Interview: José Luis Rodríguez – CEO, Hospital Pavia Santurce, Puerto Rico



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José Luis Rodríguez, CEO of Hospital Pavia Santurce, explains how budget cuts to Puerto Rico's healthcare system will have a dramatic impact on the country's hospitals, and outlines how medical tourism can be promoted more to bring more patients to the island.

What is your current assessment of Puerto Rico's hospitals today, given recent cuts to Medicare Advantage? How can the situation be mitigated?

We are indeed going through truly difficult times. The forecast of healthcare reform in Puerto Rico says that resources will run out by 2018. This will have significant impact on us because we provide social insurance to 1.5 million people in the country. Healthcare is one of the top 3 industries that is currently maintaining Puerto Rico. So we are suffering with what is going on in the world in terms of healthcare reform and Medicare cuts.

Puerto Rico's situation is particularly difficult because while the 50 states had an increase in resources, Puerto Rico had a cut! This cut has had a tremendous effect since the penetration of Medicare Advantage is huge, and 3 out 4 people are enrolled in this program. Furthermore, 60 percent of the patients in a hospital have Medicare, and that means that we will lose a lot of resources. The issue of Medicare being the top insurance program in Puerto Rico with an 11 percent cut means that many hospitals will be affected. Therefore, the future does not look very

bright for hospitals in Puerto Rico. Hospitals that are part of big health systems such as Metro Pavia will continue to stand, but the hospitals that do not have that support will struggle.

I believe that in order to have success in the future, hospitals will need to specialize. Metro Pavia Santurce is specialized in cardiovascular treatments, for example. It is important to have a niche to succeed in this environment.

In the Caribbean and especially in Puerto Rico we see a number of important centers that are critical for the region. Do you think that a way to survive this health crisis could be attracting more patients from other countries?

Yes. This is the concept of medical tourism and the Puerto Rican government is really working on this sector at the moment. It is very expensive to be sick in the United States, and we believe that Puerto Rico could be a destination for health treatments because we are a US jurisdiction, our costs are lower, our physicians are trained in the US with the same certifications as other US physicians and we also are accredited by the Joint Commission.

Many people come to Puerto Rico for complex surgeries, such as open heart, orthopedics, dental, or plastic surgeries. We believe we can attract patients because we speak their language and have the same judiciary system, and these characteristics can give peace of mind for the patients. It is much better than going to another country with different realities. Pavia has been providing services to the Caribbean for that last 20 years; however, besides doing medical tourism we are also providing emergency services for those in need in other countries. The government of Puerto Rico is betting on that and building more facilities to receive these patients.

What efforts is Pavia Santurce taking to ensure that people from the US have access to these cardiovascular treatments?

We are working with brokers that attend industries with many employees, to whom they demonstrate our services of orthopedics and cardiovascular treatments. Besides that, this hospital is well-known in the market for our knowledge and quality. To illustrate, Pavia was selected as one of 250 cardiovascular centers in the US to perform transcatheter aortic valve replacements (TAVR). In order to be at the edge and have the latest technologies for cardiovascular services we have been providing this service since April 2015.

Do you believe that medical tourism can act as an engine for economic recovery and reduce the burden that the hospitals will experience?

We are looking forward to it. But I still believe that some hospitals will struggle with the context.

What about lobbying in Washington?

We have been lobbying for the last 40 years! Medicare does not pay Puerto Rico the same way it pays the US. The government pays 100 percent in labor in the US and here only 70 percent, despite the fact that we pay the same amount of taxes. They demand the same quality of services, but we receive fewer resources. Regarding this issue, Puerto Rico wants to have the same treatment as the other states.

What do you think that has led to this evolution of discrimination of Puerto Rico?

The former chief of the New York division of the Health Care Financing Administration (now known as the Center for Medicare and Medicaid Services, or CMS) recently explained to me that in the 1960s Puerto Rico was a big competitor for sugarcane production with Louisiana, the latter of which went to Congress and asked for a punishment for Puerto Rico. That is why we don't have the same benefits. As a side note, when appealing to the court, Puerto Rico cannot go to Florida but instead must go to Boston, because Boston has historically been the center of sugarcane business.

How would you like to see this hospital evolve over the next few years? What are your priorities?

We will keep working and innovating in cardiovascular services. As the largest healthcare system in Puerto Rico we are installing catheterism labs in the north, west and south of Puerto Rico. This way we will capture cardiovascular patients throughout the island in these hubs. Catheterism is a diagnostic procedure, but if the patient needs a cardiovascular surgery he will be sent to Pavia Santurce. We are also developing neurosurgery, orthopedics and medical tourism, but cardiovascular remains our strength.

What are your expectations in the future for Puerto Rico?

I am a very positive person. Puerto Rico is working hard to negotiate with the government regarding healthcare reform. I am sure that when we provide assertive information to Medicare, they will revoke the 11 percent cut in 2017. As long as we provide quality services, the reimbursements should not suffer too much. We hope also that medical tourism develops and grows in Puerto Rico. Personally I would like to bring more innovation to healthcare system, such as TAVR, and take the quality of our healthcare system in general to the next level.

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