Member Day Hearing Testimony
The Honorable Aaron Bean (FL04)

Chairman Guthrie, Ranking Member Pallone, thank you for allowing me the opportunity to testify before the Energy and Commerce Committee today.

In 2010, when President Obama signed the Affordable Care Act into law, the average family health insurance premium was about $14,000. Democrats promised the law would "bend the cost curve downward."

Today, that same premium is about $25,000. That's a 78% increase in just fifteen years, nearly double the rate of inflation. ObamaCare certainly bent the cost curve, but it was upward.

When Congressional Democrats passed their poorly name. Inflation Reduction Act, they spent over one trillion dollars on subsidies for green energy and ObamaCare, and inflation rose to levels we haven't seen in over 40 years. Among the perverse incentives inherent to the enhanced subsidies in the Inflation Reduction Act is their enabling of fraud in the exchanges. The benefit of hindsight shows that these premiums—particularly their creation of fully subsidized plans—encouraged enrollees, often at the behest of unscrupulous brokers, to improperly enroll in coverage for which they were not eligible. Many improperly enrolled individuals are unaware of their coverage because they are

victims of fraud schemes designed to pocket commissions and subsidies. This is evidenced by the rising share of people who do not use their coverage. At the same time, the government cuts a check directly to the insurance company to cover the cost of their zero-dollar premium plan.

It's time to break the cycle. In the coming weeks, I plan to introduce legislation to address fraud in the ACA market by introducing a minimum monthly premium payment. In GAO's December 3rd report, the public was finally made aware of the extent of fraud in the marketplace and of brokers' practice of enrolling ineligible individuals in zero-dollar premium plans. This must stop. A modest monthly personal contribution, regardless of the plan selected, is the most effective safeguard against fraud. Requiring every subsidized enrollee to pay a monthly premium ensures the individual wants the plan and restores an essential layer of accountability.

While the ACA Marketplace has experienced significant fraud, it is not the only sector of our healthcare system to have fallen victim. The Medicare system protects some of our most vulnerable populations, but scammers have been able to take advantage of American seniors and steal their earned benefits. By increasing reporting to more quickly detect fraud, we can make significant strides toward

addressing this growing problem and protecting Americans. To accomplish this goal, I was proud to introduce H.R. 5873, the *PROMPT Act,* to enhance transparency and accountability in the Medicare system, ensuring beneficiaries receive timely, clear information about the services they receive and the associated costs. Specifically, the *PROMPT Act* would require the Secretary of Health and Human Services to provide an explanation of benefits no later than 30 days after an item or service is furnished under the Medicare program. Currently, HHS is required to send this explanation every 90 days after an item or service is furnished.

I was also proud to introduce H.R. 5871, the We Want Our Healthcare Money Back Act, which would require the Inspector General of the Department of Health and Human Services to submit quarterly reports to Congress on Medicare and Medicaid fraud. With increased reporting from the HHS Office of Inspector General (OIG), we can better understand the current state of fraud and make meaningful progress in tackling this I look forward to working with this committee to tackle fraud in our healthcare system so we can begin delivering the efficient, affordable healthcare the American people want and expect.

Thank you again, and I yield back.