



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Opening Statement of Sen. Chuck Grassley, of Iowa
Chairman, Senate Committee on Finance
Hearing on "Living Without Health Insurance: Solutions to the Problem"
Thursday, March 15, 2001

Today's hearing is the second part of a two-part series focusing on the problem of 42 million uninsured Americans. The goal of the first hearing was to better understand the diverse characteristics and needs of the uninsured. We achieved that goal. A panel of five expert witnesses presented well-documented testimony that highlighted specific issues such as age, ethnicity, socio-economic status, and type of employment as some of the key factors that contribute to un-insurance.

The goal of today's hearing is to take the next step and begin to identify solutions. As we head down this path, it will be critically important for us to keep in mind that there is no one-size-fits-all solution to this problem. Instead, we must think about incremental changes for the different populations that make up the uninsured.

President Bush has already put forth a series of incremental options that would help millions of uninsured individuals and families gain health coverage. We know that over 70 percent of uninsured adults are employed but still go without health coverage. The President's proposal to offer a refundable tax credit would help this working population tremendously. In fact, my colleagues on this committee, Sens. Jeffords, Breaux, Snowe, and Lincoln, have also spent a great deal of time working on individual tax credit options as well. I thank them for their leadership.

The President's proposal also encourages states to utilize state flexibility to improve outreach and enrollment efforts to cover millions of adults and children who may already qualify for existing federal health programs but are not enrolled. As we will hear today, effective outreach efforts can go a long way toward reducing the number of uninsured. Options such as streamlining the application process and reducing paperwork burdens on families are common-sense ways to make these programs more accessible.

Overall, there are many different ideas that we must explore. It is my hope that we continue to press forward on this critical issue, but that we also do so in a sensible fashion. Clearly, programs such as Medicare, Medicaid and the State Children's Health Insurance program are integral to our nation's health care system. However, there are limitations in the role these programs can play in meeting the needs of the uninsured population. First and foremost, we should examine these existing programs and find ways to strengthen and preserve them.

Our efforts to address the needs of the uninsured population should be guided by two principles: 1) supporting innovative efforts by the states to address state-specific health coverage needs and 2) bolstering and revitalizing the private employer-sponsored market. Trends have shown

that more and more Americans rely on employment-based health coverage. In addition, a large part of the reduction in the uninsured in the past few years is a direct result of increased employer-sponsored insurance. We must be careful not to act in any way that would have an adverse impact on our employer-based system.

Before closing, let me just say that I am encouraged by the strong, bipartisan will to find a solution. There are many ideas before us, and I look forward to working with our President and my colleagues to reach success on this issue this year.