

March 13, 2014

- Chairman Upton, Ranking Member Waxman, thank you for this invitation to testify this morning on behalf of my bill, “The Seniors Right to Know Act.”
- This straightforward legislation will serve to inform the more than 14 million seniors currently enrolled in Medicare Advantage (MA) about how the Affordable Care Act is affecting the healthcare plans that they rely on every day.
- For the over 60,000 seniors who are enrolled in Medicare Advantage in the counties I represent the Medicare Advantage program has been tremendously successful in improving health outcomes when compared to traditional Medicare fee-for-service because the MA model emphasizes preventive services and managed care to keep beneficiaries healthy.
- MA plans also limit out-of-pocket costs, protecting vulnerable seniors from the threat of bankruptcy due to complicated medical conditions.
- Maybe this is why a survey of beneficiaries found that:
 - 90% of MA enrollees were satisfied with their coverage
 - 92% were satisfied with their choice of doctor
 - 94% were satisfied with the quality of care received

March 13, 2014

- The 14 million seniors enrolled in MA plans nationwide deserve to know that the massive government overhaul of our healthcare system was paid for in part by \$300 billion in cuts to MA plans and a health insurance tax that has just started this year.
- The combined effect of these payment cuts and the new health insurance tax are already being felt through cancelled plans, reduced benefits and increased copays.
- During this year alone, beneficiaries in over 2,000 counties will have fewer plan options compared to 2013 and on average will see their annual costs increased by nearly 10%.
- Unfortunately the impact will only grow with time.
- As an example, in 2015, seniors in Stanislaus County in my district can expect to pay an additional \$90 per month, or \$1,080 per year for their MA plan.
- A large percentage of the 31,000 enrollees in Stanislaus County are low-income individuals earning under \$20,000 per year. This rate increase will force them out of participating in the MA program altogether.

March 13, 2014

- Why are we cutting Medicare Advantage, which is succeeding, to subsidize the Affordable Care Act, which is faltering?
- Mr. Chairman, as you are well aware there have been at least 37 major alterations to the Affordable Care Act since it was enacted. Some of these were done in cooperation with the Congress.
- Yet on 20 separate occasions, after it became clear that the implementation of the law was failing the American people, the Administration moved to unilaterally change the law.
- These delays and alterations are proof that the Affordable Care Act is not working as intended. Unfortunately for seniors in our districts, while the promises of healthcare reform remain unfulfilled, the cuts and taxes on MA plans required to finance the law are moving forward as scheduled.
- Congress must act today to protect the future of Medicare Advantage by repealing the cuts and taxes on the program. This would prevent the immediate erosion of health security for MA beneficiaries while we work to replace the ACA with a healthcare reform plan that puts patients and seniors first.

March 13, 2014

- Until we can enact such legislation, seniors have a right to know why their MA plans are being impacted and I urge the committee to support this bill.
- I would like to thank the 60+ Association and the Association of Mature American Citizens for their support of this legislation and would like to submit their letters for the record.