

**Chairman Michael C. Burgess, M.D.
Energy and Commerce Committee
Subcommittee on Health
Opportunities to Improve Health Care
September 5, 2018**

Good morning, everyone. Today, we are joined by a panel of witnesses who are here to testify on a variety of topics and legislative ideas, ranging from initiatives to address drug pricing to reducing fraud at the Centers for Medicare and Medicaid Services, to improving the care of children with complex medical conditions.

While these bills cover different topics within health care, there is one common thread that connects them. All of the bills and discussion drafts before us today aim to improve the access to and quality of health care for American patients and their families.

First, I would like to commend Representative Buddy Carter of Georgia for his hard work on legislation to prohibit gag clauses in

Medicare and private health insurance plans. Gag clauses prohibit pharmacists from informing patients that paying in cash will result in lower out of pocket costs than the insurer's cost-sharing arrangement, unless the patient directly asks. The draft bill being discussed today is essential in both lowering drug costs for individuals and in freeing pharmacists to do what many consider to be the right thing. It would ban employer and individual health insurance plans, in addition to Medicare Advantage and Medicare Part D Plans, from using gag clauses.

This bipartisan policy has been a shared priority for Mr. Carter and others on the committee for quite some time and was brought further to the forefront by the Administration's drug pricing blueprint in May. While gag clauses are already prohibited in Medicare, it is important that we protect consumers by putting this in statute and sending this bill to the President's desk as soon as possible.

Today we are also considering several Medicaid bills and discussion drafts that will further prevent and investigate fraud and abuse, in addition to increasing access to care for certain beneficiaries.

H.R. 3891, introduced by Representatives Walberg and Welch will improve the authority of State Medicaid Fraud Control Units, which currently investigate provider fraud and patient abuse only in health care facilities and board and care facilities. According to the Health and Human Services Office of the Inspector General, Medicaid Fraud Control Units recovered \$1.8 billion dollars in fiscal year 2017. This legislation builds upon the success of these fraud control units by broadening their authority to investigate and prosecute abuse and neglect of beneficiaries in non-institutional or other setting. Another discussion draft before us today will codify the Healthcare Fraud Prevention Partnership, which will further enable our public and private institutions to combat fraud within our health care system.

Health Subcommittee Vice Chairman Guthrie and Representative Dingell have introduced the EMPOWER Care Act, which will extend the Money Follows the Person Demonstration for five additional years. This Medicaid demonstration, which was established in 2005, has enabled eligible individuals in states across our nation, including Texas, to receive long-term care services in their homes or other community settings, rather than in institutions such as nursing homes. Not only does this increase the comfort and quality of life for many Medicaid beneficiaries, but it has reduced hospital readmissions, and saved money within the Medicaid program.

The final Medicaid discussion draft, the ACE Kids Act, introduced by full committee Vice Chairman Barton and Representative Castor, has received substantial feedback from stakeholders and has been revised to reflect their input. The goal of this legislation is to improve comprehensive care for medically complex children through a state option to create a Medicaid health home specific to children. [The bill](#)

will also ~~Newly added to the draft are measures to~~ increase data collection and add a requirement for the Department of Health and Human Services to issue guidance on best practices for providing care for this unique and complex pediatric population.

I would like to thank the members whose legislation we are considering today for the time, effort, and thought that they have put into the development and fine-tuning of the language. I look forward to hearing from our witnesses and having a productive discussion on these important public health initiatives.