

**Opening Statement of Ranking Member Frank Pallone, Jr.
House Energy and Commerce Committee
Subcommittee on Health
Hearing on “Medicaid at 50: Strengthening and Sustaining the Program”**

July 8, 2015

Thank you, Mr. Chairman, for convening a hearing on this timely and important topic -- Medicaid’s 50 years of efficient, comprehensive, and sometimes lifesaving, health coverage of our most vulnerable populations. As a Member of Congress, I believe that government can help all Americans succeed, including seniors and low-income families, and improving and strengthening Medicaid for generations to come continues to be a primary goal of mine.

Medicaid provides more than 1 in 3 children with a chance at a healthy start in life. And 1 in 7 Medicare seniors are actually also Medicaid seniors. In fact, the overwhelming majority of the 71 million current Medicaid beneficiaries are children, the elderly, the disabled and pregnant women.

We often talk about Medicaid as an entitlement program. Though I don't believe this is a true reflection of the program. Medicaid is a bedrock safety net that ensures all Americans have protection against the negative economic effects that undisputedly come with lack of health coverage. Medicaid's inherent structure was designed to ensure that health coverage will be there for those who need it when times are hard, jobs are lost, or accident strikes. The fundamental tenet of the program is that it can expand and contract according to need. In fact, Medicaid was first proposed as part of a set of economic policies by President Truman.

And the Affordable Care Act built on those same goals, by strengthening Medicaid and expanding its coverage. States that have expanded Medicaid have already realized significant qualitative and economic benefits as uncompensated care rates drop and more people gain coverage. Meanwhile, Medicaid coverage lowers financial barriers to health care access, increases use of preventative care, and improves health outcomes.

In addition, states have been successful in managing their Medicaid programs through broad latitude and flexibility to ensure access to critical health care services for their own populations at low costs.

No program is perfect; For instance, I believe that we need to remain vigilant on access to specialty and dental care, continue to refine transparency and evaluation of Medicaid waivers, and ensure that Medicaid is successfully integrated with Medicare and the health insurance marketplaces. We should think more about how to advance some of the innovations in delivery system reform—the Medicaid program has some of our best successes, with some of the toughest-to-treat populations.

Mr. Chairman, I hope to not hear more of the same assaults on the Affordable Care Act or Medicaid today. Inaccurate and ideological representations of what Medicaid is and who it serves are tired and outdated. Instead, I believe that there are many policy areas in Medicaid where members on both sides could share an interest. I look forward to learning about ways that Congress can help to build on an already strong Medicaid

program, refining and modernizing this critical safety net for the next fifty years and beyond.