

Opening Statement for the Honorable Brett Guthrie
“Fiscal Year 2025 Department of Health and Human Services
Budget.”

April 16, 2024

- Thank you, Mr. Secretary, for being before us. Today we are here to examine the Fiscal Year 2025 budget request for the U.S. Department of Health and Human Services.
- Just last week, the monthly inflation data showed that year-over-year inflation increased by 3.5% in March. Instead of including policies to help everyday Americans, HHS’ budget request doubles down on the tax-and-spend Bidenflation policies that have cut Americans paychecks. The budget request totals nearly \$1.85 trillion, an over \$100 billion increase over last year’s request.
- Today we will hear the Secretary attempt to defend why the budget does not lower health care costs and spends trillions in new dollars. Americans know this misses the mark.

- The budget does little to address the costs of care for the average family of four with employer-sponsored insurance paid almost \$24,000 in annual premiums in 2023, which represents a 22% increase in the average annual premium a family paid in 2018.
- Just because someone has a health insurance card does not mean they can afford health care.
- Further, according to the Kaiser Family Foundation, changes made by the mis-named Inflation Reduction Act will lead to “substantially higher” premiums for seniors enrolled in a Medicare Part D drug plan next year. This year seniors are paying an average of 21% more in Part D premiums with seniors in the five states seeing the highest levels of Part D use projected to pay upwards of 57% more in monthly premiums in 2024, including in the Secretary’s home state of California. Those costs are likely to skyrocket even higher in 2025. Evidence suggests that these price controls are also leading to less research and development in critical research areas, undermining patient access to life-saving therapies.

- Instead of working with House Republicans to find ways to ensure working class families can access the care they need at a price they can afford, the Administration's budget request doubles-down on more handouts for the wealthy by permanently expanding ACA insurance company subsidies and drug price controls, which would be paid for by raising taxes.
- Additionally, this budget request furthers previous actions from the Administration to impose burdensome and unnecessary oversight over nursing facilities and long-term care providers. While I agree we ought to do as much as we possibly can to protect patient safety, this top-down approach will only place more strain on an already overrun part of our health care sector and reduce access to care for vulnerable patients.
- These new proposals come on top of pending regulations that would establish minimum staffing standards for long-term care facilities, costing Kentucky long-term care facilities \$69 million annually just to come into compliance.

- Regulations like these are being considered despite more than 500 nursing home closures across the country since 2020, as well as the industry significantly experiencing unprecedented workforce shortages.
- I am disappointed that the budget request does nothing to address the influx of illicit drugs, like fentanyl, coming across our border at a rapid rate. In fact, the budget only mentions fentanyl once in a footnote despite Customs and Border Protection seizing nearly 10,000 pounds of deadly fentanyl at our Southwest Border in the first 6 months of Fiscal Year 2024. We have policies that passed out of this very committee that I am disappointed were not included in this year's budget request, such as the HALT Fentanyl Act and the Securing the Border for Public Health Act.
- Both of these bills would give law enforcement, including our brave border patrol agents, with the tools to crack down on drug traffickers and keep these drugs off our streets.

- I'm glad to see the HHS budget request \$6 million for the Comprehensive Opioid Recovery Centers program, which I led in establishing in 2018. CORCs provide wrap around services for individuals seeking help to overcome substance use disorder.
- This was included in the SUPPORT Act Reauthorization, which just passed the House with a broad bipartisan vote. I look forward to working with the Senate to get the SUPPORT Act signed into law.
- In closing, I believe it's time for commonsense solutions to solve some of the most serious programs effecting American patients, especially the high costs of health care. I urge the Biden administration to work with Congress to find bipartisan policies that can truly lower the costs of care, eliminate ineffective programming, reduce federal spending, and provide more choices for American patients by incentivizing, not stifling, innovation.
- Thank you, I yield back.