

**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 Lower Consumer Costs and Expanding Access”*

2123 Rayburn House Office Building

March 6, 2019

- Today is the second legislative hearing of the Health Subcommittee in the 116<sup>th</sup> Congress. We will examine legislation to drive down costs and increase options in the private insurance markets created by the Affordable Care Act.
- Democrats made a promise to the American people to lower their health care costs and undo the Trump Administration sabotage of the ACA.
- Today, we continue to deliver on that promise by examining legislation that creates a reinsurance program for all states, funds states that did not initially set up state based insurance marketplaces to set up these state run private exchanges and restores funding for patient navigators.

- If an individual is not enrolled in Medicare or Medicaid, does not get their insurance through their employer, or is a small business owner or self-employed, the legislation we're considering today will help bring down the cost of health insurance.
- The bills give states the funding and flexibility to improve the private marketplaces created by the ACA and increase choices for Americans who purchase their health insurance from these exchanges.
- Representatives Angie Craig and Scott Peters have written a bill which provides funding for state-based reinsurance programs and establish a federal reinsurance program similar to the program established in the Affordable Care Act that expired in 2016 so all Americans can benefit from lower premiums in the individual marketplace.
- Reinsurance programs add money to the health insurance market created by the ACA to cover the costs of patients with high medical

costs, such as those with preexisting conditions. This will drive down costs for middle class Americans who don't receive ACA tax credits.

- By providing payments to plans that enroll high cost patients, many of whom have preexisting conditions, reinsurance protects against premium increases and will bring down the cost of health insurance coverage for those who buy their insurance from ACA exchanges.
- For anyone who can't afford health insurance on the private marketplace today, this bill will bring premiums down next year and help individuals afford high quality, comprehensive coverage.
- We will also examine the bipartisan *SAVE Act*, introduced by Representatives Andy Kim and Brian Fitzpatrick, which provides funding to states to set up state-based insurance marketplaces, like the original ACA did.

- State based marketplaces give states the flexibility to regulate the insurance plans sold on their ACA exchanges and the authority to decide how long open enrollment periods will be and how much to spend on outreach and enrollment activities.
- I'm very proud of Covered California, California's state-based insurance marketplace. It is the gold standard for these programs and currently has 1.5 million Californians enrolled.
- If a state originally chose not to establish their own state based marketplace when the ACA became law, this bill gives those states the funding they need to establish a marketplace that meets their needs while maintaining the minimum benefits established by the ACA.
- Lastly, we will consider Representative Castor's *ENROLL Act*. It provides funding for Navigators who assist small businesses or self-

employed individuals with guidance and information to determine the best health insurance option for their needs.

- Navigators help Americans through the insurance enrollment process. Americans will benefit from receiving information from trained professionals to better understanding their options and whether they qualify for subsidies.
- The Trump Administration slashed navigator funding in 2017, and this bill would restore it.
- Today's hearing focuses on specific legislation that will directly drive down costs for individuals who buy their health insurance from private providers, give states increased flexibility, and restore valuable programs to assist Americans in enrolling in health insurance coverage.

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