

**Cathy McMorris Rodgers**  
**Opening Statement**  
**Health Subcommittee Hearing**  
**October 19, 2023**  
*As Prepared for Delivery*

**INTRO, PATIENTS**

Thank you, Chair Guthrie.

Our focus today is to explore solutions to improve Medicare payments to providers and ultimately help patients.

Under President Biden, everyone has been hurt by the inflation caused by Democrats' spending binge.

Just last week we got two more pieces of bad news on inflation:

- First, Medicare Part B premiums are increasing by almost 6 percent next year. In fact, since President Biden took over, Medicare premiums are up by nearly 18 percent.
- Next, we found out that the core inflation metric shows prices continuing to increase—by 4 percent over last year.

Bidenflation remains a huge problem. EVERYONE—from patients to providers—is feeling the pain of higher prices and higher interest rates.

Patients have less money to spend on basic needs...

... food, housing, health care...

And for providers, the cost of running an independent practice is growing as well.

This committee has heard testimony that the whole health care system becomes more expensive when providers cannot afford to stay independent.

Today's hearing will focus on how we can eliminate unnecessary red tape and, most importantly, sustain access to care and lower costs for Medicare beneficiaries, regardless of where they live.

## **RED TAPE, IMPEDIMENTS TO CARE**

As many of my doctor colleagues have said—it is important to let doctors do what they do best: spend time seeing patients and less time filling out paperwork.

The challenge before us is how to balance the need to ensure patients—and Medicare—are accurately paying for that care...

...while recognizing that paperwork—even if well-intentioned—can limit time spent on providing health care and increases costs.

As we look to modernize our Medicare payment system, we must be thoughtful about striking the right balance.

Today we'll consider a wide range of discussion drafts and legislation that aims to support Medicare providers as they deal with rising paperwork, rising inflation, and rising labor costs.

## **LEGISLATION/SOLUTIONS**

For example, a few discussion drafts address expiring payment initiatives.

If Congress does not act before the end of the year, doctors in certain rural areas and laboratories will see a pay cut from Medicare starting January 1st.

In the short-term, Congress should act to avert these cuts...

... but, we should consider why we are having this conversation every single year.

If we need further proof that government should not intervene in the economy, look no further than the physician fee schedule.

In our efforts to create a more perfect price control, Congress has increased Medicare payments to doctors seemingly every single year since 2003.

I'm not saying these weren't worthy endeavors. I believe in supporting our doctors.

In 2015, this committee and Congress passed MACRA to get us out of the cycle of annual fixes.

Yet, here we are, with a system that has again underperformed for those that rely on the Medicare program.

And still, some of our Democratic colleagues would expand such a system to cover every patient in the entire country.

The fact is: politicians and bureaucrats will always do a worse job than the market at determining the most efficient price for an item or service.

And Congress should spend its efforts on longer term reforms to the program we have now so we're not back at this every 1, 2, or 3 years.

## **COST CONSCIOUS**

It is also important that we recognize the greater context of this discussion: parts of Medicare are on pace to become insolvent by 2031.

Solutions, like the bipartisan *Lower Costs, More Transparency Act*, will save Medicare money in the long run.

But our resources are still finite, and we must make sure we're examining every dollar Medicare spends and making sure it is going to the right places before assuming additional resources are necessary.

If additional resources are necessary, we should work together to find ways to save Medicare money in other areas.

## **CLOSING**

Again, our goal today is to strengthen the Medicare program and increase seniors' access to care by improving the way we reimburse providers.

I would like to thank our witnesses for being here today, and I look forward to the conversation.