

**Opening Statement of Chairman Walden  
Subcommittee on Health  
“Opportunities to Improve Health Care”  
September 5, 2018**

Today’s hearing is another step forward to improve patient health care. As I traveled across Oregon over the last five weeks, I continued to hear from constituents about health care, particularly regarding the cost and quality of care. Today we hope to build on the bipartisan achievements of this subcommittee, under the leadership of Chairman Burgess and Ranking Member Green, and review yet another slate of bills that can help improve our health care system.

Among the bills we will examine today is one pertaining to gag clauses, which have been front and center in the national debate on drug prices. Many patients who are struggling to afford costly prescription drug prices may not know that paying for their medications with cash can sometimes be cheaper than using their health insurance. What’s worse is some contracts prohibit pharmacists from telling their customers when this is the case.

Banning these so-called “gag clauses” has gained tremendous bipartisan support, with bills in both the Senate Finance and Senate HELP committees advancing without objection. We’ll review draft legislation banning group health plans offered by employers and individual health insurance plans – as well as Medicare Advantage and Medicare Part D plans – from limiting a pharmacist’s ability to inform a customer about the lower cost, out-of-pocket price of their prescription.

Another practical bill will give the administration additional authority to better detect and stop fraud and abuse in the health care system. This has been an area of interest for both the Obama and Trump administrations, and it's supported by the committee's Ranking Member, Mr. Pallone, as well as myself. I look forward to our continued bipartisan work in this space.

We will also consider three bills in the Medicaid space that will help ensure that beneficiaries are receiving the support and care they deserve in the setting that works best for them. Mr. Guthrie and Ms. Dingell's bill, H.R. 5306 for example, will extend funding for the Money Follows the Person Demonstration Program (MFP demonstration) in Medicaid. The MFP demonstration provides additional resources for state Medicaid programs to help ensure Medicaid patients needing long-term care are served in their communities or in their homes, instead of at institutions. By many measures, the MFP demonstration has been successful.

We will also consider a bill authored by Mr. Walberg and Mr. Welch, H.R. 3891, that will improve the authority of state Medicaid Fraud Control Units – or MFCUs. Currently, MFCUs are only allowed to investigate cases of provider fraud and patient abuse in health care facilities or board and care facilities. This legislation would broaden the authority of these units to investigate and prosecute abuse and neglect of Medicaid beneficiaries in non-institutional or other settings. Practically speaking, this bill will improve the ability of MFCUs to help protect vulnerable Medicaid patients from harm, while reducing the program resources diverted by fraud.

Finally, we will consider an Amendment in the Nature of a Substitute to a familiar bill authored by our full committee Vice Chairman Barton and Rep. Castor

bill, H.R. 3325. Under current law, a Health Home state plan amendment cannot target by age or be limited to individuals in specific age range. The Centers for Medicare and Medicaid Services (CMS) has reported that states have identified this inability to target Health Home services as an operational challenge. This bipartisan bill seeks to address that challenge by giving states a new option through the existing Health Home model to coordinate care for children with medically complex conditions.

To further discuss this important bill, I would like to yield the remainder of my time to the Vice Chairman of the Full Committee, Mr. Barton, and thank our witnesses for joining us here today.