



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Opening Remarks of Senator Chuck Grassley of Iowa  
Chairman, Senate Committee on Finance  
Budget Hearing with Health and Human Services Secretary Michael Leavitt  
Wednesday, February 16, 2005

First, let me welcome Secretary Leavitt to his first hearing as Secretary of the Department of Health and Human Services. The Committee appreciates his willingness to come before the Committee so quickly after his confirmation.

As you know, President Bush released his proposed budget for Fiscal Year 2006 on February 7, 2005. The Committee has a great interest in the Administration's priorities for the Department of Health and Human Services. This hearing will provide you and the Committee an opportunity to further discuss the details of the President's budget.

The President's budget proposes comprehensive efforts to expand access to health care for the uninsured and for making health care more affordable. And rightly so. There are about 45 million Americans who lack health coverage, and for a nation as fortunate as ours this is a problem we should address.

Individuals, families and small businesses, in particular, all need relief from rising health costs. The President is to be commended for putting forward proposals to address this important priority.

The budget also recognizes that this is an important year for Medicare and the implementation of the Medicare Modernization Act. This year, the Centers for Medicare and Medicaid Services will be completing the final work to get the new voluntary Medicare drug benefit up and running by January 1, 2006.

It is an incredible undertaking and the dedicated staff at CMS should be recognized for the many long hours and for their hard work in getting this important new benefit up and running on time.

The MMA also created the Medicare Advantage program, which will provide beneficiaries with new and better choices and enhanced benefits in Medicare private plans. I was very pleased to hear the President's statement of continued strong support of the new drug benefit. This Chairman also will not support re-opening the drug benefit for changes that will undermine the program before it is even implemented.

Making changes that would deprive our nation's seniors and individuals with disabilities the drug coverage promised in the MMA would be a terrible disservice to them. Surely, they have waited long enough for Medicare to provide prescription drug coverage without Congress threatening to cap the program or prevent its implementation by making changes that would make the January 2006 start date unachievable.

Now, moving on to Medicaid, the President's budget proposes a number of efforts to restore the integrity of the Medicaid program. I know that several of my colleagues are particularly interested in the numerous changes contemplated by the budget in this area. I anticipate there will be a number of questions about these Medicaid proposals and I look forward to hearing your thoughtful responses to them.

I am also interested in learning more about the national outreach campaign called "Cover the Kids," which is designed to get low income children enrolled in health coverage. I think it is a very laudable effort to get every child who is eligible for health coverage through Medicaid or S-CHIP the services they are entitled to receive.

Additionally, pay for performance is a very important issue to the Senate Finance Committee and some would say long overdue. I believe it is time that we rewarded higher quality care. These incentives will lead to better care, fewer medical errors and better adoption of information technology in the health care system.

Mr. Secretary, thank you again for being here today. Now I will turn to Senator Baucus for his opening statement.