



June 7, 2007

Honorable Tom Coburn, MD
United States Senate
Washington, D.C. 20510

Dear Senator Coburn:

I would like to begin by thanking you for the concern you have demonstrated about patients with HIV/AIDS who reside in Puerto Rico. I know you have received multiple expressions of dissatisfaction from the CBO's and patient groups regarding a waiting list for medications and the difficulties in the administration of funds by the DoH, and referring these issues to DHHS is a proactive step.

You should know that I am personally committed to not allowing a single patient under the care of the Department to suffer without the treatment necessary and to stay healthy and alive. Nor will I allow a history characterized by a lack of coordination across jurisdictions to hinder our movement towards an integrated and seamless system. In short, I am pursuing an efficient system which extracts every ounce of value from our current resources so that each patient and provider is wholly confident that the Department is a worthy partner in treating HIV/AIDS and preventing further infection.

I would like to take the opportunity to relay the situation in Puerto Rico in the hopes that by understanding the challenges we face we can work together to overcome them. As you may know back in February and March of this year, the DoH experienced a shortage of federal funds for the provision of HIV/AIDS drugs covered under ADAP. When the DoH faced said shortage, a waiting list, was established.

The shortage of funds which led to the waiting list was due to a substantial increase in the number of patients transferred from the care of the Municipality of San Juan to

the care of the Department of Health along with the rise in the prices of the Commonwealth of Puerto Rico allocated to the DoH \$8 million in for some HIV/AIDS drugs. In order to eliminate the waiting list, the state funds in order to purchase drugs. Even so, activists continue to state publicly that the DoH has a de facto waiting list and that medications are being rationed by the DoH. I assure you that said allegations are inaccurate.

As you might already be aware, we fund eighty five percent (85%) of our Medicaid program from Commonwealth's funds. This in turn influences the amounts we are able to allocate to programs like ADAP. Since Puerto Rico's Medicaid allocation is not subject to the FMAP formula, we only receive twelve to fifteen percent (12 to 15%) financing of the costs associated with Medicaid compared to the fifty to eighty percent (50 to 80%) that the states currently receive. We urge you to help us in dealing with this issue.

The Commonwealth of Puerto Rico has been working with the patient coalitions and the CBO's in order to address their concerns in reference to the lack of participation in the program's management and decision-making. In addition, we have invited them to become active participants in our program's advisory council.

The Department of Health believes that a significant part of the misapprehension felt by the CBO's and the patient representatives is due to their lack of understanding of the Ryan White program policies and procedures. It is important that we help the CBO's and the patient community understand the programs. We have taken steps to ensure this by establishing an ADAP advisory council which includes patient representatives and recruiting personnel to work directly with the CBO's.

The CBO's and patient groups also indicated their concern that the Department's administrative "incompetence" forced the shut down of a particular community-based organization. However, it is essential to clarify that only one CBO ceased to operate and it was at their own request. The closing of the CBO was related with their own administrative constraints as demonstrated in a DoH audit. The DoH has gone to great lengths to ensure the continuity of essential services offered to the patients whether CBO based or government based.

As a matter of fact, the Department of Health currently contracts with over 40 CBO's to distribute some \$10 million dollars for the provision of care and preventive services. Thus we can safely assert that Ryan White funds along with state funds are reaching service providers.

The Department of Health has faced administrative challenges but we are fully committed to resolving these issues and have made a great deal of progress. Recently,

the Department recruited 25 staff members to work in the Ryan White program to reinforce administrative duties and ensure prompt payment to providers. While the new regulatory requirements of the Ryan White Program create new challenges for the Department, efforts are currently directed to reduce processing time and provide strategies for priority processing.

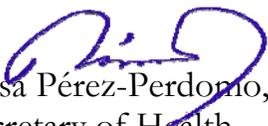
It is imperative that I clarify that the problems faced by the Municipality of San Juan are far different from those faced by the DoH. The allegations faced by the municipality are very serious as they relate to the mismanagement and improper use of the funds. Meanwhile, the DoH has demonstrated a legitimate concern for patients by spending all federal funds on drugs necessary for patients and that are not covered by the Commonwealth's Medicaid program.

Finally, I would like to share with you that data of the AIDS epidemic in Puerto Rico shows a decreasing trend in incidence and mortality. Thus I can assert that prevention efforts and treatment has been successful. However, efforts are underway to develop an intensive prevention campaign island wide in order to improve this trend.

I know the Department of Health has several significant challenges in managing its Ryan White program but I would like to assure you that I am confronting these limitations head on. I welcome any technical assistance but do not believe that at this moment a TPA or direct HRSA receivership adequately serves the needs of our patients.

I thank you for the opportunity given to express the Department's viewpoints on this matter and look forward to our continued and successful working relationship.

Sincerely,


Rosa Pérez-Perdomo, MD, MPH, PhD
Secretary of Health