

(S. B. 2443)

(No. 88)

(Approved May 24, 2000)

AN ACT

To amend subsection (g) of Section 10; and subsection (d) of Section 11 of Section VI of Act No. 72 of September 7, 1993, as amended, known as the “Puerto Rico Health Insurance Administration Act,” in order to extend the institution of the Health Reform to the Municipality of San Juan; and provide for the contribution of the Municipality of San Juan to the Puerto Rico Health Insurance Administration (“A.S.E.S.” in Spanish).

STATEMENT OF MOTIVES

Act No. 72 of September 7, 1993, as amended, known as the “Puerto Rico Health Insurance Administration Act,” created the Health Insurance Administration, hereinafter known as ASES, as part of a radical reform of the Puerto Rico health services. It is clearly evident in the Declaration of Legislative Intention that the public policy that inspired the above cited Act No. 72, is to provide quality medical and hospital care, to the beneficiaries of the Health Reform through the contracting of health insurance plans.

Section 11 of Section VI of the above cited Act No. 72 provided the mechanisms that would defray the financing of the Health Reform’s health insurance plans and the operating expenses of ASES. To such effects, it was established in subsection (d) that the contribution of the municipal governments to ASES would be based on the budget appropriation of direct health services of fiscal year 1993-1994, through a negotiation process with ASES. In view of the ineffectiveness to achieve said process rapidly, and

searching for efficient mechanisms that would guarantee the compliance of the participating municipalities with the transfers to ASES, Act No. 29 was approved on June 1, 1997, to amend said subsection. In this manner, the source and the form of payment of the municipalities to ASES was established, with a precise formula that eliminated the contingencies and uncertainties of negotiating options previously contemplated in the Act.

Act No. 29 cited above, established a fixed progressive system of municipal contributions to ASES, using as a basis a percentage of the regular municipal funds budget, applied to each municipality. These progressively staggered percentages were structured in a Table to such ends. Also, pursuant to said amendment to the Act, the Municipal Revenues Collection Center (CRIM) was empowered to retain the corresponding contribution of regular funds pending remittance to the municipalities.

The Municipality of San Juan was exempted from the application of the fixed contribution system, established in Act No. 29 cited above. However, as a part of this statute, the Municipal Government of the Capital received the mandate to negotiate its contribution with ASES and ratify it by municipal ordinance. In view of the lack of consensus with the Municipality of San Juan to determine its contribution to the health insurance in an equitable manner in proportion to the rest of the municipalities of Puerto Rico, this Legislature has the responsibility of opening the doors to the people of San Juan so that they can access medical and hospital services of excellence through the health insurance plans. To these effects, the aforementioned Act No. 72 is hereby amended to implement the Health Reform in the Municipality of San Juan, no later than the 1st of July of 2000. Also, the application of the mechanism of fixed contribution is hereby established for the Municipality of San Juan.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.- Subsection (g) of Section 10 of Section VI of Act No. 72 of September 7, 1993, as amended, is hereby amended to read as follows:

“Section 10.- Regionalization system:

Services shall be rendered following the regionalization system of the Department, progressively establishing a network of participating purveyors throughout the Island, thus ensuring the closest service to the patient.

(a) ...

(g) The Administration shall proceed to implement, the Health Reform in the Municipality of San Juan in the measure which corresponds to it, no later than the 1st of July of 2000. To such effects, it shall arrange, negotiate and contract health insurance plans with the intention to extend to the eligible citizens of the Municipality of San Juan, the Card Health of the Government of Puerto Rico Health Insurance Plan with all the benefits and prerogatives applicable to the plan. The municipal administration of the Municipality of San Juan and its Municipal Assembly shall enable the Administration to comply with this mandate, offering whatever cooperation is necessary and within its reach, in an effort to enable the implementation of the Health Reform in San Juan.”

Section 2.- Subsection (d) of Section 11 of Article VI of Act No. 72 of September 7, 1993, as amended, is hereby amended to read as follows:

“Section 11.- Financing of the Administration and the Health Insurance Plan; Other Income.-

The Health Insurance Plan established by this Act and the operating expenses of the Administration shall be defrayed as follows:

(a) ...

(d) The budget appropriation of the direct health services of the municipal governments in areas covered by health insurance shall be based on the percentages set forth in the following Table of the Regular Funds Budget of the municipalities, excluding the Additional Special Surtax (CAE, Spanish acronym) and Federal funds, using as a base the regular funds budget of the previous fiscal year, from and after July 1, 1997.

0 - 10,000,000	= 5%
10,000,001 - 29,000,000	= 6%
29,000,001 - 39,000,000	= 7%
39,000,001 - 49,000,000	= 8%
49,000,001 - 59,000,000	= 9%
59,000,001 - 79,000,000	= 10%
79,000,001 - 89,000,000	= 12%
89,000,001 - 100,000,000	= 15%
100,000,000 - and over	= 17%

The Municipal Revenues Collection Center, henceforth CRIM, shall prorate from the monthly remittances a sufficient amount to cover the contribution corresponding to each municipality according to the established percentages. From and after July 1, 1997, and in the specific case of the Municipality of San Juan, from and after the 1st of July, 2000, it shall withhold said amount from any regular funds pending remittance to the municipalities, and shall remit it to the Health Insurance Administration on or before the tenth (10th) day of each month.

Every contract granted between any municipality and the Administration concerning these contributions, shall be automatically rescinded upon the effective date of this measure. The Administration shall

notify the CRIM of all those payments received from the municipalities so that they may be credited to future payments remitted by CRIM to the Administration.

(e) ...”

Section 3.- This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 88 (S.B. 2443) of the 7th Session of the 13th Legislature of Puerto Rico:

AN ACT to amend subsection (g) of Section 10; and subsection (d) of Section 11 of Section VI of Act No. 72 of September 7, 1993, as amended, known as the “Puerto Rico Health Insurance Administration Act”, in order to extend the institution of the Health Reform to the Municipality of San Juan; and provide for the contribution of the Municipality of San Juan to the Puerto Rico Health Insurance Administration (“A.S.E.S.” in Spanish),

has been translated from Spanish to English and that the English version is correct.

In San Juan, Puerto Rico, today 17th of September of 2003.

Elba Rosa Rodríguez-Fuentes
Director

