

Opening Statement of the Honorable Joseph R. Pitts
Health Subcommittee Hearing on “The Fiscal Year 2017 HHS Budget”
February 24, 2016

(As Prepared for Delivery)

Today, the Health Subcommittee will examine the President’s budget for fiscal year 2017 for the Department of Health and Human Services. We are grateful the Secretary has agreed to appear before this Subcommittee. Certainly there are a number of issues in the budget and at HHS that Members will be interested in discussing.

I appreciate the strong bipartisan record this Committee has in working with Secretary Burwell, especially our work to solve the Medicare physician payment issue last year. Our committee has passed more bipartisan bills into law than any other committee in Congress. We appreciate Secretary Burwell’s partnership to help make that possible.

However, as I reviewed the budget, I have to say I am disappointed. This budget does not balance. Ever.

The CBO warns that under current law, the deficit will balloon from \$616 billion this year, to \$1.4 trillion by 2026. Medicare is on course to be insolvent and unworkable in 2026. Federal debt will soar from \$14 trillion this year to about \$24 trillion by 2026.

Economists warn us that our runaway federal health spending will eventually lead to an economic crisis, drastic and disruptive cuts, higher taxes that harm workers and families – or some combination of all of these outcomes.

I believe Congress and the Administration have a moral responsibility and duty to solve the problems before they fail the millions of people who depend on them.

Unfortunately, our long-term spending challenges have been worsened by changes to federal programs in recent years – specifically Obamacare’s over \$2 trillion in new entitlement spending.

Yesterday’s Washington Post highlighted a new report from the HHS Office of Inspector General, which examined HHS’ mismanagement of HealthCare.gov. As the report makes clear, there was more that failed beyond just a website. The OIG concluded:

“[W]e found that HHS and CMS made many missteps throughout development and implementation that led to the poor launch. Most critical was the absence of clear leadership, which caused delays in decision-making, lack of clarity in project tasks, and the inability of CMS to recognize the magnitude of problems as the project deteriorated... CMS’s organizational structure and culture also hampered progress...”

Today, a new report out from the GAO has new findings regarding mismanagement of the Federal Marketplace. The auditors find CMS is “passive” in their approach to fraud prevention, and has failed to resolve major inconsistencies in applications in 2014 and 2015. Because of re-enrollments and CMS’s poor oversight, these problems are largely still ongoing.

And time and time again, HHS seems to be ignoring or flouting the law.

For example, one issue I continue to be concerned about is the matter of illegal actions taken by the California Health Department with respect to their unilateral action requiring all health plans cover abortions. This is in direct violation of federal law under the Weldon amendment and a direct assault on conscience rights.

As you know, individuals have been harmed since August 22, 2014 and have filed complaints with the HHS Office of Civil Rights. I have pleaded with you to give this matter your immediate attention and redress. To my knowledge, no action or redress has been taken by your agency. We hope and expect to receive real answers today.

Madam Secretary, thank you for being here and we look forward to your testimony.

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