

My name is David Balat and I am the Director of the Right on Healthcare initiative of the Texas Public Policy Foundation.

Thank you, Chairman Cummings, Ranking Member Jordan, and all the distinguished members of this important committee for having me here today. I would also like to thank the others here that have come to testify. I firmly believe that we all want affordability and accessibility in healthcare, but we simply have different ideas about how to get there. For those patients here today, who may have benefitted from the ACA, thank you for your bravery in telling your story because I know the difficulty that you face in dealing with this broken system.

Access to care has been an issue as well under our current system. It was no better prior to the introduction of the ACA but the problems have certainly been exacerbated since its passage. The number of providers which accept the plans is minimal and shrinking - leaving patients waiting for appointments to see their primary care physician. When they do see their doctor, they may be referred to a specialist - which again can prove difficult, especially in finding one in their region. The administrative burden created by the ACA has limited choice for those who are most vulnerable.

Even those patients on the ACA exchange, whose premiums are fully subsidized, are left with a sizable deductible and coinsurance obligations. These large financial obligations left to the patient often leave them in the position of not being able to afford going to the doctor, and often waiting till they have to go to the Emergency Room which further drives up the cost of care. Let me be clear, insurance coverage that has driven up the cost of care has hurt patients with pre-existing conditions, not helped them.

Needless to say, we have a corrupt system full of perverse incentives in virtually every segment of the industry. Rather than the patient being in charge of very personal decisions, government regulations have empowered insurance companies to be in charge. The patient and doctor are the main ones who care about patient health, and yet they have limited decision power - the decisions are being made instead by government administrators, the insurance companies and a number of other middlemen. We have a lack of affordability and inefficiency because there are entirely too many middlemen who have come between the doctor and patient in that relationship. The Medicare bureaucracy sets prices for services and then the insurance companies enforce those fixed prices on everyone else, even in the private market.

The high cost of care in the country increased significantly during the time of the ACA. The high cost of care is the single biggest reason why healthcare has become less accessible. The high cost of care is what the American people care about. The high cost of care is the direct result of the federal government attempting to fix healthcare and failing. Choice and competition, not a one-size-fits-all plan, is what we need for something as local and personal as healthcare. We need a landscape of choices that are as diverse and personal as each of us.