

Congresswoman Cathy McMorris Rodgers

Opening Statement

01.31.24 Health Hearing

As Prepared for Delivery

INTRO

Thank you all for being here today.

We have talked a lot in this committee about addressing the impact high health care costs have on patients, employers, and taxpayers...

...and the work we need to do to create a less complicated system.

More than 60 percent of Americans are living paycheck to paycheck.

It means they are just one medical bill away from a financial emergency... One doctor visit away from not being able to pay their rent... or put food on the table.

Let's take, for example, a new mom who has what is considered a good health care plan.

All her plan's documents say maternity care is covered.

After a few weeks at home enjoying life with her healthy baby, she gets a bill from the hospital for over 18,000 dollars.

Next, she receives an Explanation of Benefits from her insurer. A number of items were denied, but it is not clear why.

It claims she may still owe over 6,000 dollars.

A month or so later, another hospital bill finally shows up for 1,800 dollars.

So, for one childbirth, that's three different documents with different amounts for this family to pay...

That is just one example of how the current confusing and opaque system plays out every day for millions of Americans.

Something needs to change.

LOWERING COSTS:

Improving price transparency in our health care system is a critically important step to begin to address these problems and drive down costs.

We ended last year with a very important moment—our Lower Costs, More Transparency Act passed out of the House by an OVERWHELMING bipartisan vote.

But our work is not done...

...We need to get this legislation on the President's desk to improve price transparency for patients and employers as soon as possible.

Today, we are hearing from experts on why addressing health care costs is so important...

....and what more Congress should do once the Lower Costs, More Transparency Act is signed into law.

OVERALL SPENDING

We will hear about how much we are spending on health care.

In 2022, spending on health care in the United States reached nearly \$4.5 trillion dollars.

This averages out to about 13,500 dollars per person.

Take a family of four.

This means that, on average, it will cost more than 55,000 dollars A YEAR to provide health care for that family.

Of course, not each person or family is average. Some will require more spending.... Some less.

But we all pay for the high cost of health care...

... through ever-increasing insurance premiums...

... through our tax dollars.....

... and we know that when employers have to spend more on health care, they have less to spend on wages.

One study recently found that the growth in health care premiums over three decades resulted in 125,000 dollars in lost wages per family.

In other words, when we lower health care costs without sacrificing access and quality of care, we are helping increase the paychecks of hard-working Americans.

CONCLUSION

Spending on health care is projected to continue to grow faster than the economy over the next decade.

This trend is not sustainable... And we have to find a way to reverse it...

I believe a foundational first step that is necessary to lowering health care costs is improving price transparency... but our work does not stop there.

There are plenty of other examples of things driving up costs for patients and employers...

One such example is with vision insurance... an area that has seen significant consolidation and vertical integration for over a decade...

...this has led to the same companies controlling the production of frames and lenses... owning and operating nearly all the laboratories... employing the doctors... and owning the independent practices...

The result is less transparency and higher costs for treatment...

...that's why Chairman Guthrie and I are requesting that the Government Accountability Office examine this issue and help inform the Committee on how we can bring more transparency and lower costs for Americans.

There are many examples like this one, which is why we are holding today's hearing—to examine how much we are spending on different parts of the health care system and discuss potential solutions to lower costs

... And put money back into the pockets of hardworking Americans.

I am looking forward to the discussion today and yield back.