

FOR IMMEDIATE RELEASE

March 17, 2015

Contact: Taylor Harvey (202) 224-4515

Wyden Statement at Finance Committee Hearing to Review Healthcare.gov <u>As Prepared for Delivery</u>

It is old news that the rollout of healthcare.gov three years ago was botched. It is new news that the Inspector General of HHS recently said, quote, "CMS recovered the HealthCare.gov website for high consumer use within 2 months, and adopted more effective organizational practices..."

That quote comes from one of two reports looking back at 2013 and 2014 that the Finance Committee will be presented with today. Let's recognize that the story here is well-documented. After the launch went badly, some of the best minds in tech and a new contractor were brought in, they scrambled to overhaul the system, and the exchange was soon up and running. And CMS is following up on every one of the Inspector General's recommendations, which the IG notes in its report.

In the most recent enrollment period, nearly 10 million Americans used healthcare.gov to sign up for a plan or re-enroll automatically.

And in my home state, which has had its own problems, close to 150,000 people have used the website to sign up for a plan as of January 31st. That's up by more than 30 percent compared to last year.

The committee will also hear an update today from the Government Accountability Office on what's called a "secret shopper" investigation. GAO first brought this study before the committee in July last year. And I'll repeat now what I said back then: On this side of the aisle, we don't take a back seat to anybody in fighting fraud and protecting taxpayer dollars. One dollar ripped off is one dollar too many. But let's recognize that what was true last summer remains true today. This GAO investigation has not uncovered one single shred of real-world fraud in the insurance marketplaces. It was built on fictitious characters with specially-created identities, not real consumers or real fraudsters.

It's true the GAO found that there are sometimes differences between the information on somebody's insurance application and their tax forms and citizenship records. But when it comes to these inconsistencies in people's data, this investigation can't differentiate between fraud and a typo.

And meanwhile, HHS does not look the other way when it finds these red flags. In 2014, the year of GAO's investigation, CMS closed more than 100,000 insurance policies because documents didn't match or weren't provided. Tax credits were adjusted for nearly 100,000 households. In 2015, HHS closed more policies and adjusted more tax credits. If you come at this from the left, you might say that's too harsh. If you come at it from the right, you might take a different view. But there is no basis whatsoever for the argument that HHS ignores problems in people's records or leaves the door open to fraud.

So in closing, rather than rehashing old news, I'd prefer to look at the facts. Because of the ACA, the number of Americans without health insurance is at or near its lowest point in half a century. For the 160 million people who get their insurance from their employer, premiums climbed only four percent last year. Working-age Americans in Oregon and nationwide with preexisting conditions – 80 million people or more – can no longer be denied insurance.

Now, instead of battling it out over what happened three years ago, let's start pulling on the same end of the rope and solve some real problems. For example, Democrats and Republicans ought to be working together to stoke more competition in the insurance marketplace and bring costs down for consumers.

Next, there are going to be spectacular, new cures available in the future, and there are real questions as to whether our health care system will be able to afford them. Senator Grassley and I put together a bipartisan case study that looked into one such drug, which treats Hepatitis C. Solving this issue of blockbuster drug costs is going to take a lot of hard work on a bipartisan basis.

Congress also has a duty to take Medicare's historic guarantee and reinforce it for a new generation of Americans. In my view, it starts with revolutionizing the way Medicare handles caring for seniors with chronic conditions like diabetes, cancer and Alzheimer's. Members on both sides of this committee, thanks to steadfast work by Senators Warner and Isakson, and Chairman Hatch's leadership, have built a bipartisan game plan for chronic care. And it's my hope that the committee is able to continue its progress on that front.

Those are the kind of health care challenges I believe this committee should be focused on tackling. With that, I want to thank our witnesses for being here today.

###