

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Subcommittee on Health Ranking Member Anna Eshoo

Hearing on “Examining Policies to Improve Seniors’ Access to Innovative Drugs, Medical Devices, and Technology”

September 19, 2023

I think we’re entering a golden age of medicine thanks to breakthroughs in genomics, mRNA, multicancer blood tests, and other new diagnostics.

To bring these new cures from the benchtop to the bedside, patients need Medicare to cover new drugs and devices. With over 65 million Americans enrolled in Medicare, every coverage decision is fraught. Medicare beneficiaries deserve timely access to safe, effective, and affordable treatments, but the Medicare coverage determination process can be lengthy. And it is. According to the Stanford Byers Center for Biodesign, nationwide Medicare coverage for breakthrough medical technologies can take on average 4 to 6 years following FDA authorization.

Today, we’re considering, amongst 24 other bills, the *Ensuring Patient Access to Critical Breakthrough Products Act* that attempts to shorten that wait. I want to commend CMS for finally publishing the Transitional Coverage of Emerging Technologies proposed rule, which takes a significant step forward in making sure seniors can access new medical devices.

One contributing factor to the delay is that CMS does not have the resources and expert staff to make nimble coverage decisions. Many of its local coverage decisions are outsourced to Medicare Administrative Contractors who wield significant power over more than a billion Medicare fee-for-service claims each year.

These contractors can make a real impact on people’s lives. For example, Representative Burgess and I sent a letter to CMS last month raising our concerns about an ill-considered March 2023 billing article from one of these contractors that withdrew Medicare coverage for very important blood tests that help transplant patients stay healthy and keep their new organs. This billing article was issued without allowing for public comment, including comments from the transplant patients who would be impacted. CMS should intervene as soon as possible.

We’re hearing several bills impacting these administrative contractors and the local coverage decisions, and I look forward to better understanding their impact.

While this hearing may be aimed at improving Medicare coverage for some drugs and devices, the House Republican budget does the direct opposite by cutting nearly \$800 million from the Centers that oversee Medicare. This massive cut will slow down coverage decisions,

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increase the reliance on contractors, and, most importantly, hurt seniors and people with disabilities.

I'm also concerned that while this hearing is considering a huge slate of bills – 25 bills total – Republicans would not consider legislation to extend funding for State Health Insurance Programs, the Area Agencies on Aging, the Aging and Disability Resource Centers, and the National Center for Benefits and Outreach Enrollment.

These critical programs help Medicare beneficiaries every day enroll in Medicare and access benefits that lower their out-of-pocket costs, but the funding will expire on September 30th.

California's State Health Insurance Program is called HICAP and it is outstanding. It provides stellar services every day for seniors in my district who have Medicare problems.

For Democrats, our north star was and continues to be protecting and preserving the sacred promise of Medicare. While we consider these bills, I hope we'll proceed carefully to make sure that the promise of affordable, quality coverage is kept without putting seniors or the Medicare trust fund at risk.