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Opening Statement of Rep. Henry A. Waxman
Ranking Member, Committee on Energy and Commerce
“Health Care Issues Involving the Center for Consumer Information
and Insurance Oversight”
Subcommittee on Oversight and Investigations
February 16, 2011

Mr. Chairman, I am a strong believer in effective oversight. It is essential to ensuring that the laws passed by Congress are implemented in the most effective and efficient way possible. That is why I support oversight of the Affordable Care Act.

The health reform law passed by Congress and signed into law by President Obama last year provides tremendous benefits. Insurers are banned from discriminating against children with pre-existing conditions. Seniors are already benefitting from lower drug prices. Small businesses are already getting tax cuts to pay for health insurance. The law has benefits for all Americans – and we ought to be doing what we can to make sure the Administration is implementing the law appropriately.

But I am concerned that this Committee is using oversight as another means of blocking implementation of the law. Over the last few weeks, the Committee issued broad document requests to the Department of Health and Human Services (HHS) that require massive document searches for no apparent purpose. Already HHS has produced over 50,000 pages of documents in response to these requests.

And already we are seeing Republican leaders make unsubstantiated allegations that wrongly accuse the Department of misconduct and mismanagement.

The subject of today’s hearing is the formation of HHS’s Center for Consumer Information and Insurance Oversight and the waivers that CCIIO has provided insurers from a provision of the health care bill banning annual limits on health care coverage.

The Subcommittee Chairman has asserted that the granting of these waivers shows that the health care reform effort is flawed: “If the law is so good, why are so many waivers to the law being granted?” Senator Orrin Hatch has decried “the lack of transparency which has surrounded the waiver process.” Oversight Chairman Darryl Issa has asserted that unions have

received special treatment because “bureaucrats are picking winners and losers in a politicized environment where the winners are favored constituencies of the administration.”

But let’s look at the facts.

The waiver process has been transparent and efficient. HHS put out an interim final rule, three sets of guidance, and worked individually with each applicant to resolve any problem with waiver requests. Over 90% of all entities that applied for waivers were approved. The average wait time for approval of a completed waiver request was only 13 days.

The process has also been fair. Contrary to Chairman Issa, there has been no favoritism to unions. The information HHS has produced to the Committee shows that plans that serve union employees were almost five times as likely to have their waivers denied as non-union plans. Nine of the ten largest applicants to be denied waivers were plans that provided care for union members.

The law and the waiver process are designed to accommodate plans with low annual limits known as “limited benefit plans” or “mini-med” plans. These plans either have a set limit on dollar amounts of benefits that may be received or cap specific benefits.

In 2014 these plans will be unnecessary: all Americans will have improved health care coverage because insurers will no longer be able to discriminate on the basis of pre-existing conditions, and consumers and small businesses will have improved access to affordable care through new health insurance exchanges.

The waivers are intended to provide a smooth transition between now and 2014. They affect a small population – less than 2% of all Americans with employer-based coverage – but for this group they provided valuable interim relief.

Rather than indicating a flaw in the law, the waiver process shows HHS is implementing health reform in a way that helps consumers keep their plans without imposing undue burdens on insurers or risking loss of coverage.

The Democratic staff has prepared an analysis of the waiver process that documents its success. I ask that this analysis be made part of today’s hearing record.

I was Ranking Member of the Oversight Committee when then Chairman Dan Burton ran amok investigating our last Democratic President. No allegation was too wild to pursue. The Committee would demand thousands of documents, and take up hundreds of hours of taxpayer time in investigations that cost taxpayers millions of dollars – all with no regard for the basic facts of the case.

I hope this is not happening here. When we hold oversight hearings, we should do so because we want to make sure that federal agencies are doing their jobs. We should not hold hearings to stop the vital work of government. And we should not hold hearings because the new Republican majority wants to disrupt the health care reform law.

As we conduct oversight on the law, I hope we will put partisanship aside and do the kind of thorough and fair investigations that have been the hallmark of this Committee.

And if we do that, the American people will see there is good news about the health care reform law and the ways it is helping all Americans.