



THOMAS RIVERA SCHATZ
PRESIDENT

January 23, 2026

The Honorable Robert F. Kennedy, Jr.
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

The Honorable Mehmet Oz, MD
Administrator
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Secretary Kennedy and Administrator Oz:

I have had the honor of serving as a Senator since 2009 and am currently in my third term as President of the Senate of Puerto Rico. As a Republican who firmly believes in the principles and values of our party—fiscal responsibility, strong national defense, and the advancement of American prosperity—I welcome the opportunity to strengthen collaboration with the leadership of the U.S. Department of Health and Human Services and the Centers for Medicare & Medicaid Services, particularly as we work toward shared goals that benefit all American citizens.

At your convenience, it would be a privilege to welcome both of you to the Senate of Puerto Rico. Your respective leadership roles place you at the center of decisions that are of existential importance to the 3.2 million U.S. citizens residing on our island, especially with respect to healthcare policy, federal funding equity, and system sustainability.

Puerto Rico occupies a uniquely strategic geographic position for the United States, serving as a critical hub for federal operations, emergency response, humanitarian assistance, public health preparedness, and regional coordination throughout the Caribbean and Latin America. Our location, infrastructure, and longstanding role as a gateway between the mainland and the region underscore Puerto Rico's importance to broader U.S. interests, particularly as the nation navigates evolving challenges across the Caribbean basin and the Western Hemisphere.

As you continue overseeing critical healthcare and federal funding programs, we respectfully but firmly request your support in securing adequate and equitable funding for Puerto Rico under both Medicaid and Medicare Advantage (MA). Chronic underfunding has eroded our physician workforce, restricted access to care, and accelerated the migration of both patients and providers to the mainland. Compounding these challenges, the U.S. Virgin Islands—despite frequently referring patients to Puerto Rico due to limited local capacity—receives approximately 29 percent higher



Medicare reimbursement rates. These disparities are unsustainable and warrant timely and decisive corrective action.

Puerto Rico's uniquely high MA penetration further underscores the urgent need to address longstanding structural inequities within the program. Although MA enrollment on the island is the highest in the nation, Puerto Rico continues to receive disproportionately low payments due to statutory differences affecting Part A calculations, an exceptionally low Medicare Fee-for-Service participation rate that suppresses benchmarks, and decades of data anomalies requiring technical adjustments for hospitals and individual providers. Collectively, these factors have produced payment outcomes that do not accurately reflect beneficiary risk, cost of care, or access needs.

We respectfully urge CMS to use its existing administrative and regulatory authority to correct these deficiencies, including through appropriate methodological refinements, data corrections, and benchmark adjustments, as CMS continues its work on the Calendar Year (CY) 2027 Advance Notice for Medicare Advantage. Targeted administrative action would meaningfully strengthen program integrity, improve access to care for beneficiaries, health professionals' compensation, health facilities infrastructure and help stabilize Puerto Rico's healthcare delivery system without requiring statutory change.

For these reasons, I extend a cordial and formal invitation for you to visit Puerto Rico at your earliest convenience. We would be honored to accompany you on visits to healthcare facilities and community initiatives, allowing you to observe firsthand both the strengths Puerto Rico offers and the pressing challenges that require federal partnership.

Our commitment to working collaboratively with the Administration on matters that strengthen Puerto Rico and protect the interests of the American people is firm and unwavering. Puerto Rico stands ready to advance our shared objectives of healthcare equity, institutional resilience, and sustainable economic growth.

Thank you for your leadership, your service, and your thoughtful consideration of these issues, which are vital to our constituents, our physicians, our patients, and the long-term future of Puerto Rico.

Cordially,



Thomas Rivera Schatz