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## **Hatch Statement at Finance Hearing Examining the President's Fiscal Year 2018 Budget**

*Health & Human Services Secretary Tom Price Testifies*

WASHINGTON – Senate Finance Committee Chairman Orrin Hatch (R-Utah) today delivered the following opening statement at a hearing examining the Trump Administration's fiscal year (FY) 2018 budget request for the Department of Health and Human Services (HHS):

*Welcome to this morning's hearing on the President's proposed budget for Fiscal Year 2018, with specific attention to the Department of Health and Human Services.*

*I want to thank Secretary Price for being here. These hearings are an annual event for the Finance Committee. And, Secretary Price, since this is your first time around, I'll just warn you that these hearings can be a little grueling.*

*Of course, you already know that.*

*I am grateful that the President and HHS are eager to work with Congress to fix our healthcare system in order to ensure Americans are able to access affordable health coverage. And, as we know, time is of essence in regard to this effort.*

*Earlier this week, we received word that Anthem is pulling out of Ohio's Obamacare marketplace, potentially leaving more than 10,000 patients and consumers in 20 counties without any insurance options on Ohio's exchange for 2018. This news is particularly frightening as we expect to hear similar notices from Anthem as they reevaluate their participation in Obamacare exchanges throughout the United States.*

*This recent story is just the latest in a long line failures, all of them demonstrating the need to move forward with repealing Obamacare and replacing it with a more workable approach, one that that will take seriously the ballooning healthcare costs impacting every American family.*

*Let me talk for a few minutes about the specifics of the President's budget.*

*The budget assumes \$250 billion in total savings from the repeal and replacement of Obamacare.*

*Despite some insinuations to the contrary, the budget does not incorporate the specific legislative proposal – the American Health Care Act – that is before Congress right now.*

*Therefore, it is not accurate to associate the specific Medicaid savings the CBO has estimated from enactment of the AHCA with the President's budget. To do so would assume a level of specificity that, for obvious reasons, is just not there.*

*Moreover, the President's budget does not cut \$1.5 trillion from Medicaid. Nor does it assume that the specific Medicaid-reform proposals from the AHCA will be enacted into law.*

*I'm quite certain we'll hear a lot about that today. But, any attempt to make that connection is simply unfounded. And, any Senator who harps on the AHCA Medicaid numbers here today either does not understand the explicit language and estimates provided in the President's budget, or they are simply attempting to muddy the waters in order to scare Americans who rely on Medicaid for healthcare coverage.*

*Ultimately, the President's Budget appears to accept the reality that the Senate will need to come up with its own healthcare reform proposal that includes a fundamental fix to Medicaid, which is, quite frankly, long overdue.*

*In addition to the savings assumed from the repeal of Obamacare, the budget also explicitly assumes \$610 billion in savings from putting Medicaid on a sustainable fiscal path by capping funding in FY 2020 through per capita caps or block grants at the state option.*

*All told, most of the budget's overall Medicaid savings would be achieved by returning the focus of Medicaid to serving those with the greatest needs – the elderly, the disabled, and needy mothers and children – and by giving states more flexibility to run their own Medicaid programs.*

*Any Senator who would like to argue that the federal government should spend more Medicaid dollars to provide coverage for non-disabled, childless adults at the expense of disabled patients who remain on waiting lists should explain why.*

*Furthermore, any Senator who would like to argue that the states are ill-equipped to handle their Medicaid programs should explain why that is the case given that the overwhelming consensus we've heard from governors nationwide over the last several years is that states want more independence and flexibility to tailor the Medicaid program.*

*Washington needs to stop measuring the success of a federal program by how much*

*money it spends, or how many other programs are a part of it. Instead, Washington needs to focus on how well a federal program helps those it is intended to serve and how efficient the program is at fulfilling its mandate.*

*Long story short, we need to stop focusing on spending and pay more attention to outcomes.*

*I think the President's budget, while it is by no means flawless – largely recognizes this reality, and the President and the administration deserve credit for that.*

*I look forward to having an open and frank discussion with Secretary Price about his thoughts on these and other matters.*

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