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Opening Statement of Rep. Henry A. Waxman
Chairman, Committee on Energy and Commerce
MedPAC's June 2010 Report to Congress: Aligning Incentives in Medicare
Subcommittee on Health
June 23, 2010

Thank you, Chairman Pallone, for calling this hearing.

We're going to hear from a representative from MedPAC, which is an organization set up to advise the Congress about the Medicare program. And they've done an excellent job over the years. In fact, many of their recommendations were incorporated into the recently passed comprehensive health insurance bill. That bill is going to extend health insurance coverage to 30 million Americans; it's going to hold down costs; and it's going to benefit Medicare beneficiaries and the Medicare program. You wouldn't believe it by the propaganda line we've gotten from the Republican side of the aisle. They were against working on a bipartisan basis with us; they complained about the bill before it was enacted; they've complained about the law since it's been enacted, and it's not even fully implemented.

Some things are still in the process of being implemented, such as the high risk pools. Yet, we've already heard complaints about them already being a failure. The high risk pools are a temporary way to cover people with preexisting medical conditions who cannot buy insurance at all. It will give them the chance to buy insurance until the insurance system is implemented where they can no longer be discriminated against - something the Republicans would not support. They've complained that this law is going to do a disservice to Medicare. The truth of the matter is that the Medicare trust fund, the longevity of Medicare, is going to be extended for many, many years. The Medicare trust fund will be extended for 12 years until 2029.

They've talked about some of the cuts in Medicare, but those cuts are wasteful expenditures to insurance companies that are telling Medicare beneficiaries that they should have more money for their overhead. We said no - the money ought to go for healthcare services, and this was one of the recommendations of MedPAC, not to have these so-called Medicare advantage plans get overly compensated.

But not only are we saving money in the expenditure of Medicare, but we are also going to be closing the donut hole so seniors will not find themselves going broke having to pay 100% of the full cost for their prescription drugs, something the Republicans provided for when they adopted their original Part D Medicare legislation. We'll close the donut hole. We'll provide

preventive services without costs to the seniors – they won't have to come in with copayments for preventive care.

You would think we ended Medicare. You would have thought we are putting the American people on the British system to hear my colleague from Georgia a minute ago talk about the result of the healthcare bill.

The hearing we're having today is not the first hearing we've had on the whole healthcare system. The Congress of the United States, in fact, the House, held 79 bipartisan hearings and markups on health insurance reform over the past two years. We had hearings. We've got full input from everybody - people who had different points of view, those who were in favor and those who were against. And out of those hearings, we've worked on legislation. But we had to do it on a partisan basis because like every bill that we have considered in the last year and a half, the Republicans have decided to vote no. They voted no on the stimulus bill. They voted no on the energy bill. They voted no on the health bill. They voted no on the financial reform bill. They are the Party of No. Now when we're trying to learn more about what we need to do to keep Medicare the program stable as a way to provide health care services for our seniors and our disabled people, they want to complain, not talk about how we can work together.

MedPAC has given us a report. That's the reason for this hearing. Their report is always useful. They've suggested that there are ways to deal with graduate medical education to try to get physician services based more on quality and not on quantity. They've recommended what we should do with people who are both Medicare and Medicaid dually eligible. They've given us a lot of good, substantive things to look at and to work on.

I'm pleased with what they've done in the past. That's been part of the health care bill that is now law, and I'm looking forward to the testimony about further things we need to do to strengthen the Medicare program.

But let no one be fooled. What we're seeing is a lot of propaganda from our Republican colleagues. It's the same thing we've heard at every hearing over and over again, that you're going to have rationed care, you're not going to have care, that everybody is going to drop the care. Meanwhile, they wouldn't even eliminate the barrier for people to buy insurance because of preexisting medical conditions.

I'm glad the healthcare bill passed. People will welcome it.