Interview: Ana Ríus – Secretary of Health, Puerto Rico



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Ana Ríus became the Secretary of Health of Puerto Rico in 2013 following a very dynamic career as Head of the Puerto Rico Health Medical Services Administration. She discusses the current changes being made in the country's health system and how Medicare Advantage funding is critical to maintaining a stable health program.

When you came to this office what were the main policies you wanted to achieve?

My main policy was to improve Puerto Rico's health system, which posed various challenges including general health on the islands of Vieques and Culebra. There were also many financial challenges to contend with in order to apply the changes dictated by the US, which provides 57 percent of the health system's funding. When I took on the role of Secretary of Health we had a TPA (Third Party Administrator) system with one insurance company. We were informed by the US that we needed to change this model to either Free for Service (FFS) or Managed Care (MCO). We chose Managed Care which is now the insurance company covering the 1.6 million people who qualify for the Government's Health Plan, or *Plan de Salud del Gobierno* (PSG).

I would like to point out that, with 94 percent of the population covered by health insurance, Puerto Rico is the territory with the highest percentage of people covered by health insurance in the US after Boston. Furthermore, those who do not have insurance have access to the Puerto Medical Center. In essence, we offer almost universal access to healthcare.

What are the main implications of the Affordable Care Act (ACA) being implemented here and how will you adapt?

The money distributed to the various states through the ACA was a fixed sum which could not be negotiated. The choice we were given was how to invest these funds and we chose to put this money in its entirety into the PSG. This, of course, increased the overall funds available for the PSG by 43 percent ($2.8 million) which must be contributed by the Puerto Rican government.

The greatest problem consists in the fact that, when ObamaCare funding ends, we will have to tap into our own resources. This means that the available funds will be reduced to the previous amount of around $500 million which will pose a serious problem for the financing of the PSG.

Moreover, there is a cap on our Medicare funds which, in 2018, may be around $500 million. The reason for the cap on our health system being implemented is that, although Puerto Ricans contribute the same amount of money to the system as Americans, they do not pay federal taxes. A coalition of the key stakeholders such as hospital associations, insurance companies, doctors' associations and the government have been created and will have to lobby intensely for the cap to be withdrawn and so that there are no cuts to the Medicare funds.

Therefore, on the one hand, we will have to negotiate with the US Department of Health and Congress to have the cap eliminated. On the other hand, we must strive to create a better health system which has a greater focus on prevention through health education whilst also being more financially efficient.

In what ways could the system be more financially efficient?

This year we have spent $800 million on suppliers, $470 million on drugs and $1.2 million on hospitalizations and visits to the emergency room. These figures are for only 1.6 million people, so they are incredibly high. In addition, 85 percent of the funds are being consumed to tackle the four most prevalent chronic diseases: obesity and the subsequent metabolic syndromes, hypertension, diabetes and asthma. These conditions are also becoming increasingly common; in the case of diabetes and asthma, the figure rose from 13 percent in 2004 to 17 percent in 2013 and hypertension rose from 20 percent to 34 percent. Therefore, we have a very serious problem here which we need to address.

We are currently weighing up these issues to identify the inefficiencies in the system and the subsequent cost-containment measures that can be applied to reduce these. In the short term we need to apply a two-pronged approach to this issue. If the problem is tackled at the upstream level

we can initially reduce the cost from the suppliers by $200 million. An additional $150 million of the $470 million dollars spent on prescriptions could also be saved. In order to do this we need to deal with the four chronic diseases by giving physicians the “recipe” to deal with them better and thus eliminate inefficiencies from the system, particularly the wasteful overuse of drugs.

Another inefficiency I am keen to reduce is unnecessary hospitalizations and visits to the emergency room. Last year, for example, there were twenty-two occasions in which the same person returned to the emergency room within one month.

How much time do you think is necessary to begin making the system more efficient?

We have already begun researching the options for improving efficiency and within 6 to 9 months there will be some results for the applicability of certain cost containment measures. This cost containment is going to be very important. There is a need to abide to the American system but, in relation to pharmacovigilance, it is important to follow the necessary steps to tackle the system’s inefficiencies.

In terms of access to innovative drugs, is the system here set up in a way that it can access the ground-breaking drugs being manufactured here or is there a bigger focus on generics?

In general, getting access to medicine here is very easy. The system is regulated via a form which is controlled by the PBM (Pharmacy Benefit Managers). Although when generic drugs are available these tend to be used unless a particular brand is required, such as for patients who receive chemotherapy or treatment for chronic epilepsy. Branded medicines are quite regulated here. However, in this past year generic medicines have escalated in price although the reason for this remains unclear.

In what ways does the Department of Health support the local biotech or pharmaceutical industries? You have many medical centers here – can they be used to help the investigation of research based companies?

Here at the Department of Health, we certify production for the pharmaceutical industry. However, the educational and academic system and institutions are independent. Their requests for investigative grants go directly to the NIH (National Institute of Health) in the US and thus do not pass through the Department of Health. We are perhaps more connected at a local level with the Puerto Rican Cancer Center.

In order to take advantage of these sectors, there should be a proposal to the central government to gain more synergy between manufacturing and R&D. However, the pharmaceutical industry does work alongside the local healthcare system and makes a considerable contribution. For example, in the fight against HIV and other sexually transmitted diseases such as tuberculosis and Hepatitis C, we receive federal money. We are now at the stage of combating, identifying and curing Hepatitis C and we continue to seek further progress.

Given the quality of healthcare here compared to many other countries in the Caribbean, to what extent is Puerto Rico a medical hub?

In general, we have very little medical tourism. The people who come from places like the Dominican Republic are using free healthcare services while living here in Puerto Rico. On the other hand, our medical college benefits from many years' experience training professionals for Central America. We have some of the best medical programs here: our program at the medical center won a gold award as one of the best in the US. But people do not tend to come here for medical tourism because it costs a lot of money. We perhaps need to improve our marketing strategy for simple surgery procedures such as cataracts which could bring business to the country because these procedures are much cheaper here than in other places.

We also have unique services and equipment such as one of only five of the hyperbaric cameras in the US. It is also the third largest in the US and is used for treating various conditions including decompression sickness. We aim to encourage medical tourism here; to do this, one of the main hurdles we have to overcome is the fact that many people come here for training but a lot of that talent then leaves to go to the US. So we need to hold on to that talent to promote medical tourism.

You spent many years as an anesthesiologist, then in more administrative roles and now as a true Puerto Rican politician. Where do see yourself in the future?

I have worked for 36 years as a doctor and dedicated 31 years to the profession so once I have completed my goals I will retire and potentially write a book! But Puerto Rico can always count on me for whatever it needs.

In recent years, Puerto Rico has slipped from the radar slightly in its pharmaceutical industry. How will Puerto Rico be put back on the pharmaceutical map?

This is something we are working on. With all the resources we have to hand, we can bring them together and gain more synergy between the health system and the investigative and

pharmaceutical entities. Internally, we already offer almost universal access to the health system as 94 percent of Puerto Ricans have health insurance and the remainder chooses not to buy insurance. Thus, the next step is to improve the quality of the access to healthcare. We aim to recuperate our previous position and prestige and medical tourism is going to be the spearhead of this campaign.

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