

**Opening Statement of the Honorable Tim Murphy
Subcommittee on Oversight and Investigations
Hearing on “PPACA Enrollment and the Insurance Industry”
May 7, 2014**

(As Prepared for Delivery)

This Subcommittee has had a long history trying to get straight answers from this Administration on the status of the Affordable Care Act. Two weeks before the launch of HealthCare.gov, the administration official responsible for the implementation of the ACA exchanges told this Committee that the website would be ready. Consumers would be able to go online, shop for and select a plan, and enroll in coverage.

When the federal exchange opened on October 1, consumers instead found a crashing website. The administration’s excuse for why the website didn’t work?

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Through this Committee’s investigation, we learned that the administration spent over half a billion dollars on a website that they had been warned for months would not be ready and would not work — facts that administration officials did not disclose when questioned by this Committee during oversight hearings throughout 2013.

Just after the failed launch, we asked the administration on October 8 to provide enrollment data for the first week of the HealthCare.gov debacle. The administration ignored us. Why? It wasn’t because the data didn’t exist. It was because the news wasn’t good. When Secretary Sebelius testified before the full Energy and Commerce Committee on October 30 and was asked about enrollment, she stated that could not provide any data because the administration did not “have any reliable data around enrollment.”

The very next day it was reported that there were only six successful enrollments on October 1. We tried again during a hearing in January before this Subcommittee, when we asked the head of the office running the exchanges if the administration collected any data on who has paid for their health coverage. This administration official told us that they did not collect this information “but we will be” as soon as it finished building the website.

While the administration refused to provide straightforward answers to our questions on enrollment, it continued to tout enrollment figures that included individuals who had merely selected a plan online. When pressed by reporters for information on the number of enrollees who had paid their premiums, a White House spokesman said that questions about payment “can best be directed to those private insurance companies that are collecting those payments.”

After months of an administration that refused to be transparent about enrollment, that’s what we did. On March 13, we sent a request to each insurance company in the federal marketplace and asked them to submit basic information: who selected a plan, and who paid for it. The data submitted by the insurers paints an uneven picture about the status of enrollment and payment through April 15. As of that date, just two-thirds of enrollees through the federally-facilitated marketplace paid their first month premium. Some states are doing better than others. My home state of Pennsylvania has an 81 percent payment rate. Texas, on the other hand, is much lower, at 42 percent. We recognize that many individuals still have time to pay their first month’s premium, which is why we have asked the insurers to update this information on May 20.

As with any criticism or questions of the Affordable Care Act, the administration predictably howled in protest and attempted to misrepresent the purpose of our inquiry. Let’s be clear about why we had to engage in this exercise in the first place: the administration would not be transparent about enrollment and provide the underlying data. For the witnesses today, we ask you to be patient with our questions

about enrollment and implementation. After months of promises about the status of HealthCare.gov from HHS officials, we have learned to be skeptical about blanket statements that “all is well.”

One purpose of today’s hearing is to examine enrollment, because it is a key factor in measuring whether these exchanges are viable. We have a number of other questions for the witnesses today about the status of implementation. The ACA is more than a payment rate. We need to know if Americans can expect the premium reductions they were promised. We need to know if they can keep the plan they liked. We need to know if they can keep their doctor. We cannot understand the status of the law and its implementation without hearing from the insurance companies whose plans make up these exchanges. Under the President’s health care law, these companies will receive taxpayer dollars in the form of premium subsidies and cost-sharing. We expect the witnesses today to provide the Committee with facts and information about the first year of coverage under the Affordable Care Act.

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