



*News from*  
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**PALLONE STATEMENT AT HEALTH REFORM  
HEARING ON ENSURING AFFORDABLE COVERAGE**

*Washington, D.C. --- U.S. Rep. Frank Pallone, Jr. (D-NJ), Chairman of the House Energy and Commerce Subcommittee on Health, gave the following opening statement this morning at the second of a series of hearings focused on making health care work for American families. Today's hearing addresses the need to make health care coverage more affordable.*

"Good morning and welcome to our witnesses. This is the second in our series of hearings on health reform. Today, the Subcommittee will examine issues surrounding the affordability of health coverage.

"Now more than ever, securing quality health care coverage at an affordable price is not possible for millions of American families.

"First and foremost, health insurance has become too expensive. As health insurance premiums continue to outpace wages every year, people can no longer expect to pay a reasonable price for health coverage.

"As we talk about health care reform, we have to ask ourselves, what should we expect to pay for health care coverage and what should that coverage include?

"Cheap plans that offer little protection, such as high deductible plans, are not the solution. We need real reform that makes quality health care coverage affordable to every American.

"In order to do that, we need to change the rules which govern the way people obtain health care coverage, particularly within the individual market.

I am particularly interested to hear from our witnesses today how new ideas like a health exchange or connector, (similar to the one in Massachusetts); a public plan option; and an individual mandate can help provide individuals access to affordable options for meaningful coverage.

"I also think it's important that as we talk about making coverage on the individual market more affordable, we don't do anything to disrupt the affordability of coverage in other sectors.

"There is a lot of talk lately about eliminating the tax exclusion for health benefits offered by employers. This was an idea promoted by former President George W. Bush and was a key component of Senator McCain's health care proposal during his presidential campaign.

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"I think that this is a dangerous road to go down. The employer market is already declining. It's becoming increasingly difficult for both employers and employees to afford health care coverage. Eliminating those tax incentives will further exacerbate the affordability problems we already face with employer sponsored insurance and will do nothing to improve the affordability of coverage in the individual market.

"I want to thank our witnesses again for being here today and I look forward to hearing their testimony. I now recognize our ranking member, Mr. Deal for three minutes for the purpose of making an opening statement. Thank you."