FOR IMMEDIATE RELEASE
September 12, 2017

Contact: Taylor Harvey (202) 224-4515

Wyden Statement at Finance Committee Hearing on Health Care Costs and Coverage
As Prepared for Delivery

I want to take my remarks this morning in two parts. First I'd like to respond to some of the common arguments about the ACA. And then I'd like to get to what this committee does best and look at big ideas to take on health care challenges.

First let's look at a few issues dealing with the ACA, starting with the idea that it's sending everybody's health costs into the stratosphere. And let's examine this in the context of the more than 320 million people who live in this country. Fifty-million of those people are older Americans, and they're overwhelmingly happy with their Medicare. One hundred sixty million Americans get their insurance at work. They don't touch the ACA exchanges, and if their premiums go up, it isn't by much, on average. And nearly eight out of ten people who did sign up for private coverage through the ACA this year could find a plan for less than $100 a month after tax credits.

So when you talk about cost increases and the Affordable Care Act, you're really looking at a portion of the individual exchanges. That leads us to fact that the president is pouring gasoline on the fires of uncertainty in the private market.

The administration can't give a straight answer as to whether it'll cut off cost sharing payments, and it's already forcing insurers to raise rates. It spreads negative propaganda about the Affordable Care Act, manipulating government websites to play hide-the-ball with Americans who are trying to learn how to get coverage, and touring the country predicting doom and destruction in the individual market.

It's a similar story in a lot of the states. The states that have put serious effort into building competitive marketplaces and holding down costs have largely been successful. But too many governors and statehouses have neglected to do the work. They haven't worked on getting people signed up and into the insurance pool. They haven't pushed back adequately against rate increases. Two and a half million Americans are stuck in what's called the "coverage gap" – the lawmakers in their states have denied them the opportunity to sign up for Medicaid, and they don't earn enough to qualify for subsidies under the Affordable Care Act. Premiums on the individual market are seven percent higher in states that didn't expand Medicaid than they are in states that did.

That's a bit of context about where the Affordable Care Act stands. Now let's turn to some of the big ideas and opportunities that lie ahead of this committee, which has the authority to improve health care in sweeping ways that few others can.

First is flexibility. I've always held fast to the notion that if states believe they've got a plan that raises the bar for health care in terms of costs and coverage – rather than lowering it – they ought to be able to try it out. After all, as is often said, states are the laboratories of democracy. That's why I authored Section 1332 of the Affordable Care Act.

As this provision went into effect this year, states have been showing more and more interest, and they're getting results. Many states – especially those interested in promoting private-market solutions – are considering 1332 for state-based reinsurance programs, which help pay for some of the costliest patients to hold down costs for everybody else. For other states, Section 1332 presents an opportunity to build a single payer system. The bottom line is that 1332 is all about giving states the chance to do better, but not worse.

Next is transparency. One of the most frequent concerns I hear back home is the sky-high cost of prescription medicine. People who need treatment are paying through the nose, and they have no idea why – they can't make heads or tails of their prescriptions or drug receipts. The high cost of drugs is also driving up premiums. I've introduced bills to pull back the curtain on the broken drug pricing system that's burdening this country, and I know my colleagues have a number of other ideas as well. Improving transparency on drugs is about affordability – it has a direct effect on premiums in addition to the out-of-pocket costs families pay at the pharmacy. It's past time Congress took on the challenge of drug pricing.

Finally, I'd like to address competition and consumer choice. Over the past several months, my colleagues on the other side have accused Democrats of supporting a one-size-fits-all approach to health care for consumers. That's just not the case, colleagues. Choice and competition are essential to bringing down health costs. With that in mind, this committee should prioritize moving the needle on increasing choice and competition in the marketplace.

In the coming weeks and months, the Finance Committee will have a chance to take a leading role shaping the future of Americans' health care. Today's hearing is where members can kick off that debate, and it's my hope that the discussion is productive and conducted with an eye towards bipartisan consensus on bringing down health care costs and ensuring every American has access to the health care they want and deserve.

###