosed with morbid obesity, chronic kidney disease (CKD), kidney transplant, and diabetes (type I and II) can receive Nutritionist services focusing on medical nutritional therapy covered by Plan Vital.
  - Patients covered under Special Coverage for chronic kidney disease (CKD), or kidney transplant will not require a referral to access Nutritionist services.
  - Patients diagnosed with morbid obesity and diabetes (type I/II) will access Nutritionist services through a referral issued by their primary care physician or endocrinologist. Additional guidance on this will be provided via Normative Letter.

- **Dental Fee Schedule Increase**
  - On July 1, 2019, PRHIA implemented a dental fee schedule to cover dental procedures expanding the coverage under Plan Vital. Payable rates have been increased effective October 1, 2023. The MCOs will have 60 days to execute
adjustments in their systems to reimburse Dentist according to this requirement following PRHIA’s retroactive disbursements for contract year 2023-2024.

- CDTs 100% MFS Increase
  - PRHIA will require all Managed Care Organizations (MCOs) to reimburse all procedure codes billed by CDTs at 100% of the 2023 Medicare Part B Fee Schedule (MFS).
  - Please refer to Normative Letter 24-0311, for guidance.

- Short Term Acute Care (STAC) Payments to Hospitals will persist throughout Fiscal Year 2023-2024.
  - Implemented by PRHIA since January 1, 2020. This direct payment has been increased by 32%, based on hospital admissions rate, retroactive to October 1, 2023.

The following public policy initiatives were implemented by PRHIA effective January 1, 2023, and remain in effect:

- Durable Medical Equipment (DME)-Glucose Monitors
  - Coverage for diabetic supplies for all members with type 1 diabetes as well as some members with type 2 diabetes on an exception basis.
  - Guidance for this has been provided under Normative Letter 23-0126.

- Adult Vaccination
  - Established changes and extended access to the vaccine benefit for the adult population aged 19 and older in Plan Vital.
  - Guidelines for this service can be found on Normative Letters 23-0117 and 23-0117 Amended.

- Primary Care Physician (PCP) Per Member Per Month (PMPM) minimum floor ($18PMPM)
  - PRHIA has implemented this floor a directed payment under 42 CFR 438.6 (c) (iii) (c).
  - Guidance on this requirement can be found under Normative Letter 23-0605, and Circular Letters 22-1031, 22-1031A.

- Minimum Floor for Professional Services: 75% and 80% for general services 100% for certain specialties
- PRHIA has implemented a new minimum fee schedule, consistent with the Consolidated Appropriations Act of 2023, equal to at least 75%, 80% and 100% of the Medicare Part B fee Schedule (MFS) of 2023.
- This payment floor is set into effect through the existing Plan Vital MCO contracts for selected specialties and subspecialties as detailed in the Attachment 33 of the contract between PRHIA and MCOs.

- Continued 10% Increase in Hospital Operational Expense-Premium Component.
  - As per Circular Letters 22-0406 and Normative Letter 22-0617, hospital reimbursements rates were increased by a total of 10% since October 1, 2021, to account for cost pressures associated with the healthcare labor market.
  - Additional guidance on this matter can be found in section 10.5.1.5.1 of the Plan Vital contract.

- Inclusion of Inflammatory Bowel Disease (IBD) in Special Coverage and Policy for the management of patients diagnosed with this condition.
  - Please refer to Normative Letter 22-1212-1, for guidance.

- Inclusion of Cleft Palate and/or Cleft Lip in Special Coverage.
  - Please refer to Normative Letter 22-1212-2, for guidance.

- Spinal Muscular Atrophy (SMA) Drugs continue to be subjected to pre authorizations. However, Plan Vital Medicaid is responsible for 100% of the costs (“At Non-Risk”).

We are confident that these initiatives will strengthen our healthcare system and contribute to the overall well-being of our beneficiaries.

Cordially,

Roxanna K. Rosario Serrano, BHE, MS  c. Raquel Vera-Esq., Acting Legal Director
Executive Director  Norberto Negrón- Esq., Chief Compliance Officer