

Opening Statement of Representative Anna G. Eshoo – 5 minutes

Subcommittee on Health

House Committee on Energy and Commerce

“Strengthening Our Health Care System: Legislation to Reverse ACA Sabotage and Ensure Pre-Existing Conditions Protections”

2322 Rayburn House Office Building

February 13, 2018

- Welcome to the first legislative hearing of the Health Subcommittee in the 116th Congress.
- Last week we heard testimony and examined what the devastating effects would be if the case *Texas vs. United States* were to stand, most especially on those who have preexisting conditions and the medically complex children who rely on the Affordable Care Act.
- We also discussed how the Trump Administration’s sabotage of the ACA and the expansion of junk insurance plans are driving up costs by diverting the healthy out of the individual market and weakening patient protections for those with preexisting conditions.

- Today the four bills before us address short term junk insurance plans, waivers to weaken insurance regulations in the private market, funding for marketing and outreach, and legislation that would require short term insurance plans to carry an advisory informing consumers what the plan does not cover and what ACA requirements the plan does not meet.
- It is a top priority of the Majority to protect patients with preexisting conditions. On the campaign trail and in our hearing last week, our Republican colleagues voiced their support for preexisting condition protections.
- They asked for specific legislation, and that's what we're here to discuss today.
- Our first bill will rescind the short term limited duration insurance – or junk insurance – regulation the Trump Administration finalized

last August which expands these junk plans from the current three-month limit, making them available for up to three years.

- We know these plans do not cover preexisting conditions, do not have out-of-pocket and lifetime limits, and do not protect women from being charged more than men.
- Representative Castor's bill would rescind the rule that expanded these junk insurance plans.
- Representative Kuster's bill revokes the Section 1332 waiver guidance issued by the Trump Administration last October which weakens requirements of private insurance plans to provide comprehensive coverage at an affordable price.
- Section 1332 of the Affordable Care Act requires states to meet standards for what qualifies as health care coverage. The Trump Administration guidance changes these standards to be less

comprehensive and less affordable for patients who rely on private insurance purchased on the individual market.

- It also allows tax credits – federal dollars – to be spent on these expanded and extended junk plans.
- My Republican colleagues have been highly critical about funding tax subsidies to help Americans afford comprehensive health insurance, but support allowing more people to access federal money for these short term junk insurance plans that do not even cover basic services.
- Rep. Kuster’s bill rescinds that guidance so that *all* Americans will have health insurance coverage that meets the same standards.
- We’re also considering a bill authored by Representative Lisa Blunt Rochester to restore the marketing and outreach funding the Trump Administration cut by 90 percent in 2017 and banning this funding from being used to advertise junk insurance plans.

- An article published in Kaiser Health News earlier this month described how consumers searching online to enroll in comprehensive ACA plans are most often redirected to websites and brokers selling junk plans without disclosing that the coverage will not be comprehensive.
- I ask unanimous consent to enter this article into the record.
- Federal dollars should not support advertising coverage that will not protect patients with preexisting conditions.
- The last bill, my legislation, will require junk insurance plans to display up front what is and what is not covered so that consumers will know exactly what they're buying.
- My bill also requires a disclosure that these plans do not meet the Affordable Care Act's requirements for cost-sharing and lifetime

limits and prohibits these plans from being sold during the individual market open enrollment period.

- I've learned over the years that people know very well what they pay, but they don't always know what they're buying.
- I want to be clear – I believe the Trump Administration's rule that expanded the maximum duration of these so called "short term" plans up to a year and allows them to be renewed for up to 3 years should be rescinded.
- But as long as short term insurance plans are being sold, the American people should know what the policy does not cover and that information should be displayed prominently.
- I'm pleased we're discussing legislation today that will protect Americans with preexisting conditions and address the sabotage of

the Affordable Care Act. I hope these bills will be an opportunity to work across the aisle to help the American people.

- Welcome to our witnesses and we look forward to your testimony.