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6 FISCAL YEAR 2025 DEPARTMENT OF HEALTH AND HUMAN SERVICES

7 BUDGET

8 WEDNESDAY, APRIL 17, 2024

9 House of Representatives,

10 Subcommittee on Health,

11 Committee on Energy and Commerce,

12 Washington, D.C.

13

14

15

16 The Subcommittee met, pursuant to call, at 2:02 p.m., in

17 Room 2123, Rayburn House Office Building, Hon. Chair Brett

18 Guthrie [Chairman of the Subcommittee] presiding.

19 Present: Representatives Guthrie, Burgess, Latta,

20 Griffith, Bilirakis, Bucshon, Hudson, Carter, Dunn, Pence,

21 Crenshaw, Joyce, Balderson, Harshbarger, Miller-Meeks,

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22 Obernolte, Rodgers (ex officio); Eshoo, Sarbanes, Cardenas,
23 Ruiz, Dingell, Kuster, Kelly, Barragan, Craig, Schrier,
24 Trahan, and Pallone (ex officio).

25 Also present: Representatives Pfluger and Castor.

26 Staff present: Sean Brebbia, Chief Counsel; Sarah
27 Burke, Deputy Staff Director; Abigail Carroll, FDA Detailee;
28 Corey Ensslin, Senior Policy Advisor; Kristin Flukey,
29 Professional Staff Member; Seth Gold, Professional Staff
30 Member; Grace Graham, Chief Counsel; Sydney Greene, Director
31 of Operations; Nate Hodson, Staff Director; Calvin Huggins,
32 Staff Assistant; Tara Hupman, Chief Counsel; Lauren Kennedy,
33 Clerk; Peter Kielty, General Counsel; Emily King, Member
34 Services Director; Chris Krepich, Press Secretary; Molly
35 Lolli, Counsel; Gavin Proffitt, Professional Staff Member;
36 Emma Schultheis, Clerk; Alan Slobodin, Chief Investigative
37 Counsel; John Strom, Senior Counsel; Jay Gulshen, Senior
38 Professional Staff Member; Dray Thorne, Director of
39 Information Technology; Caitlin Wilson, Counsel; Lydia Abma,
40 Minority Policy Analyst; Shana Beavin, Minority Professional
41 Staff Member; Jennifer Black, Minority FDA Detailee;
42 Jacquelyn Bolen, Minority Health Counsel; Waverly Gordon,

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43 Minority Deputy Staff Director and General Counsel; Tiffany
44 Guarascio, Minority Staff Director; Saha Khaterzai, Minority
45 Professional Staff Member; Una Lee, Minority Chief Health
46 Counsel; and Gayle Mauser, Minority Health Advisor.

47

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48 *Mr. Guthrie. The Subcommittee will come to order and
49 the Chair will recognize himself for five minutes for an
50 opening statement.

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51 STATEMENT OF THE HON. BRETT GUTHRIE, A REPRESENTATIVE IN
52 CONGRESS FROM THE STATE OF KENTUCKY

53

54 *Mr. Guthrie. Thank you, Mr. Secretary for being here
55 before us today and we are here to examine the Fiscal Year
56 2025 budget request for the U.S. Department of Health and
57 Human Services.

58 Just last week, the month and inflation data showed that
59 year over year inflation was three and a half percent in
60 March. Instead of including policies to help every day
61 Americans, the HHS budget request doubles down on the tax and
62 spend policies that have cut American paychecks.

63 The budget request totals nearly 1.85 trillion, and over
64 100 billion increase over last year's request. Today we will
65 hear the Secretary talk why the budget _ we need to ask the
66 Secretary to talk about why the budget doesn't lower
67 healthcare costs, but it spends trillions in new dollars.

68 This misses the mark. The budget does little to address
69 the cost of care for the average family of four with employer
70 sponsored insurance paid almost 24,000 in annual premiums in
71 2023, which represents 22 percent increase in the average

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72 annual premium a family paid in 2018.

73 Just because someone has health insurance doesn't mean
74 they can afford healthcare. Further, the Kaiser Family
75 Foundation changes made by the misnamed Inflation Reduction
76 Act will lead to a substantially higher premiums for seniors
77 enrolled in a Medicare Part D drug plan next year.

78 This year seniors are paying an average of 21 percent
79 more in Part D premiums with seniors in the five states
80 seeing the highest level of Part D use projected to pay
81 upwards of 57 percent more in monthly premiums and this
82 includes California.

83 Those states are likely to skyrocket even higher in
84 2025. Evidence suggests that these price controls are also
85 leading to less research and development in critical research
86 areas undermining patient access to lifesaving therapies.

87 Instead of working with House Republicans to find a way
88 to ensure working class families can access the care they
89 need at a price they can afford, the Administration's budget
90 doubles down on more handouts for wealthy by permanently
91 expanding AC insurance company studies and price controls,
92 which will be paid for by raising taxes.

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93 Additionally, this budget request furthers previous
94 actions from the Administration to impose burdensome and
95 unnecessary oversight over nursing facilities and long-term
96 care providers. While I agree we ought to do as much as
97 possible as we can to protect patient safety, this top-down
98 approach will only place more strain on an already overrun
99 part of our healthcare sector and reduce access to care for
100 vulnerable patients.

101 These new proposals come on top of pending regulations
102 that would establish minimum staffing standards for long-term
103 care facilities, costing Kentucky long-term care facilities
104 69 million annually just to compete.

105 Regulations like these are being considered despite more
106 than 500 nursing home closures across the country since 2020,
107 as well as the industry significantly experiencing
108 unprecedented workforce shortages.

109 I am disappointed the budget request does nothing to
110 address the influx of illicit drugs like Fentanyl coming
111 across our border at a rapid rate. In fact, the budget only
112 mentions Fentanyl once in a footnote, despite Customs and
113 Border Protection seizing nearly 10,000 pounds of deadly

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114 Fentanyl at our southwest border in the first six months of
115 Fiscal Year 2024.

116 We have policy that have passed out of this very
117 Committee that I am disappointed were not included in this
118 year's budget request, such as the HALT Fentanyl Act and
119 Securing Border for Public Health Act.

120 Both of these bills would give law enforcement,
121 including our brave Border Patrol Agents, with tools to crack
122 down on drug traffickers and keep these drugs off our
123 streets.

124 I am glad to see that the \$6 million request for
125 comprehensive Upward Recovery Centers Program, which I led in
126 establishing in 2018. These recovery centers provide
127 wraparound services for individuals seeking help to overcome
128 substance use disorders.

129 This is also included in the Support Act
130 reauthorization, which just passed the House with a broad
131 bipartisan vote.

132 I look forward to working with the Senate to get Support
133 Act signed into law. In closing, I believe it is time for
134 common sense solutions to solve some of the most serious

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135 programs affecting American patients, especially the high
136 cost of healthcare.

137 I urge the Biden Administration to work with Congress to
138 find bipartisan policies that can truly lower the cost of
139 care, eliminate ineffective programming, reduce federal
140 spending, and provide more choices for American patients by
141 incentivizing, not stifling, innovation.

142 Thank you. I will yield back and recognize the ranking
143 member of the Subcommittee for five minutes for her opening
144 statement.

145 [The prepared statement of Mr. Guthrie follows:]

146

147 *****COMMITTEE INSERT*****

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148 STATEMENT OF THE HON. ANNA ESHOO, A REPRESENTATIVE IN
149 CONGRESS FROM THE STATE OF CALIFORNIA

150

151 *Ms. Eshoo. Thank you, Mr. Chairman, and good
152 afternoon. Welcome back to the Subcommittee, Secretary
153 Becerra.

154 Today we are going to discuss, as the Chairman said, the
155 President's proposed Fiscal Year 2025 Budget for the
156 Department of Health and Human Services.

157 The proposed budget builds on the Administration's many
158 successes that have enhanced quality affordable healthcare
159 for the American people by doing the following. Reducing
160 barriers that prevent children enrolled in Medicaid and the
161 CHIP Program from maintaining health coverage; prioritizing
162 scientific and medical innovation at our nation's research
163 institutions such as the NIH; sustaining funding for ARPA-H,
164 which ARPA-H has this Committee to thank for its creation, so
165 that they can continue tackling the deadliest diseases facing
166 our nation.

167 Today Medicare, for the first time in the history of our
168 country, negotiating the costs of prescription drugs. Now,

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169 there are many politicians that talk about lowering the price
170 of prescription drugs, there is one person that got it done,
171 and that's President Biden.

172 That is a wonderful fact standing very tall.
173 Beneficiaries are already saving money through free vaccines
174 and insulin is capped at \$35 a month. Medicare
175 beneficiaries' prescription drug costs will be capped at
176 \$2,000 starting next year.

177 And the budget lowers costs for millions of Americans by
178 expanding the 2,000 cap on prescription drug costs beyond
179 Medicare, to individuals with private insurance coverage. So
180 all seniors will be covered in the country. And I think that
181 that is _ this is a great accomplishment for the people of
182 our country.

183 The budget also proposes that Congress make permanent
184 the premium tax credits that are drastically lowering
185 healthcare costs for Americans. Increased premium tax
186 credits fueled record-breaking enrollment in health coverage
187 under the Affordable Care Act this year.

188 Over 21 million people enrolled in marketplace coverage
189 during the open enrollment period, including five million new

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190 enrollees nationwide. Eighty percent of enrollees, this is
191 really quite a statistic fact, 80 percent of enrollees found
192 a plan for less than \$10 a month.

193 So Mr. Chairman, when you say, you know, we want to
194 lower costs, it is right there, and these are not junk plans.
195 These are not junk plans. These are excellent plans with the
196 kind of coverage that people actually need to have.

197 And healthcare involves the whole body. Yet, our mental
198 health system, as members of this Committee know all too
199 well, remains inadequate.

200 The President's budget will turn the tide by investing,
201 it is a whopping amount of money, but it is what is needed in
202 the country, \$20.8 billion in behavioral health initiatives
203 across HHS.

204 Women also deserve access to reproductive healthcare,
205 which is really under fire, to put it mildly, in the country.
206 The budget provides \$300 million, a 36 percent increase from
207 the previous year, for the only federal grant program
208 dedicated to providing access to comprehensive reproductive
209 and preventative health services across our country.

210 Importantly, the budget provides 5.5 billion for the

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211 Office of Refugee Settlement Unaccompanied Children Program,
212 which is necessary to properly care for the children in ORR's
213 custody and ensure their safety after they have been
214 released.

215 I think that _ I know that my Republican colleagues have
216 demonstrated significant interest in ORR and I trust that
217 they agree that we need to work to change some things at ORR.

218 I hope colleagues will join efforts to invest in the
219 health of the American people and ensure the budget meets the
220 pressing needs that remain out there for all of our
221 constituents.

222 So I look forward to hearing more from the Secretary and
223 I thank you, Mr. Chairman, for holding this hearing today and
224 with my thanks, I yield back.

225 [The prepared statement of Ms. Eshoo follows:]

226

227 *****COMMITTEE INSERT*****

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228 *Mr. Guthrie. Thank you. The gentlelady yields back
229 and the Chair recognizes the Chair of the full Committee,
230 Chair Rodgers for five minutes.

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231 STATEMENT OF THE HON. CATHY MCMORRIS RODGERS, A
232 REPRESENTATIVE FROM THE STATE OF WASHINGTON

233 *The Chair. Thank you everyone for being here. I wish
234 I could say that this hearing is an exciting opportunity to
235 learn more about President Biden and Secretary Becerra's
236 vision for how we can work together to improve the lives of
237 the American people by addressing major issues, such as the
238 Fentanyl crisis, the rising healthcare costs.

239 I wish this budget contained bold, new ideas from HHS
240 Secretary on how to lower healthcare costs, or at least
241 prioritize implementation and enforcement of existing
242 initiatives to lower healthcare costs.

243 Instead, what we have before us today, is a budget
244 request that proposes more than \$1.8 trillion in spending for
245 Fiscal Year '25, with misplaced priorities throughout.

246 It prioritizes spending a quarter of a trillion dollars
247 to large health insurance companies to subsidize insurance
248 premiums, rather than innovative proposals to lower the
249 actual costs of healthcare.

250 It favors the pursuit of far-left priorities over
251 implementation and enforcement of bipartisan healthcare laws,

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252 and it signals to the American people, who are struggling
253 under the weight of an overly expensive and complicated
254 healthcare system, that help is not on the way.

255 Secretary Becerra, it is the third time that you have
256 testified on the HHS budget before the Energy and Commerce
257 Committee, and you have already testified before Senate
258 Finance and House Ways and Means Committees even this year.

259 If there are any indications, we are going to hear
260 platitudes about lower drug prices, but nothing on what you
261 have done to lower outrageous hospital bills and empower
262 patients with the ability to know the price that they will
263 pay upfront.

264 We will hear about what HHS is doing to address climate
265 change, but not what HHS is doing to tackle the Fentanyl
266 crisis that is devastating communities and killing hundreds
267 of Americans a day.

268 And we will hear that you will get back to us, although,
269 unfortunately, on countless times on questions of critical
270 importance, we haven't heard back. I hope today you prove me
271 wrong.

272 Secretary Becerra, I also raise a very disturbing lack

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273 of transparency from NIH. A sub-agency under your purview,
274 regarding sexual harassment at the agency and institutes it
275 provides grants to.

276 A very serious issue that this Committee has been
277 investigating for almost three years. At the direction of
278 your Department, Mr. Secretary, the NIH continues to obstruct
279 the Committee and cover for individuals found to be _ who
280 have committed sexual harassment or abuse at NIH-funded
281 institutions, including many convicted of crimes.

282 You need to stop withholding critical information from
283 this Committee and stop protecting the sexual abusers. The
284 victims deserve full accountability and justice.

285 I will close with a somber reminder; rampant inflation
286 is not behind us. The latest report show that inflation
287 remains persistently high and it is compounding, making every
288 day expenses more and more difficult for American households.

289 Your failure to propose a responsible fiscal policy
290 shows again how this Administration cares little about
291 inflation and the impact it is having on every day Americans.
292 You are quick to propose more reckless spending without
293 regard for how that fuels increased prices, and then refuse

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294 to take accountability for the harmful result.

295 I look forward to hearing from you on how you plan to
296 address these concerns, and I hope you prove my predictions
297 wrong.

298 I yield back.

299 [The prepared statement of Mrs. Rodgers follows:]

300

301 *****COMMITTEE INSERT*****

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302 *Mr. Guthrie. The gentlelady yields back.

303 The Chair will now recognize the ranking member of the
304 full Committee, Mr. Pallone, for five minutes for opening
305 statement.

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306 STATEMENT OF THE HON. FRANK PALLONE, A REPRESENTATIVE IN
307 CONGRESS FROM THE STATE OF NEW JERSEY

308

309 *Mr. Pallone. Thank you, Mr. Chairman.

310 I want to thank Secretary Becerra for being with us
311 today to discuss President Biden's Fiscal Year 2025 budget
312 request.

313 This year the President's Budget highlights the huge
314 strides we made with the American Rescue Plan and the
315 Inflation Reduction Act and the ways that we can expand those
316 successes even further in order to reach more Americans.

317 The President's Budget also demonstrates Democrat's
318 commitments to lowering the cost of healthcare, expanding
319 access to care, and supporting the most vulnerable members of
320 our communities.

321 The Biden Administration is working to implement
322 important provisions of the Inflation Reduction Act that are
323 already delivering for the American people. Medicare is now
324 in the process of negotiating a maximum fair price for the
325 first 10 drugs selected in the Drug Price Negotiation
326 Program.

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327 These 10 drugs are taken by more than nine million
328 seniors, at a total out of pocket cost of \$3.4 billion in
329 2022. And the price negotiation is going to make these drugs
330 more affordable.

331 Seniors who take insulin have already seen their out-of-
332 pocket costs capped at \$35 a month and next year Part D
333 enrollees will have their annual out-of-pocket costs capped
334 at \$2,000, saving beneficiaries hundreds, if not, thousands
335 of dollars annually from the high price drugs the need to
336 survive and thrive.

337 And I am pleased that the budget provides a roadmap to
338 continue to build on the successes of the Inflation Reduction
339 Act by increasing the number of drugs Medicare selects for
340 negotiation each year and extending the \$2,000 annual out-of-
341 pocket cap for prescription drugs, and the \$35 monthly cap
342 for insulin to people with private insurance.

343 The budget would also extend the Medicare inflation
344 rebate provisions to the commercial market as well. A
345 critical way to further hold down drug price increases.

346 And a number of these proposals are reflected in
347 legislation I sponsored, the Lower Drug Costs for American

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348 Families Act, that would extend the benefits of the Drug
349 Price Negotiating Program to those with commercial insurance
350 as well.

351 We have also built on the Affordable Care Act, and I
352 want to thank the Secretary for that. As a result, a record-
353 breaking 21.4 million Americans have signed up for coverage
354 through the ACA marketplace.

355 The average family is saving \$2,400 in premiums a year
356 thanks to the expanded subsidies the Democrats delivered for
357 the American people.

358 I strongly support the budget proposal of making these
359 expanded subsidies permanent so that American families can
360 continue to have access to more affordable care.

361 And the President's Budget also addresses the Medicaid
362 coverage gap, ensuring low-income Americans living in
363 Republican led states who have no insurance today can finally
364 have access to the coverage they should already be receiving
365 in the Medicaid program.

366 Now, without question, these laws have dramatically
367 improved access to affordable healthcare. And again, I want
368 to commend Secretary Becerra for the tremendous progress that

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369 the Department has made.

370 I am also pleased to see that the budget takes steps
371 strengthen maternal, reproductive, and child health. The
372 budget will require all states to provide Medicaid coverage
373 to all low-income women for 12 months post-partum.

374 We created this state option in the American Rescue Plan
375 and then made the option permanent, and now we need to
376 require states to provide and maintain this coverage. We
377 also required states to provide 12 months of continuous
378 coverage to children eligible for Medicaid and the Children's
379 Health Insurance Program, providing them with much needed
380 stability and their parents with peace of mind.

381 The budget would build on this success by giving states
382 the option to provide continuous coverage to children from
383 birth until they turn six and 36 months of continuous
384 coverage from there.

385 So again, Mr. Secretary, I strongly support these
386 proposals. Now, in contrast, the President's Budget,
387 essentially stark contrast to the plan put forward by the
388 Republican Study Committee.

389 This extreme Republican plan, put forth by the Study

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390 Committee, proposes to restrict access to reproductive care,
391 including IVF and other fertility treatments; it guts funding
392 for contraception for low-income and uninsured women, and
393 endorses a national abortion ban, without exceptions.

394 These Republican proposals are dangerous to women's
395 health and make no mistake, the ripple effect of the Dobb's
396 decision and these extreme Republican proposals will only
397 increase the maternal mortality and morbidity.

398 They are completely out of step with the views of the
399 majority of the American people. So contrary to the
400 Republican agenda, Democrats are committed to expanding
401 access to essential healthcare, rather than restricting it.

402 I will continue to fight to lower healthcare costs and
403 protect the health and well-being of all Americans. I know
404 that Secretary Becerra is also totally onboard with that.
405 He, of course, was a member of this body and our friend, so
406 he knows what needs to be done.

407 So thank you again for being here today. I yield back.

408 [The prepared statement of Mr. Pallone follows:]

409

410 *****COMMITTEE INSERT*****

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411 *Mr. Guthrie. Thank you. The ranking member yields
412 back and the Chair will recognize the Secretary for five
413 minutes to summarize your opening statement.

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414 STATEMENT OF MR. XAVIER BECERRA, SECRETARY OF THE UNITED
415 STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES
416

417 *Secretary Becerra. Chairman Guthrie, Ranking Member
418 Eshoo, Chairwoman Morris Rodger, and Ranking Member Pallone,
419 thank you very much for inviting me to testify.

420 To put the President's Budget in context, let me remind
421 everyone where we were just three years ago. When President
422 Biden took office in January 2021, COVID was ravaging our
423 families and our economy and thousands of Americans were
424 dying every day.

425 I want to repeat that. Every day thousands of Americans
426 were dying of COVID. In January 2021, the number of
427 Americans with health insurance was well, like our jobs and
428 the economy, down and on the canvas.

429 2021, of January, prescription drug prices were
430 skyrocketing with patients and their pocketbooks at the mercy
431 of Big Pharma and big profits.

432 We changed that. Today, three years later, nearly 700
433 million shots of COVID vaccines have gone into the arms of
434 Americans. COVID is still around, but we can now manage it

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435 like the flu.

436 Today, more than 300 million Americans, a record number,
437 can go to the doctor and hospital and not go bankrupt because
438 they have their own health insurance.

439 Madame Chair, that's bold. More than 21 million of
440 those Americans count on the Affordable Care Act Marketplace
441 for their insurance. Another record. And Madame Chair, that
442 too is bold.

443 Today, while Big Pharma is still big, the President's
444 new prescription drug law has brought down the price of
445 insulin to \$35 a month for Americans on Medicare. That's a
446 bold reduction in price. Ask anyone who depends on insulin
447 to live.

448 And as we speak, we are negotiating with drug companies
449 to lower the prices of even more prescription drugs, even as
450 they sue us to stop us. Taking on Big Pharma, that is bold.
451 Saving taxpayers \$100 billion in the process, that is bold.

452 The President's Budget doubles down on the investments
453 that made the comeback of our jobs, our economy, and our
454 health possible. It doesn't just protect Medicare, his
455 budget strengthens Medicare beyond our lifetime.

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456 This budget lays out the vision of a nation that invests
457 in its most vulnerable, fosters innovation, and protects
458 every American's access to the care she needs. Perhaps most
459 importantly, it continues our shift from a health system that
460 treats illness to one that sustains wellness.

461 All told, the FY 2025 Budget proposes \$130 billion in
462 discretionary and \$1.7 trillion in mandatory funding to
463 advance our mission and invest in key priorities. Let me
464 share some of those highlights.

465 The budget provides Medicaid-like coverage to low-income
466 individuals in the outlier states that have not yet expanded
467 Medicaid under the Affordable Care Act. When that happens,
468 another 1.5 million of our fellow Americans will have health
469 insurance coverage, and the peace of mind that comes with it.

470 This budget builds on the largest investment in
471 behavioral health in a generation. It bolsters a 988 Suicide
472 and Crisis Lifeline; it gives young people support at home
473 and at school.

474 The President's investments in behavioral health
475 workforce would add 12,000, repeat 12,000 new psychiatrists,
476 psychologists, clinical social workers, marriage and family

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477 therapists, counselors, and peer support specialists at a
478 time when their services are desperately needed.

479 Across HHS, the budget tackles the maternal health
480 crisis by improving access to pre and post-natal care,
481 supporting emergency care services, and expanding maternal
482 care in rural and underserved communities.

483 We are also making childcare more affordable for working
484 families and more available where families live and work.
485 This budget would provide increased wages for Early Childhood
486 Educators; it would fund more than 750,000 slots for children
487 in Head Start, and it provides universal preschool for our
488 nation's four million four-year-old children, and eventually,
489 it would include our three-year-olds as well.

490 Our budget grows and strengthens our cybersecurity
491 initiatives, to ensure patient safety and privacy, and to
492 keep our hospitals and providers, especially smaller ones,
493 and those in rural communities, running and secure.

494 Finally, this Administration has made tremendous strides
495 in preparedness capabilities since the pandemic and we keep
496 building.

497 This budget invests in countermeasures to combat

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498 antimicrobial resistant drugs, expands our monitoring and
499 supply chains, and integrates 200 data sources across
500 federal, state, and local governments to improve information
501 sharing.

502 We can't reduce the health and well-being of Americans
503 to a line on a budget spreadsheet, I know that, but we can
504 transform the numbers on the balance sheet into real
505 investments and services that sustain health and promote
506 wellness for all Americans.

507 So it is with great pleasure that I am here to testify
508 on the President's 2025 Budget and I look forward to taking
509 your questions.

510 [The prepared statement of Secretary Becerra follows:]

511

512 *****COMMITTEE INSERT*****

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513 *Mr. Guthrie. Thank you, Mr. Secretary.

514 We will now move to members' questions. I will say, we
515 want to give everybody the opportunity to ask questions
516 before votes are called. I think votes are a couple, two and
517 a half hours or so from now.

518 So I am going to stick to the five minutes and I hate to
519 be rude sometimes, but we are going to have to gavel down at
520 five minutes and move forward, sometimes even in good
521 conversations.

522 So having said that, I will stop talking and recognize
523 myself for five minutes to ask questions.

524 So Mr. Secretary, we talked yesterday and one of the big
525 concerns, and I am one that if a bill passes that I don't
526 oppose and I oppose and it passes, then at that point I hope
527 that it works better than I thought it would, because there's
528 no joy in going, see, I told you so.

529 What we are seeing in Medicare Part D, in my opening
530 statement, the premiums rise 21 percent, up to 57 percent in
531 California or places like _ that could result in increasing
532 up to 57 percent in places like California, are you concerned
533 about what these trends and Medicare Part D premiums?

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534 *Secretary Becerra. Mr. Chairman, I am absolutely
535 concerned about the speculation. None of these insurance
536 companies that are speculating that they're going to increase
537 rates have actually submitted their bids.

538 Until we see their bids, it's hard to see what they are
539 going to do with their pricing. But I would hope one thing,
540 if they're claiming that they're going to have to increase
541 prices on seniors and Americans with disabilities on
542 Medicare, they should let us look behind the curtain and
543 understand why they're increasing prices.

544 *Mr. Guthrie. Well, are you all doing analysis as well
545 at HHS about what you are hearing moving forward and why they
546 should move forward that way?

547 *Secretary Becerra. Understand that we can't do an
548 analysis until they give us the information on what they're
549 saying is going to cause them to have to increase prices on
550 seniors and disabled Americans.

551 *Mr. Guthrie. Well, let's hope their analysis isn't
552 correct _

553 *Secretary Becerra. I'm looking forward to getting it
554 and I hope they share it with the American people, because

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555 the American people want to understand why they would propose
556 to increase prices so much for drugs that are already very
557 expensive.

558 *Mr. Guthrie. Well, thanks. Well, I hope that _ hope
559 it doesn't happen moving forward. So the other big issue,
560 and the biggest issue in healthcare in Kentucky is Fentanyl.
561 I think it is across the country. Most families have illicit
562 Fentanyl coming across the border and I noticed, in the
563 budget request, it was mentioned in a footnote in the budget,
564 what is your plan to stop illicit Fentanyl at the border?

565 What would the Administration _ and the Chinese Select
566 Committee, Bipartisan Select Committee published a report
567 detailing the Chinese Communist Party's involvement in
568 illicit Fentanyl.

569 So I would like to hear what HHS and your role,
570 Secretary, are working on?

571 *Secretary Becerra. Mr. Chairman, I've heard this thing
572 about the footnote. What matters more than a footnote is the
573 money and the President, as you know, has put down some \$44
574 and a half billion, billion dollars to fight Fentanyl at the
575 border, and it is doing a great deal to make sure we're

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576 fighting drug trafficking, doing everything to address the
577 criminality that might occur, that could make Fentanyl
578 possible to cross the border.

579 Within HHS's budget, because that's not HHS's budget,
580 but within HHS's budget, there are close to \$9 billion that
581 the President dedicates to make sure we're going after
582 opioids and drug overdose.

583 And so we would invest that in things like that State
584 Operations Task _

585 *Mr. Guthrie. Right, we all worked together on the
586 Support Act. That is important and that is a big bipartisan
587 bill, but what _ and we need to take care of people when they
588 have a Substance Use Disorder, but preventing it from coming
589 here.

590 We know it is coming from China, coming to Mexico,
591 coming across the border. We have a bill, I think it is Ms.
592 Lesko's, she is not on this Committee, give you Title 42
593 authority, because it is a pandemic, affecting our _ and so
594 the question is, I don't think the Administration is using
595 everything that it can to stop what is flowing across the
596 border and we would like to enhance even a tool for you to

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597 have in Title 42, coming across the border, and so do you
598 think the Administration is doing a good job in the number of
599 people coming across our border illegally?

600 *Secretary Becerra. Mr. Chairman, as you know, the
601 President supported a bipartisan proposal to address border
602 enforcement that would have helped us address Fentanyl. That
603 was stopped mostly by members in your party who decided not
604 to let that _

605 *Mr. Guthrie. Well, the House did pass it _

606 *Secretary Becerra. _ (crosstalk) _

607 *Mr. Guthrie. _ before. As you remember the House,
608 House passes a bill, the Senate never passed the bill to the
609 House. I said the Senate should pass that bill and then we
610 should sit down and negotiate _

611 *Secretary Becerra. Well, that was the bipartisan
612 proposal _

613 *Mr. Guthrie. Well, that was a Senate bipartisan
614 proposal.

615 *Secretary Becerra. _ and it was guaranteed to have
616 bipartisan support.

617 *Mr. Guthrie. I said they should pass the bill and we

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618 should sit down and have a conference committee and negotiate
619 the differences, and that just didn't happen, but even said
620 that, the President has tools that he is not using and we
621 want to give you tools to use, in Title 42, would you be
622 supportive of moving forward with a bill that includes
623 Fentanyl, in terms of your authorities for Title 42?

624 *Secretary Becerra. We appreciate any support you all
625 can give us. We take a close look at any proposals that you
626 have and then make sure that we're able to move forward
627 together.

628 *Mr. Guthrie. All right. And then I only have 40
629 seconds, so I want to talk about your finalizing a rule _
630 your agency, on May 2023 rule that would require
631 manufacturers participate in the Medicaid Rebate Program to
632 stack or add up all the rebates.

633 Has _ I am thinking I am going to go through the whole
634 question because I think you understand what I am talking
635 about, has CMS considered the possible unintended
636 consequences of this proposal?

637 *Secretary Becerra. The _ what consequence?

638 *Mr. Guthrie. Of the stacking, where you stack to get a

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639 single low best price by stacking all the rebates in there
640 for, it is 30 years of precedents held at a different way you
641 are changing it and the concern about people participating in
642 the marketplace and providing drugs to our _

643 *Secretary Becerra. Yeah, and _

644 *Mr. Guthrie. I will have to get that answer in
645 writing, because I want to stick to moving forward. So gavel
646 myself down and I will recognize the ranking member for five
647 minutes to ask questions.

648 *Ms. Eshoo. Thank you, Mr. Chairman.

649 Mr. Secretary, I think that you know very well that it
650 is an issue that I have spoken to, asking you questions about
651 it for almost a year now, and it is the issue of, you know,
652 the Office of Refugee Resettlement and the children that were
653 referenced in the New York Times articles.

654 In fact, you last testified before this Committee in
655 July of 2023, after the New York Times reported on the, I
656 think, the _ well, I am not the only one that thinks so,
657 horrendous exploitation of children that were discharged by
658 ORR.

659 I asked you at that time whether the children referenced

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660 in the articles, were still being employed illegally at
661 dangerous facilities, you said you would get back to me, so I
662 resubmitted my question for the record.

663 Seven months later, I mean, I know that the Department
664 is busy doing things, but seven months later I received your
665 response to my questions for the record and what was so
666 obvious was that question, that I had originally posed, was
667 ignored. There was no answer from you on that.

668 I think one of the most alarming aspects of this issue
669 is that ORR employees claimed they faced pressure to expedite
670 the release of children at the expense of their safety. Now,
671 I have got questions about each one of these, but I want to
672 get my comments in first.

673 According to the New York Times, monthly calls to HHS
674 reporting trafficking and abuse of children increased five-
675 fold from less than 50 calls in January of '21, to nearly 250
676 calls in December of '22.

677 I have requested more recent data in my questions for
678 the record, but I haven't received any answer. Yesterday, I
679 introduced the Transparency for Unaccompanied Children Act to
680 strengthen congressional oversight of ORR by requiring the

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681 Agency to issue timely, public, and comprehensive reports on
682 the Unaccompanied Children's Program.

683 And we need you to cooperate with us on this because I
684 don't think all is well at that part of your agency.

685 So my first question is, and I am asking it once again,
686 are the children who were profiled by that article in the New
687 York Times still illegally employed today?

688 *Secretary Becerra. Congresswoman, thank you for the
689 question. And I know that my team has been briefing your
690 team and you on this subject matter, and as I've said on many
691 occasions before, it would be nice for me to tell you a more
692 direct answer about what is happening to the children who are
693 no longer in our care and custody.

694 We don't have jurisdiction over them. If you wish to
695 give us jurisdiction _

696 *Ms. Eshoo. If (crosstalk) but, Mr. Secretary _

697 *Secretary Becerra. _ that would be fine _

698 *Ms. Eshoo. _ with all due respect _

699 *Secretary Becerra. I have no _ I have no authority _

700 *Ms. Eshoo. _ to you _ wait a minute _

701 *Secretary Becerra. _ to do that investigative work.

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702 *Ms. Eshoo. It is my time. It is my time. Have you
703 worked with the Labor Department? Did you ever call them to
704 see what has happened to these children?

705 *Secretary Becerra. We have a joint operation.

706 *Ms. Eshoo. A joint operation on what? No answer?

707 *Secretary Becerra. Addressing the child _

708 *Ms. Eshoo. A no answer?

709 *Secretary Becerra. _ exploitation.

710 *Ms. Eshoo. I think you have the responsibility. You
711 are a member of the _

712 *Secretary Becerra. Congresswoman, we answered your
713 questions _

714 *Ms. Eshoo. _ Congress. You were a member _

715 *Secretary Becerra. _ based on the authorities that we
716 have.

717 *Ms. Eshoo. _ of the Congress and our questions are
718 important.

719 I would like to know what you have done to change ORR's
720 culture to ensure that the Agency always puts the safety of
721 children first? What can you tell us on that?

722 *Secretary Becerra. Certainly I can tell you that the

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723 snapshot that you are speaking to, back in the early part of
724 2021, is not the circumstance you see at ORR today. If you
725 recall, as I've said many, many times before, the previous
726 Administration had dismantled the ORR operations _

727 *Ms. Eshoo. I don't want to _ that is not what my
728 question is. Just answer my question. Have you done
729 anything? Share with us what you have done. I think you
730 purport to have done things to change that culture.

731 These children fell into a horrendous situation and I
732 know that the Department of Labor has, after they leave you
733 and what you do, but there was so much room for improvement
734 in this.

735 And so, you know what, why don't you answer my question
736 in the questions for the record. And I am asking you to
737 commit to working with me on this legislation, because this
738 needs to change.

739 I think it is a dark mark on all of us when these
740 failures take place. They are the children. We have to
741 answer to God for them, so I _

742 *Secretary Becerra. Congresswoman, I _

743 *Ms. Eshoo. _ am asking you to _

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744 *Secretary Becerra. _ I disagree with the way you've
745 characterized it.

746 *Ms. Eshoo. I am asking you to commit to working with
747 us on this and I yield back.

748 *Mr. Guthrie. Thank you. The gentlelady yields back.

749 The Chair recognizes the Chair for five minutes for
750 questions.

751 *The Chair. Secretary Becerra, let's talk about
752 boldness. Proposing a quarter trillion dollars in new ACA
753 spending. My question, do those go to people or insurance
754 companies?

755 *Secretary Becerra. Does that _ do those investments go
756 to _ well, it translates into a record number of Americans
757 getting insurance.

758 *The Chair. Does the money, does the quarter trillion
759 dollars, quarter trillion dollars go to insurance companies?

760 *Secretary Becerra. The investments make sure that
761 Americans can afford to purchase the insurance they need to
762 get healthcare coverage.

763 *The Chair. How high of a deductible would you consider
764 affordable for someone making a median income in this

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765 country, which is around 70,000. So how high of a deductible
766 is affordable?

767 *Secretary Becerra. Rather than give you a speculative
768 answer, what I can tell you is that four out of five people
769 who are looking onto the website _ looking on the website for
770 healthcare.gov are finding a health insurance coverage plan
771 that gives them real quality coverage for \$10 or less a month
772 in premium price.

773 *The Chair. Do you know the average deductible of a
774 Silver plan?

775 *Secretary Becerra. There are many different deductible
776 levels based on the plan _

777 *The Chair. It is over \$5,000, okay?

778 In your statement you talk a lot about lowering the drug
779 prices in this country. Your budget includes an expansion of
780 the price controls, but fails to include any detail on
781 whatsoever those expansions, if they are actually going to
782 work.

783 We have also been waiting for years for this
784 Administration to enforce price transparency requirements for
785 Pharmacy Benefit Managers in insurance that the former

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786 Administration finalized to unwind the black box created by
787 these middlemen.

788 So Ranking Member Pallone and I applauded CMS when they
789 announced enforcement was coming last September. When can
790 patients expect HHS to enforce, but it still hasn't happened,
791 so when can we expect HHS to enforce the Drug Price
792 Transparency Rule?

793 *Secretary Becerra. Congresswoman, we are currently
794 enforcing that law. We're doing it as best we can. As you
795 know, it has gone through a number of iterations in the
796 courts.

797 We continue to try to implement the letter and the
798 spirit of the law _

799 *The Chair. Okay. So we are still waiting? Okay. We
800 are still waiting. Thank you.

801 *Secretary Becerra. Well, we have to make sure we
802 follow any court ruling.

803 *The Chair. It has only been three years. Okay.
804 Moving on.

805 Secretary Becerra, rulemaking can also have an impact on
806 the budget and federal spending on mandatory programs, such

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807 as ACA tax credits, Medicaid, Medicare. CMS has been
808 finalizing a number of regulations just in recent weeks for
809 the 2025 Obamacare Rule.

810 Will policies finalized in that rule increase federal
811 payments to insurance companies or decrease?

812 *Secretary Becerra. Will the 2024 rule _

813 *The Chair. Obamacare rule. So the federal payments to
814 insurance companies, the premium tax credits, is that going
815 to increase or decrease federal payments to insurance
816 companies?

817 *Secretary Becerra. Well, the subsidies that Americans
818 now can qualify for to help keep their insurance costs down
819 will help make sure those plans are more affordable for
820 Americans.

821 *The Chair. So I am asking about the money that is
822 going to the insurance companies. Is this going to be
823 millions? Tens of millions? Billions? Tens of billions?

824 *Secretary Becerra. The plans are operated and offered
825 by insurance _ private insurance companies within the
826 Affordable Care Act Marketplaces. So when _

827 *The Chair. How much federal _ okay, sorry, go ahead.

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828 *Secretary Becerra. And so when we provide the
829 subsidies, the subsidies will flow through the insurance
830 companies so that they are _

831 *The Chair. Okay.

832 *Secretary Becerra. _ they reduce the price _

833 *The Chair. Thank you.

834 *Secretary Becerra. _ for those Americans who get the
835 coverage.

836 *The Chair. It is going to the insurance companies. I
837 guess, we don't know how much.

838 For the Rule titled Streamlining the Medicaid, CHIP, and
839 Basic Health Program application eligibility determination
840 enrollment and renewal process. So that's the rule. Does
841 that rule increase or decrease spending by the federal
842 government on Medicaid over the next five years?

843 *Secretary Becerra. On Medicare or Medicaid?

844 *The Chair. Medicaid. Yeah, Medicaid.

845 *Secretary Becerra. It makes sure that Medicaid
846 recipients can afford to get the coverage they need and
847 extend _

848 *The Chair. Does it increase spending?

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849 *Secretary Becerra. An investment to make sure that
850 more Americans qualify for Medicaid is going to be good for
851 those Americans _

852 *The Chair. Okay. The question is, how much? Do you
853 know how much more this rule is going to require in spending
854 by the federal government or are the state governments just
855 expected to spend because of this rule?

856 *Secretary Becerra. Well remember, Medicaid is a state
857 and federal matching program, so much will depend on what the
858 states do _

859 *The Chair. Okay.

860 *Secretary Becerra. _ but the federal government is
861 (crosstalk) _

862 *The Chair. I am going to run out of time here soon and
863 I am still not hearing an answer. I know \$45 billion more on
864 spending by the federal government on Medicaid in the next
865 five years alone, perhaps more.

866 So I find it shocking, in preparing for a budget
867 hearing, making repeated statements about commitment to
868 longevity and success of these programs, you can't even
869 answer if we are going to have to raise taxes or not to pay

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870 for these or program reductions.

871 Do you have any process in place where rules that
872 increase spending by the federal government, actually get any
873 kind of accountability or responsibility? Because Congress
874 has to pay these bills.

875 *Secretary Becerra. Congresswoman, as you know and as I
876 know, from having served where you are, that we cannot spend
877 money we don't have.

878 *The Chair. Well, you are passing a lot of rules that
879 are committing a lot of money _

880 *Secretary Becerra. And those rules cannot commit us to
881 spending money we don't have.

882 *The Chair. More to come. I am out of time. I yield
883 back.

884 *Mr. Guthrie. The Chair yields back.

885 And the Chair recognizes the Ranking Member for five
886 minutes for questions.

887 *Mr. Pallone. Thank you, Mr. Chairman.

888 Mr. Secretary, I am going to try to get through two
889 issues, hospital price transparency and Medicaid unwinding.
890 So if I make it, I ask you to shorten your answers. It is

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891 only because I want to get through both.

892 A major bipartisan goal of this Committee is greater
893 transparency in the prices that patients pay for healthcare.
894 And so you have, you know, you have this final rule,
895 department final rule on implementation of the Hospital Price
896 Transparency.

897 And I am concerned that some hospitals are using the
898 estimated tool to provide patients with inaccurate and
899 misleading price information and the Price Estimator Tool can
900 be confusing for consumers, contain disclaimers often
901 underestimate the prices patients will pay, and offers
902 estimates that are not binding.

903 So on this one, I am just asking you yes or no, if you
904 would commit to working with us to ensure that consumers are
905 able to access accurate price information?

906 *Secretary Becerra. We continue to work in that
907 direction, so I suspect that means it is a yes.

908 *Mr. Pallone. Okay. So now I want to say that I
909 applaud your Department's commitment to increasing price
910 transparency and support efforts to conduct oversight of this
911 final Hospital Transparency Rule, because I do think that it

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912 is unacceptable that some hospitals continue to make it
913 difficult for consumers to access price information, and I am
914 concerned with the lack of compliance by some hospitals.

915 So could you briefly discuss what additional steps the
916 Department will take to increase enforcement of this final
917 Hospital Transparency Rule?

918 *Secretary Becerra. Well, we continue to work with the
919 hospitals throughout the country, some are better prepared
920 than others to try to address the transparency requirements,
921 but after a while, if they are not making the progress we
922 believe they should, we are prepared to take enforcement
923 action against them.

924 *Mr. Pallone. And that is important, because this went
925 into effect over three years ago, so any additional
926 enforcement action, you know, I really would appreciate and I
927 know that Committee would.

928 Now, with regard to the second issue, the impact that
929 the Medicaid unwinding is having on American families. I
930 know you are very concerned about it.

931 Since the end of COVID-19, states have _ well, since the
932 end of the public health emergency, I should say, states have

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933 been redetermining eligibility for the historic number of
934 people enrolled in the program, and that unwinding process
935 has revealed the staggering degree to which many states
936 eligibility and enrollment systems and processes are out of
937 compliance with federal law, and that has resulted in
938 Medicaid beneficiaries being unfairly terminated from the
939 program, as you know.

940 So I wrote to you and Administrator Brooks to ensure
941 about state's lack of compliance with federal law on March
942 4th and requested that CMS provide a date certain by which
943 states would be required to make commitments and lay out
944 their plans for coming into compliance with federal law.

945 So my question is, if you would describe what steps you
946 are taking to ensure states come into compliance with
947 longstanding Medicaid and CHIP eligibility determination and
948 renewal requirements, if you will?

949 *Secretary Becerra. Since before the unwinding process
950 began last year, because of the elimination of the public
951 health emergency that required states to, once again, go back
952 to the process of re-enrolling everyone who wanted to stay on
953 Medicaid, because you have to qualify to stay on Medicaid,

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954 we've been working with states.

955 In fact, we have provided dozens of flexibilities to
956 states to ensure that, as they go through this process of
957 unwind, they don't procedurally remove someone from the
958 Medicaid roles who actually is eligible to remain on.

959 We continue to do that. Our focus has been principally
960 with children to make sure children aren't kicked off, and we
961 continue to work with them.

962 We are also proposing a rule for moving forward, because
963 as you just said, we learned a lot about what states have
964 done right and what they've not done right, and we're trying
965 to make sure we close those holes that allow states to drop
966 people inappropriately who do qualify for Medicaid.

967 In many cases, the states have worked closely with those
968 who have cooperated. Unfortunately, some states have not
969 taken up the flexibilities, have not shown that they are
970 interested in moving forward.

971 *Mr. Pallone. Well, let me just ask you, as I said in
972 this letter, that we ask the CMS provide a date certain by
973 which states would be required to make commitments and lay
974 out their plans for coming into compliance.

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975 When will states be required to reach agreement on these
976 compliance plans?

977 *Secretary Becerra. Again, we have 50 states,
978 Congressman. You know how this goes. With Medicaid, we have
979 to work closely with them. We're not interested in punishing
980 just to punish. We're interested in making progress. We
981 point out where their Medicaid administration is not working
982 the right way.

983 We point out the federal rules that they live under and
984 what we do is try to provide them with all the support and
985 assistance they need to be able to move their system along.

986 Many states have not made sufficient investments to
987 really address the population supplying, and so we will
988 continue to work with them. We hope that we don't have to
989 move towards enforcement, but we will do so if it means that
990 that's the only way to protect people in getting the Medicaid
991 they're entitled to.

992 *Mr. Pallone. I will just ask that Mr. Chairman, if,
993 you know, we would like to see a written response to our
994 letter in the near future, if possible, that basically
995 details what you are saying.

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996 *Secretary Becerra. Thank you.

997 *Mr. Pallone. Thank you.

998 Thank you, Mr. Chairman, I yield back.

999 *Mr. Guthrie. Thank you. The gentleman yields back.

1000 And the Chair recognizes the Chair Burgess for five
1001 minutes for questions.

1002 *Ms. Miller-Meeks. Thank you, Mr. Chairman.

1003 Thank you, Mr. Secretary, for being here. Good to see
1004 you again.

1005 Can we just talk a little bit about consolidation in
1006 healthcare and, specifically, provider consolidation. Is
1007 this a problem that needs to be addressed?

1008 *Secretary Becerra. Is provider consolidation?

1009 *Mr. Burgess. Yes.

1010 *Secretary Becerra. Any consolidation, which isn't for
1011 the purpose of efficiency should be a problem.

1012 *Mr. Burgess. So do you think that we should even
1013 preserve independent practices at all?

1014 *Secretary Becerra. That's something we've had forever.
1015 There's no reason why consolidation should mean that there
1016 shouldn't be independent practices.

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1017 *Mr. Burgess. Okay. Fair enough and I am glad you feel
1018 that way, and I personally think that the presence of
1019 independent physicians is an invaluable counterweight to the
1020 rise of consolidation that we see in our healthcare
1021 marketplace.

1022 So what is this Administration doing to help preserve
1023 independent practice as an option for physicians and
1024 patients?

1025 *Secretary Becerra. Congressman, we continue to work
1026 within the industry to make sure that no consolidation is
1027 occurring for monopolistic purposes. We work with the
1028 Department of Justice on that. We try to keep prices
1029 competitive.

1030 I would probably agree with you if you were to ask me if
1031 removing those independent practitioners is going to lead to
1032 higher prices and I would probably tell you it absolutely
1033 does.

1034 *Mr. Burgess. And may I just add, it is going to lead
1035 to worse patient care and that is really what we should be
1036 concerned about.

1037 I mean it is one thing to spend a lot of money. It is

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1038 another thing to spend a lot of money and not deliver the
1039 care that people really need.

1040 So let me just ask you this, because we got the
1041 physician fee schedule coming up and it happens to us at the
1042 end of every July, and then I start getting letters in
1043 October, so would you consider modifying the upcoming
1044 physician fee schedule so that it does not involve the large
1045 budget neutrality adjustment and offers physicians stability,
1046 in contrast to many decades of disruptive payment rules?

1047 *Secretary Becerra. Here I'll say, Congressman Burgess,
1048 I think _ but I hear a question from Dr. Burgess, and what I
1049 would say to you is, that's a dance we have to engage with
1050 together because you know Congress set the rules, the new
1051 budget neutrality rules we have to follow, but more than
1052 willing to work with you, because again, if it doesn't really
1053 deal with the reality of what the practitioner on the ground
1054 has to face, we all should take a closer look.

1055 *Mr. Burgess. Well, here is the problem. We need to
1056 ensure that this year's physician fee schedule doesn't
1057 continue the cycle of large budget neutrality adjustments
1058 that drive conversions factors down for providers.

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1059 Do you think that we can do that?

1060 *Secretary Becerra. We are more than willing to work
1061 with you because we know that there are a lot of providers _

1062 *Mr. Burgess. Okay. Thank you.

1063 *Secretary Becerra. _ doctors (crosstalk) _

1064 *Mr. Burgess. I will give you the benefit of the doubt.
1065 That is a yes and we will work with you.

1066 So look, we got a problem with the Affordable Care Act,
1067 the CMMI was supposed to save money, it doesn't. Poorly
1068 constructed models favoring large health organizations,
1069 consistent disruptive payment rules driving consolidation.

1070 What we just heard this week, about the change
1071 healthcare problems driving consolidation, it seems
1072 intuitively obvious to the casual observer that this
1073 Administration prefers larger healthcare systems and neglects
1074 smaller providers.

1075 For example, why hasn't this Administration embraced
1076 ideas such as site-neutral payment reform to lower costs for
1077 the patient and reduce consolidation? Something that has
1078 been included in President's budgets for over a decade?

1079 *Secretary Becerra. Congressman, probably a longer

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1080 conversation, but I would be more than willing to discuss
1081 with you the ways that we have continued to try to sustain
1082 the smaller providers, because the smaller providers are
1083 typically the ones that are in rural America. They're
1084 typically the ones that are in lower-income America, and we
1085 desperately need to keep them in place.

1086 And so we have promulgated a number of policies that
1087 support smaller providers. We want to avoid them being
1088 gobbled up by the big guys.

1089 *Mr. Burgess. Okay. Here is a pro tip, site neutrality
1090 can replace budget neutrality. We can afford this. We have
1091 the dollars within the system. We can afford to do this, it
1092 is just the will to deliver on that.

1093 There is big increases in budget for this year. We are
1094 three years now post-COVID and the budget is even bigger than
1095 what it was when you all came in 2021. I appreciate your
1096 acknowledgement of the prior Administration Operation Warp
1097 Speed providing you the platform of vaccines that did allow
1098 for the disruption of the Corona Virus, but ultimately, we
1099 have got to put the well-being of America's patients first
1100 and foremost.

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1101 Just one last thought, and I will submit a number of
1102 questions for the record. Do we have any idea what is the
1103 cost per enrollee in the Affordable Care Act now?

1104 *Secretary Becerra. Again, that would depend on the
1105 plan that they purchase, what their income level is, what the
1106 level of subsidy would be _

1107 *Mr. Burgess. But you say that the care is basically
1108 costless to Americans, but it is not. Americans are paying
1109 this bill and now they are paying highest interest rates on
1110 the money they are having to borrow for what you are giving
1111 away.

1112 Thank you, Mr. Chairman, I will yield back.

1113 *Mr. Guthrie. Thank you. The Chair yields back and the
1114 Chair will recognize Mr. Sarbanes for five minutes for
1115 questions.

1116 *Mr. Sarbanes. Thanks very much, Mr. Chairman.

1117 Secretary Becerra, thank you for being here, for your
1118 work and the Biden Administration's work to protect and
1119 expand access to care and to lower costs for Americans,
1120 especially, as you talked about, prescription drug costs for
1121 our seniors.

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1122 I want to discuss how this year's budget request
1123 provides some strong investments in a few particular areas.
1124 The first being our healthcare workforce.

1125 Like many on this dais, I have heard from providers and
1126 patients alike, you have certainly been hearing it about the
1127 very real challenges our healthcare system is facing as a
1128 result of tremendous workforce shortages that span every
1129 level of care.

1130 This year I am proud again to join with Representatives
1131 Blunt Rochester and Representative Schrier in urging robust
1132 funding for HRSA's National Center for Health Workforce
1133 Analysis, which, as you know, provides critical high quality
1134 data about supply and demand issues and oversees nine
1135 research centers that provide technical assistance to
1136 regional and local groups.

1137 Can you discuss why investing in comprehensive data
1138 collection analysis initiatives like this are so vital to
1139 understanding the full scope of the workforce challenges we
1140 face, and ensuring that we make the right policy choices to
1141 address them?

1142 *Secretary Becerra. Congressman, because we know that

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1143 too often the workforce goes where the money is, and
1144 unfortunately some of the deserts, the healthcare deserts
1145 that we have that are desperately in need of more workforce
1146 won't get them. It might be rural America, it might be low-
1147 income America, and what we want to make sure is that we have
1148 the data that helps us determine where we need to make sure
1149 that future healthcare workforce goes.

1150 *Mr. Sarbanes. Thank you. It is a smart investment.

1151 I have long believed that we can encourage individuals
1152 to pursue public service or other careers that may be paths
1153 less traveled for any number of reasons, lower salaries, what
1154 are perceived as less ideal, geographic locations, et cetera,
1155 through programs that offer loan repayment assistance to
1156 those who commit to these positions for a given time.

1157 That is why I authored the Public Service Loan
1158 Forgiveness Program and helped create the STAR Loan Program
1159 for Substance Use Disorder providers. It is also why I am
1160 such a strong supporter in the National Health Service Corp.

1161 Can you briefly speak to the investments this year's
1162 budget makes in helping relieve the student debt burden for
1163 critical primary and behavioral healthcare providers?

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1164 *Secretary Becerra. The budget, and thank you very much
1165 for your support, Congressman Sarbanes, over the years for
1166 this program. It has made it possible for us to send
1167 thousands of healthcare professionals, doctors, nurses,
1168 others, into the field and helping mostly underserved
1169 communities.

1170 And my son-in-law, who is now a pediatrician, is one of
1171 those graduates of the program. He got his four years of
1172 medical school paid for and the result is now he owes us five
1173 years of service in an underserved community, and that's
1174 exactly what he's doing.

1175 By the way, he applied for that program way before I
1176 became Secretary, just so there's no confusion.

1177 *Mr. Sarbanes. Just so the record is clear.

1178 *Secretary Becerra. And so it works. It works.

1179 *Mr. Sarbanes. Yeah.

1180 *Secretary Becerra. It really works. There are some
1181 18, 19,000, I think, slots that we have to put the healthcare
1182 workforce out there. These are people who may not have
1183 otherwise had an opportunity to graduate and become the
1184 future doctor.

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1185 So it is absolutely a great investment, not just for
1186 those people, like my son-in-law, but for Americans who end
1187 up having a great pediatrician to offers services to their
1188 kids.

1189 *Mr. Sarbanes. Yeah, let me punctuate the point you
1190 just made. It obviously helps those individuals fulfill
1191 their career aspiration, but it is more so what it does for
1192 the country and that is why we support programs like that.

1193 It is critical that the pipeline that we are talking
1194 about right now be robust, particularly given the mental and
1195 behavioral healthcare crisis we face, especially among our
1196 youth.

1197 More data every day that supports that unfortunate
1198 circumstance. I have also long been an advocate for strong
1199 funding for school-based health centers, as you know, we have
1200 talked about this before, which meet children where they are,
1201 at school, to deliver care in a trusted setting.

1202 This year's budget includes robust investments, I see,
1203 in Community Health Centers and their related programs, and
1204 increased funding for several youth mental and behavioral
1205 healthcare initiatives.

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1206 How do you believe these investments can work together
1207 to ensure every child has access to treatment and prevention
1208 resources, as well as, should they need them, more acute
1209 crisis care interventions?

1210 *Secretary Becerra. Congressman, as you know, there are
1211 a lot of phenomenal community health clinics out there in our
1212 communities who would love nothing more than to be able to
1213 reach into the schools to provide care directly, but they
1214 need some support.

1215 We put out about a \$25 million grant proposal out there
1216 for a number of organizations to apply to help stimulate
1217 their interest in making that arraignment with schools.
1218 Today we see far more young kids having access to healthcare
1219 through their schools.

1220 We want to continue to build on that. We're working
1221 through the Medicaid program to help schools qualify to
1222 actually get Medicaid reimbursement dollars directly into the
1223 schools, because we think the best place to offer a child,
1224 especially a low-income child, healthcare is where they are
1225 five days a week.

1226 *Mr. Sarbanes. It is a no brainer. Thanks very much.

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1227 I yield back.

1228 *Mr. Guthrie. Thank you. The gentleman yields back.

1229 The Chair recognizes Mr. Latta for five minutes for
1230 questioning.

1231 *Mr. Latta. Thank you, Mr. Chair, and thanks for
1232 holding today's hearing and, Mr. Secretary, thanks for being
1233 with us today.

1234 This Administration's forced one size fit all approach
1235 allowing Medicare to negotiate drug prices in the Inflation
1236 Reduction Act is wrong for patients, wrong for science, and
1237 wrong for our most vulnerable.

1238 The Orphan Drug Act has been in effect since 1983 and
1239 even the IRA included very limited Orphan Drug exclusions
1240 from negotiations. Unfortunately, CMS has refused to
1241 correctly apply the timing provision of the exclusion,
1242 leaving uncertainty for companies working to bring rare
1243 disease treatments to the market.

1244 You know, yes or no, will you instruct CMS to reconsider
1245 its decision, related to timing for negotiations and,
1246 instead, apply the law as intended, preserving the Orphan
1247 Exemption and postponing eligibility for negotiation until

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1248 the date the first non-Orphan indication is granted?

1249 *Secretary Becerra. Congressman, it's hard to answer
1250 yes or no to a question which you phrase in a way I don't
1251 agree.

1252 The CMS continues, and all of us at HHS, continue to
1253 believe in the importance of treatments for rare diseases,
1254 and of course the impact that absence of access to those
1255 treatments would cause to a lot of patients and families.

1256 We're committed to implement the law on drug
1257 negotiations as we must under the law, which means we have to
1258 comply with all the laws, including laws that relate to the
1259 Orphan Drug Act.

1260 So we're going to make sure that we respect the Orphan
1261 Drug Act, because it's a very important law, as we continue
1262 to implement under the law the new drug _

1263 *Mr. Latta. And it's absolutely important that there is
1264 no uncertainty out there for these companies, because again,
1265 on these orphan drugs, we have got to make sure that they are
1266 out there, especially for the most vulnerable who need them.

1267 Let me follow up. According to reports, in the last
1268 decade 85 percent of new medicines entered the American

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1269 market. what this means is that American patients had access
1270 to medicines first. Germany had only 61 percent introduced
1271 locally.

1272 Meanwhile, countries like Canada, Spain, Austria, and
1273 South Korea fell further behind with less than half of the
1274 new medicines available. Give those data points, are you
1275 willing to risk the US patients access to innovative and
1276 cutting-edge medicines if the current price control scheme is
1277 implemented and expanded.

1278 *Secretary Becerra. Congressman, as I believe you know
1279 that the current Drug Price Negotiation Law does not include
1280 drugs that just barely came on the market. A drug, for it to
1281 be negotiated by Medicare, must have been on the market for
1282 many, many years.

1283 And so those new innovations, that you're speaking to,
1284 would not be subject to negotiation.

1285 *Mr. Latta. Let me just go on, because again, you know,
1286 stifling healthcare innovations often reduce access to new
1287 medicines and longer treatment wait times exceeding sometimes
1288 over 500 days.

1289 Foreign governments who employ similar price controls

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1290 cost patients with severe conditions to wait over 16 months
1291 for treatment. Has HHS considered how the Biden
1292 Administration's price controls will impact the wait times
1293 for new medicines, treatments, and cures?

1294 And let me give you an example. During the work period
1295 the last couple of weeks, I was at four hospitals in my
1296 district on that period and I was bringing this up and one of
1297 the nurses, this is in a cancer where they were giving for
1298 infusions at this facility, at this hospital, and she said I
1299 am very concerned about making sure that the patients get
1300 these new innovations out there, because she said that she
1301 was a Canadian that is an American citizen now, but one of
1302 her very good friends is Canadian who had to come to the
1303 United States to get that lifesaving drug that wasn't being
1304 offered in Canada.

1305 And you know, with these new medications, and you know,
1306 again, as I mentioned, has HHS considered how today's price
1307 controls will impact the wait times for new medicines,
1308 especially when these medicines are so, again, I think about
1309 everything in Ohio. I think about all the great hospitals we
1310 have.

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1311 All the people come from around the world to come to the
1312 United States and all of a sudden, if they say they can't get
1313 these medications, what is going to happen out there to these
1314 people?

1315 *Secretary Becerra. Congressman, I know my friend, the
1316 health minister in Canada, would probably want to challenge
1317 what you just said _

1318 *Mr. Latta. But let me _ they can challenge me on it,
1319 because again, I know that when we were talking about and had
1320 hearings, having information out _

1321 *Secretary Becerra. I guarantee you that _

1322 *Mr. Latta. _ there about where in Canada that _

1323 *Secretary Becerra. _ the health minister would want to
1324 challenge you _

1325 *Mr. Latta. _ that you had to open up in the United
1326 States, different states to make sure that their patients
1327 could be treated because they couldn't get the treatment in
1328 Canada and so they were coming to the United States, through
1329 our northern states.

1330 *Secretary Becerra. All right. So we can compare
1331 notes, but I guarantee there are a lot more Americans that

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1332 are going to Canada _

1333 *Mr. Latta. No, I am happy to (crosstalk) _

1334 *Secretary Becerra. _ to buy their prescription drugs
1335 then Canadians coming to the US.

1336 *Mr. Latta. _ because I know that we saw because then
1337 the Canadians had to shut it off because they were coming
1338 here.

1339 And Mr. Chairman, my time is expired.

1340 *Mr. Guthrie. The gentleman yields back.

1341 The Chair recognizes Mr. Cardenas for five minutes for
1342 questions.

1343 *Mr. Cardenas. Thank you very much, Mr. Chairman, and
1344 also Ranking Member Eshoo for holding this important hearing
1345 and appreciate the Secretary being with us today.

1346 Secretary Becerra, it is great to see you and many of us
1347 appreciate your leadership, for taking the time to discuss
1348 the essential programs you oversee at HHS.

1349 I am encouraged by the inclusion of crucial funding for
1350 responding to the mental health crisis facing our country.

1351 As you know, we are nearing the two-year anniversary of the
1352 launch of the three digit, 988 Suicide Hotline, which has

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1353 revolutionized the way we respond to our neighbors in mental
1354 health crisis moments.

1355 This key starting point for strengthening our response
1356 to individuals struggling with their mental health, is
1357 providing crucial and timely resources across our great
1358 country.

1359 I commend the proposed budget's focus on an expanded
1360 awareness campaign, increased technical assistance, support,
1361 and infrastructure, and continued investment in specialized
1362 services for LGBTQI+ youth, Spanish speakers, and the deaf
1363 and hard of hearing, and everyone in our great country.

1364 Secretary Becerra, as we look to build on the success of
1365 988 and in light of the growing need for mental health
1366 services, could you speak to the importance of expanding the
1367 mental health crisis continuum?

1368 *Secretary Becerra. Congressman, first to all your
1369 years of dedication to this subject, thank you very much for
1370 helping elevate the importance of mental health services.

1371 988, because it has launched so successfully and within
1372 the first, what, year and half some 8.5 million people
1373 reached out using 988, it shows that people want help and are

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1374 willing to reach out and what we want is to make sure that
1375 988 becomes not just national in scope, but you actually get
1376 access to the care that you need, so the next step, to your
1377 point, is making sure that that next step of care is
1378 provided.

1379 That's where these investments that you all have helped
1380 make on Certified Community Behavioral Health Centers, which
1381 are 24/7 critical care centers become indispensable, so we
1382 are going to continue to do it so long as you give us the
1383 resources to incent the states to do it, Americans need it.

1384 *Mr. Cardenas. Thank you very much, Mr. Secretary, and
1385 I would like to remind the general public that we are talking
1386 about a country of an excess of 330 million people, and there
1387 is probably not a family in America that hasn't been affected
1388 by mental health within their own home or within their own
1389 loved ones.

1390 So it is really important that we get it right. I see
1391 988 as the next 911. 911 was created, actually, in our
1392 lifetime, but today, thank God that Americans across the
1393 country, when there is a heart attack or there is some kind
1394 of episode like that, they can get that physical help that

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1395 they need, but mental health is something that I think is new
1396 to how we are going to do it, and I think we are doing it
1397 better than ever.

1398 Before 988, it was hodgepodge of 800 numbers, who knows
1399 located in different corners of the country and now, people
1400 can actually access that help locally when they pick up that
1401 phone and they call.

1402 So thank you so much for your leadership in applying
1403 those hundreds of millions of dollars that we, the Congress,
1404 have appropriated to do so.

1405 I also want to discuss a related issue of increasing
1406 urgency and that is the epidemic of mental illness in
1407 children and teens, and the strain this is putting on care
1408 capacity in children's hospitals.

1409 Surges in caseloads and workforce shortages have made it
1410 clear that we need to invest in our health care
1411 infrastructure, particularly when it comes to our children.

1412 What can Congress do to support access to pediatric
1413 health resources, not just in terms of beds, but also
1414 workforce dedicated to youth and our children's population?

1415 *Secretary Becerra. We are working, Congressman, with

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1416 states to try to expand the workforce and behavioral health
1417 fields and also, when it comes to child services, we're
1418 trying for example, to promote more residency slots so the
1419 future doctors going into behavioral health services,
1420 especially within pediatrics.

1421 We'd like to make sure that primary care physicians, the
1422 family doctors actually receive, during medical school and
1423 their residency programs, training on behavioral health
1424 services so when they become family practitioners, unlike
1425 today where most of these family practitioners receive almost
1426 zero training on behavioral health, that they actually will
1427 be able to be a frontline caregiver and, of course, if
1428 someone needs more specialized care they can refer them, but
1429 wouldn't have to always refer, because you know when you
1430 refer, that's weeks or months of further wait time before
1431 your child gets to see a physician they need.

1432 *Mr. Cardenas. Thank you. How can Congress work with
1433 HHS and other appropriate agencies to ensure that services
1434 are provided to all children, including vulnerable
1435 communities?

1436 *Secretary Becerra. Most importantly, we can make sure

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1437 that the Medicaid program is servicing all kids who need the
1438 care where their families can't afford to buy their own
1439 private insurance, and if we do that, we're going to probably
1440 capture most kids, because about half of all children in
1441 America receive their healthcare through Medicaid.

1442 *Mr. Cardenas. Okay. Thank you very much, Mr.
1443 Secretary, and my time having been expired, I yield back, Mr.
1444 Chairman.

1445 *Mr. Guthrie. The gentleman yields back.

1446 The Chair recognizes Mr. Griffith for five minutes for
1447 questions.

1448 *Mr. Griffith. Thank you very much.

1449 Let me start off by saying that when we had one of these
1450 broad budget hearings previously the issue of the Office of
1451 Refugee Resettlement came up. I asked you if you would come
1452 and talk to the Oversight Subcommittee about it, I want to
1453 commend you and thank you for keeping your word and we had a
1454 hearing on it.

1455 I do share a lot of the frustrations that you heard from
1456 Ranking Member Eshoo earlier, in regard to what we are doing
1457 because I do think that, and as I have said many times, we

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1458 may not agree how they got here, but when we have an
1459 unaccompanied minor come into this country, it is our
1460 responsibility to take care of them, and I agree with Ms.
1461 Eshoo that the failure to do so, doesn't matter why or how,
1462 is a stain on us, as the Committee that has jurisdiction over
1463 it, and a stain on the United States.

1464 *Secretary Becerra. May I comment on that very briefly?

1465 *Mr. Griffith. Yes, you may.

1466 *Secretary Becerra. Thank you very much. First, I
1467 agree with everything you've just said, but remember, my
1468 jurisdiction, my authorities end the moment I release that
1469 child into the hands of a sponsor.

1470 So trying to figure out what some employer or company is
1471 doing to them, I don't have site on that and you don't give
1472 me money to have site over that.

1473 *Mr. Griffith. Well, and I do have a solution. I look
1474 forward to working with Ms. Eshoo on her trying to solve this
1475 problem.

1476 I have a simple little bill, 7854, that just says that
1477 when you place them, it can be before they get there, if that
1478 is when your jurisdiction ends, with a sponsor, that you all

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1479 have to notify the local school division and the child
1480 welfare agency in the region, which, in Virginia, would be
1481 the Department of Social Services.

1482 Now, I think it is a simple little bill. I look forward
1483 to working with you. If there is something we can tweak to
1484 make you all happier with it, I just want to see these kids
1485 taken care of.

1486 *Secretary Becerra. Look forward _

1487 *Mr. Griffith. Not directly related, but somewhat
1488 related. I happened to be speaking to my favorite Juvenile
1489 Domestic Relations District Judge, that would be my wife, and
1490 I sent her some questions because they have jurisdiction over
1491 a lot of these issues at HHS.

1492 And she brought up something, and I actually had a case
1493 similar to this many years ago that was not an unaccompanied
1494 minor but a minor. And I don't expect you to give me an
1495 answer, but I am looking for guidance, so ask your agencies
1496 to help give me guidance on this.

1497 And that would be, and the judges are having a hard time
1498 with it. If a 15-year-old comes in front of a juvenile judge
1499 with a minor charge or it could be more significant, but it

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1500 could be as simple as a traffic violation, if they do not
1501 have a legal guardian and the sponsor, without a court order,
1502 doesn't count, at least not in Virginia, I can only _ it is
1503 the only place I am licensed to practice or was licensed. I
1504 am currently in mothball, so to speak, but the judge doesn't
1505 have jurisdiction to try the case. The only thing they can
1506 do is put the minor, whether they are from another country or
1507 from the United States, into the care of the Department of
1508 Social Services.

1509 Now, as you know, finding foster parents, particularly
1510 for a teenager, is very difficult. So the Department of
1511 Social Services, in many cases, only has the option of
1512 placing them into detention, which, you know, they have
1513 gotten a traffic violation, in some cases. Some are more
1514 serious.

1515 Detention is not likely to be the first response of the
1516 juvenile court system, except we don't have any place to
1517 house them. We don't have any place to put them, and we
1518 don't have a process in which to deal with the underlying
1519 criminal charge.

1520 So I am looking for some guidance and if the judge _ and

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1521 so that you understand, my wife indicates to me that in her
1522 courtroom there is five judges in her area, Roanoke Valley of
1523 Virginia, it happens about twice a month. That is a lot of
1524 kids.

1525 So I am just looking for guidance. I don't need a
1526 specific answer today, nor do I expect you to have one today,
1527 but can you work with me to see if we can't get some guidance
1528 to our judges and our local Departments of Social Services?

1529 Because whether they are, as I said, whether they are
1530 previously an unaccompanied minor or whether they are just
1531 somebody whose parents have flaked out on them, we need to do
1532 something for them. Would you agree?

1533 *Secretary Becerra. I'm with you and we'll follow up
1534 with you.

1535 *Mr. Griffith. All right.

1536 During an Oversight Subcommittee that I chaired
1537 yesterday and some ideas were coming up about how we combat
1538 improper payments to Medicaid and Medicare. One of the
1539 concepts that came up was having the state auditors do more
1540 and, of course, revenues would be necessary to do that.

1541 One of the concepts that came up as part of the hearing,

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1542 because we were trying to solve problems, not beat each other
1543 up, was perhaps, on the money that the state auditors find
1544 that was going to be wasted, abused, or even direct fraud,
1545 that we give a percentage of that money to the state auditor
1546 to defray their costs in doing the audits.

1547 It is a thought. I pass it onto you. It came up
1548 yesterday. Sometimes Congress and the Administration, no
1549 matter what party is going on, may be able to find solutions
1550 and I would like to work with you on that as well. Would you
1551 agree to do that?

1552 *Secretary Becerra. Congressman, I think if any state
1553 attorney generals are listening to this, they are going to
1554 give you a kiss, because when I was an attorney general, one
1555 of the things that we wanted is to have the resources to work
1556 with the federal inspector generals to do more of this fraud
1557 detection and work.

1558 And so I think anything we can do to get those inspector
1559 generals, the attorney generals to get out there, it is going
1560 to bring us money. It's proven, you do fraud control, every
1561 dollar you spend on that, with those inspectors, brings you
1562 back about four or five dollars.

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1563 *Mr. Griffith. And we can spend it on other things.

1564 My time is up, I yield back. Thank you, Mr. Chairman.

1565 Thank you Mr. Secretary.

1566 *Mr. Guthrie. The gentleman yields back.

1567 The Chair now recognizes Dr. Ruiz for five minutes for
1568 questions.

1569 *Mr. Ruiz. Thank you, Mr. Chairman. Thank you,
1570 Secretary Bacerra, for being with us here today.

1571 In January, I joined many of my colleagues in sending a
1572 letter urging the Department of Health and Human Services to
1573 improve healthcare services for senior adults in Puerto Rico
1574 by thoroughly reviewing and refining the current formula used
1575 to determine payments for Medicare Advantage or MA, of
1576 course, plans in the territory.

1577 As you know Medicare Advantage Program base rates in
1578 Puerto Rico are well below the rest of the United States and
1579 are even lower than nearby US Virgin Islands, which have the
1580 second lowest rates.

1581 Increasing Medicare Advantage base rates for Puerto Rico
1582 to at least the level of the second lowest rate, the US
1583 Virgin Islands, was proposed in the Biden-Harris

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1584 Administration's plan for Puerto Rico, which is why I was
1585 surprised that there was no fix or adjustments for Puerto
1586 Rico beneficiaries in the April 1st final MA rates
1587 announcements for 2025.

1588 Can you elaborate on your reasoning for leaving the MA
1589 rate for Puerto Rico unchanged?

1590 *Secretary Becerra. Congressman, thank you, and thanks
1591 for expressing the interest in trying to support the people
1592 on the island of Puerto Rico.

1593 As you know, Congress treats Puerto Rico differently
1594 when it comes to Medicaid and Medicare than it treats the
1595 states, and it actually treats the other territories, as you
1596 mentioned Virgin Island as well, differently.

1597 We tried to follow the guidance that we get from
1598 Congress, when it comes to Medicare, Medicaid, so on
1599 Medicare, the rates that we pay on Medicare Advantage follow
1600 the process that Congress gave us in determining the rates.

1601 Every year though, because Puerto Rico, as you
1602 mentioned, has lower payments, we continue to try to elevate
1603 the payments to Puerto Rico as much as we can. Every year,
1604 at least during this Administration, the rates that are being

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1605 paid to the insurance companies have gone up.

1606 Now, what's interesting, and this is what I hope you'll
1607 help us explore is, why is it that while we continue to pay
1608 more to the plans, the insurance companies, to provide those
1609 services, have we not seen a commensurate increase in the
1610 amount that those plans dedicate to the core services in
1611 Medicare?

1612 And what happens is that gap is that the money, what we
1613 think is happening, we're trying to get answers from the
1614 insurance companies is, it looks like those plans are using
1615 the money, much of the money we give them to offer
1616 supplemental benefits, which are great, some of them are like
1617 dental benefits. Others are like dog walking services.

1618 At the expense of doctors, we think the core services
1619 under Medicare should be the first and foremost priority.

1620 *Mr. Ruiz. So what can we do _ what are your next steps
1621 to addressing this health equity issue? You know, Puerto
1622 Rico is a huge outlier at the bottom, compared to the rates
1623 of programs in other jurisdictions.

1624 All we were asking was from .5 to .7, so like what can
1625 we do to help the people of Puerto Rico? Because there is a

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1626 brain drain, there is a lack of services, there is _ and 80
1627 percent of seniors use Medicare Advantage.

1628 So what can we do to make it better?

1629 *Secretary Becerra. So the most important thing that
1630 you can do is help us get clear answers from the insurance
1631 companies on how they're treating their Medicare program that
1632 they offer to seniors in Puerto Rico _

1633 *Mr. Ruiz. So the other thing with me, on that _

1634 *Secretary Becerra. Congressman, if I could just
1635 mention?

1636 *Mr. Ruiz. Yeah.

1637 *Secretary Becerra. But the other thing we have to
1638 understand is, if you ask me to go to a different rate of
1639 payment for MA plans in Puerto Rico, then every other state
1640 is going to say to me, well, can you change my rate too,
1641 since you change Puerto Rico's? Can't you bump mine up as
1642 well?

1643 *Mr. Ruiz. Yeah, I think there is a difference _

1644 *Secretary Becerra. I guarantee you they will.

1645 *Mr. Ruiz. _ when you are at the very bottom of the
1646 rate at .5 and you are seeing the health effects of that

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1647 compared to other states. But let me _

1648 *Secretary Becerra. But if you don't have a standard
1649 way that you determine rates, what's going to happen is
1650 everyone is going to say, go speak to the Department and
1651 let's see if you can get the higher rate that your neighbor
1652 state has, and we have to have a standard process.

1653 *Mr. Ruiz. So why don't we work together to develop
1654 that standard process?

1655 *Secretary Becerra. Let's do so.

1656 *Mr. Ruiz. I _

1657 *Secretary Becerra. But help us get those plans to
1658 answer our questions.

1659 *Mr. Ruiz. I will. Will you work with me to do that?

1660 *Secretary Becerra. Absolutely.

1661 *Mr. Ruiz. Okay. So look, I don't have much time. The
1662 No Surprises Act, the intent of the law is not being
1663 followed. We had these numerous conversations. The courts
1664 have had HHS go back to the drawing board numerous times.

1665 You know we are starting to see a lot of gaming in the
1666 system with insurance companies delaying their payments and
1667 delayed payments to providers hurts their ability to keep

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1668 their doors open.

1669 So how can we hold them accountable? What can we do to
1670 ensure that the system continues smoothly?

1671 *Secretary Becerra. So as you know, we have a
1672 regulation that requires that the losing party, in that
1673 negotiation, in that arbitration, must pay within 30 days.

1674 *Mr. Ruiz. They are not.

1675 *Secretary Becerra. Yeah. And so now what we have to
1676 do, and with your help, I hope, because remember our funding
1677 runs out this year. We are going to need money because we
1678 now have to go enforce against those that are not paying
1679 after they've lost, we need some wind so we can actually go
1680 out and enforce.

1681 So I look forward to working with you on that _

1682 *Mr. Ruiz. I would like to know how much you need so we
1683 can make it happen.

1684 *Secretary Becerra. We'll be in touch.

1685 *Mr. Ruiz. Thank you.

1686 *Mr. Guthrie. Thank you. The gentleman's time has
1687 expired.

1688 The Chair recognizes Mr. Bilirakis for five minutes for

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1689 questions.

1690 *Mr. Bilirakis. Thank you. Thank you, Mr. Chairman.
1691 Thank you, Mr. Secretary for being here.

1692 As you know, I have been a long, strong advocate of
1693 research funding and federal efforts to advance diagnostics
1694 and treatment for individuals with neurological conditions,
1695 including Alzheimer's and Parkinsons Diseases.

1696 We are making a significant amount of progress in
1697 Alzheimer's and going through the HHS Fiscal Year '25 budget
1698 in brief document, I was glad to see some of the proposed
1699 initiatives.

1700 However, I am disappointed that Parkinsons Disease is
1701 not mentioned once. For referent, the term equity is listed
1702 77 times in the document, but not once single mention of
1703 Parkinson's Disease initiatives.

1704 As the fastest growing neurological condition, what is
1705 your agency currently doing to address this rising public
1706 health need?

1707 *Secretary Becerra. Congressman, thank you for the
1708 question. And I assure you that, like Alzheimer's,
1709 Parkinsons and so many other of these devastating diseases

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1710 are a focus at NIH and many of our programs within CMS.

1711 The difficulty, of course, is that we have to follow,
1712 very similar to the answer I gave to Congressman Ruiz, we
1713 have standards that we have to follow based on the laws that
1714 you have passed.

1715 And so for us, for example, to provide more research
1716 money or to include a particular therapy or treatment or drug
1717 as part of the Medicare program, we have to follow the
1718 process and make sure that we check the boxes, because
1719 otherwise, you probably saw an article that came out about a
1720 week ago of a number of drugs that the FDA approved, said
1721 they were safe and effective, but people took them, nothing
1722 happened.

1723 And so all of a sudden, now, all those drugs are not
1724 working. And so what we have to make sure is that when we
1725 say we're going to help, there's really going to be help
1726 coming.

1727 *Mr. Bilirakis. You said that nothing happened.
1728 Elaborate on that.

1729 *Secretary Becerra. So many of the people who
1730 reportedly took some of these drugs, and I can try to make

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1731 sure I get you that article, many of the people who were
1732 taking these drugs found that there was no improvement in
1733 their health as a result of taking those drugs.

1734 *Mr. Bilirakis. What diseases are we talking about?
1735 Neurological diseases or?

1736 *Secretary Becerra. I don't think they were
1737 neurological drugs.

1738 *Mr. Bilirakis. Okay. Please give me that information.

1739 *Secretary Becerra. I will send that to you. It just
1740 came out about a week ago.

1741 *Mr. Bilirakis. Okay. Thank you.

1742 It had been 1,144 days since this Administration took
1743 away senior's ability to access innovative medical devices.
1744 When the Medicare coverage for innovative technologies rule,
1745 MSIT, which repealed this Administration promised patients it
1746 would quickly work on an alternative proposal.

1747 Every year we ask that question. This year my
1748 colleagues, again, we want to know, what is taking so long
1749 and will you commit to finalizing this new rule by the end of
1750 next month, possibly?

1751 You know, seniors are waiting on this and they can't

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1752 wait any longer. Can you address that please?

1753 *Secretary Becerra. Congressman, rather than try to
1754 commit to something within the next month that I can't
1755 guarantee that, how about we do this. Let me follow up with
1756 you and tell you what the latest is. We can then share that
1757 publicly, if you like, but I'd rather not try to commit to
1758 something that I can't guarantee, but I understand the
1759 importance of this.

1760 *Mr. Bilirakis. Yeah, it is very important to our
1761 constituents.

1762 I am concerned that the Administration is forging ahead
1763 on a proposed rule that regulates laboratory developed tests.
1764 and you know, this is a bipartisan issue.

1765 We recently _

1766 *Secretary Becerra. And academic institutions.

1767 *Mr. Bilirakis. Yeah.

1768 We recently held a hearing with stakeholders talking
1769 about the rule. Where there are almost _ there is unanimous
1770 agreement on this, that the rule is misguided. Is your
1771 Department listening to the patients and provider communities
1772 here?

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1773 And expand on what, answer that question if you can, and
1774 will you commit to ensuring that patients won't lose access
1775 to these types of tests under a FDA regulatory regime? Can
1776 you respond to that, please?

1777 *Secretary Becerra. Sure. First, I think everyone
1778 recognizes that having good testing practices is critical for
1779 Americans to know what's going on, whether it's COVID or
1780 whatever else.

1781 Secondly, we like to make sure that those are
1782 standardized so that one test will work because everyone uses
1783 it and it works and we don't have issues that some tests
1784 aren't working, other tests are.

1785 We want to make sure that that's a standard process.
1786 There should not be exceptions, unless they are absolutely
1787 necessary.

1788 Academic institutions are saying that they should be
1789 outside of the scope of that. We are saying, there is no
1790 reason why, in the process of making sure all tests work
1791 well, that we should allow academic institutions to be
1792 treated better or differently.

1793 And so I would challenge your statement that there is

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1794 unanimity in agreement that this rule is a bad one. I
1795 believe that the rule is as a result of talking to all
1796 stakeholders and trying to make sure that we have a process
1797 that fits for everyone.

1798 No one is special in this process as a laboratory. You
1799 have the same obligations to make sure what you produce works
1800 for the American people. We want to make sure, whoever you
1801 are, and we elevate those academic institutions. I went to a
1802 really great one, Stanford University, but that doesn't mean
1803 Stanford University is so special that it doesn't have to
1804 follow the same rules that other laboratories have to follow.

1805 *Mr. Bilirakis. I know my time is expired. Thank you,
1806 appreciate it.

1807 *Mr. Guthrie. Thank you. The gentleman yields back.

1808 And the Chair recognized Ms. Kelly for five minutes for
1809 questions.

1810 *Ms. Kelly. Thank you, Chair Guthrie, and Ranking
1811 Member Eshoo and Secretary Bacerra. Good to see you.

1812 As you know, I am a strong supporter of FDA's efforts to
1813 prohibit menthol cigarettes and have lead numerous letters
1814 signed by the majority of CBC colleagues to the

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1815 Administration in support of the rule, and I truly appreciate
1816 the leadership of HHS and FDA in sending the Menthol Rule to
1817 the White House for final review.

1818 Any idea that you can share of timeline? I know it has
1819 been kind of slow walked. Any ideas and will commit to still
1820 being on the right side of this rule?

1821 *Secretary Becerra. I have to begin first,
1822 Congresswoman, by saying we owe you for the work that you've
1823 done to try to help get this across the finish line.

1824 I think you do it because you know what it means. It
1825 means a lot of lives saved, especially in the black
1826 community, because Menthol cigarettes impact the lives of
1827 more people in the black community than anywhere else.

1828 And so for that, we are indebted to you and I hope you
1829 do not _ those jets, I hope, still have a lot of fuel in
1830 them.

1831 I can't give you a particular timeline. It is in the
1832 process. You know, when we see the white smoke we can cheer,
1833 if we get to see it, but please don't stop. You continue to
1834 do the work you're doing.

1835 *Ms. Kelly. Don't worry, I will not stop. Quickly, my

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1836 grandparents owned a mom and pop grocery store in New York
1837 and now, when I think back, how many people in Harlem ask for
1838 Kools, or Salem, or Newports.

1839 *Secretary Becerra. That was intentional on the part of
1840 the industry.

1841 *Ms. Kelly. I know. I know. I also want to commend
1842 the Administration for its commitment to safeguarding and
1843 enhancing access to comprehensive range of reproductive
1844 health services nationwide.

1845 The allocation of \$376 million to address disparities in
1846 maternal mortality and morbidity is a crucial investment in
1847 saving the lives of black and indigenous moms and birthing
1848 parents who are so unduly burdened with negative birth
1849 outcomes, but what concerns me. I hear from so many
1850 providers in groups, especially those in minority populations
1851 or those in rural areas, that they are unable to access the
1852 funding streams from the Administration.

1853 A notable illustration of this issue is evidence in last
1854 year's KFF report, which revealed that no black, rural areas
1855 have received any rural maternity and obstetrics management
1856 strategies funding until concerns were raised by me and

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1857 others.

1858 So how will the Administration work to ensure that
1859 funding, you know, reaches the areas that really, really need
1860 it the most at the end of the day and not just the bigger
1861 organizations, but really the community organizations also?

1862 *Secretary Becerra. And Congresswoman, I was recently
1863 in both Mississippi and Alabama and we spoke and I met with a
1864 group of healthcare leaders, mostly from the black community
1865 about this, but on a number of issues, but this, obviously,
1866 came up as well.

1867 What I can tell you is that we're trying to reach all
1868 those communities, because the purpose of _ in fact the
1869 President's budget calls for more than \$370 million to
1870 address this maternal mortality and morbidity issue.

1871 We want it to reach the right communities. So if
1872 there's something that we're not doing that you think we
1873 should, please let us know. We are reaching out. As I said,
1874 I've traveled to states where this is a big issue.

1875 We are going to do everything we can, but we could use
1876 some help.

1877 *Ms. Kelly. Okay. And I just, you know, we are putting

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1878 on a black maternal health forum right now and I just left
1879 Congresswoman Sewell, so I think, you know, meeting with us
1880 would help and she just talked about it in her area, but
1881 thank you.

1882 My last question. CMS has proposed a rule that will
1883 make sweeping changes to how Medicaid drug rebates will be
1884 calculated. Several provider and patient groups have reached
1885 out expressing concern regarding the potential unintended
1886 consequences this rule could have on patient care and access.

1887 Given that this proposal is still in the consideration,
1888 would your office be willing to follow up with me regarding
1889 the concerns?

1890 *Secretary Becerra. Absolutely. We'll follow up with
1891 you. And I can guarantee, we're not going to do something
1892 that's going to impact patient care.

1893 *Ms. Kelly. Appreciate that.

1894 *Secretary Becerra. Yeah.

1895 *Ms. Kelly. Thank you so much. Thank you, keep up the
1896 great work. Thank you.

1897 *Mr. Guthrie. The gentlelady yields back.

1898 The Chair recognizes Dr. Bucshon for five minutes for

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1899 questions.

1900 *Mr. Bucshon. Good to see you, Secretary Bacerra.

1901 On maternal mortality, I would suggest visiting Parkland
1902 Hospital in Dallas and reviewing their program. They
1903 testified in front of our Committee. They have outstanding
1904 results and their patient mix is uninsured, minority
1905 populations. Their results on this issue are outstanding.
1906 You might talk to them.

1907 *Secretary Becerra. We'll follow up with you on that.

1908 *Mr. Bucshon. Yeah.

1909 There are many issues that I would like to cover,
1910 including HRSA's effort to modernize the organ procurement
1911 transplant network after my legislation 2544 was signed into
1912 law, and I have had that discussion with HRSA.

1913 Honestly, the lack of work being done on smoking
1914 cessation and cigarette alternatives at the FDA, we need to
1915 do more and be more aggressive there.

1916 And, as was mentioned earlier, the misguided, in my
1917 view, the misguided nature of the FDA's proposed rule on
1918 laboratory developed tests, classifying them as medical
1919 devices, we need a law similar to the VALID Act, introduced

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1920 by Diana DeGette and myself instead, in my view.

1921 And we would like for the Agency to continue supporting
1922 KidneyX. I am a co-chair of the House Kidney Caucus.

1923 Innovation and kidney care is still critically important.

1924 But instead, I am going to talk about surprise billing today.

1925 But all those issues, I think I am going to submit some
1926 questions for the record.

1927 We want to revisit that topic. I believe that the bill
1928 was in a good place when it went to the floor and ultimately
1929 was signed into law. I was assured that it was written in a
1930 way that could be implemented for good to ensure patients
1931 were protected from surprise medical bills, to encourage
1932 insurance companies to expand their networks, and to give
1933 providers fair compensation for out-of-network services.

1934 It evidently, must lack the mechanisms necessary to
1935 accomplish some of these core objectives. We know that
1936 arbitration is occurring as intended and, according to recent
1937 reports, providers are more often winning than not.

1938 However, but I hear on a regular basis, from those who
1939 have, in quotations, won at arbitration, and just aren't
1940 being paid what they are owed by the insurance company. In

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1941 many cases, not being paid at all. Thousands and thousands
1942 of claims and the decision just sits there.

1943 And plans are forcing doctors out of network
1944 inappropriately then to leverage them for reimbursement rates
1945 under the No Surprises Act, which would be lower. So can HHS
1946 provide guidance to insurers that they must pay out
1947 arbitration awards within a set timeframe? And are there
1948 penalties, in statute, that can be levied for non-compliance?

1949 *Secretary Becerra. Congressman, as you know, in our
1950 regulations we stipulate that the losing party must pay, and
1951 I mentioned it earlier, must pay within 30 days. Now, here's
1952 part of the rub _

1953 *Mr. Bucshon. Correct.

1954 *Secretary Becerra. _ we are not part of the dispute
1955 resolution process, the HHS. And so when a resolution is
1956 reached, we don't hear about it. We don't get information.

1957 *Mr. Bucshon. Labor? Department of Labor?

1958 *Secretary Becerra. I don't know if even if the
1959 Department of Labor gets _

1960 *Mr. Bucshon. Who gets it?

1961 *Secretary Becerra. _ the information because it's a

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1962 dispute that's between the two parties. What I would suggest
1963 is that providers, the winning party, usually and more often
1964 than not, it's the providers, that they contact our Help Desk
1965 that we've set up to provide services.

1966 So the quicker we hear about it, the quicker we can make
1967 sure we enforce if they are not getting their payments within
1968 30 days.

1969 *Mr. Bucshon. Yeah, I mean, you realize that an
1970 independent small practice fighting against _

1971 *Secretary Becerra. Absolutely.

1972 *Mr. Bucshon. _ one of the behemoth insurance companies
1973 is _

1974 *Secretary Becerra. Absolutely.

1975 *Mr. Bucshon. _ David v. Goliath, right?

1976 *Secretary Becerra. Absolutely.

1977 *Mr. Bucshon. And the insurance plans, they got more
1978 lawyers and they got more money.

1979 *Secretary Becerra. Absolutely.

1980 *Mr. Bucshon. So we need the Agency _ we are going to
1981 need the Agencies to _ I would specifically like to know if
1982 there are penalties in the statute for non-compliance that

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1983 can be levied, and if there are not, should Congress act to
1984 give you or whatever agency it is that authority?

1985 *Secretary Becerra. We have the authority to try to
1986 push on the payment, and I don't want to misspeak, as far as
1987 how far our authority goes, but it is an obligation, a
1988 contractual obligation because when you engage in that
1989 dispute resolution, you have essentially agreed to live by
1990 the resolution.

1991 *Mr. Bucshon. Yeah.

1992 *Secretary Becerra. So we can probably assist in trying
1993 to make that enforcement possible.

1994 *Mr. Bucshon. Well, if we can look into that because it
1995 is not happening.

1996 *Secretary Becerra. Yeah. I'd be more than willing to
1997 work with you.

1998 *Mr. Bucshon. We got to look into that.

1999 *Secretary Becerra. And by the way, I completely agree
2000 that the little guys who win, those are the ones that suffer
2001 the most.

2002 *Mr. Bucshon. They do.

2003 *Secretary Becerra. So whatever we can do.

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2004 *Mr. Bucshon. Okay.

2005 *Secretary Becerra. We'll work with you.

2006 *Mr. Bucshon. Secondly, and I will be quick here, ghost
2007 contracting remains a problem, with respect to the way
2008 insurers determine their qualified payment amounts or QPAs.
2009 When insurers calculate the QPAs that include contracted
2010 rates for physicians who do not actually bill for those
2011 codes.

2012 These ghost contracts can dramatically reduce QPAs
2013 resulting in payment levels that do not reflect true market,
2014 median in-network payments. Can HHS provide more guidance to
2015 insurers that QPAs should be calculated on volume-weighted
2016 codes actually billed by the providers in question.

2017 We have to _ this is a problem.

2018 *Secretary Becerra. I'm with you, but now, recognize
2019 that we conduct those audits if we have the personnel and
2020 resources to do them, and right now, because of the volume of
2021 cases, so much of our resources had to be focused on getting
2022 ready for the dispute resolution.

2023 So I'm going to plead with you now, Congressman, to make
2024 sure you help us, before our funding runs out, please make

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2025 sure that you allocate some money so we can actually do the
2026 audits.

2027 *Mr. Bucshon. Okay. Because this would result in more
2028 accurate payments and thereby dramatically reduce the number
2029 of claims _

2030 *Secretary Becerra. Agreed.

2031 *Mr. Bucshon. _ going to the IDR process.

2032 *Secretary Becerra. Agreed.

2033 *Mr. Bucshon. With that, I yield back. Thank you.

2034 *Mr. Guthrie. The gentleman yields back.

2035 Mr. Hudson is recognized for five minutes.

2036 *Mr. Hudson. Mr. Secretary, thank you for joining us
2037 here today.

2038 As you probably know, I sent a letter to the President
2039 and to Commissioner Califf on harm reduction and pending
2040 applications for smoke-free tobacco products just last month,
2041 with over 60 of my colleagues co-signing that letter.

2042 I know that right before this letter was sent, your
2043 Department also announced a new smoking cessation framework
2044 to support quitting, and in your words, "for every American
2045 to have access to the tools and programs they need to quit

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2046 and encourage and assist all who want to quit, and to do
2047 so.''

2048 My concern stems from the fact this framework does not
2049 include any specifics on Center for Tobacco Products besides
2050 simply recognizing the FDA regulates nicotine products.

2051 The Tobacco Control Act of 2009, which you voted for in
2052 Congress and it was signed by President Obama, made harm
2053 reduction a key pillar of FDA's tobacco control strategy.
2054 The CTP received \$712 million a year.

2055 Over the 15-year period, that is \$8 billion. It has
2056 over 1,100 employees, yet, the FDA, under your leadership,
2057 has only authorized a handful of alternative products and
2058 these are products that are proven to be less harmful, but
2059 only a handful have been approved in the 15-years since the
2060 law was enacted.

2061 This approach ignores the 30 million Americans that
2062 continue to smoke and denies them choices. Some have called
2063 on FDA to ban products like Zyn, a product that is 99 percent
2064 less harmful than cigarettes, which has proven to be
2065 effective in helping people quit smoking or move away from
2066 chewing tobacco.

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2067 Unfortunately, some demand these safer products be kept
2068 off the shelves, yet, do nothing to stop the sale of illegal
2069 vapes from China from consuming the US market. This is a
2070 bipartisan concern that was raised as recently as last week
2071 when Dr. Califf was on the Hill.

2072 I know FDA touts authorizing 23 vaper products whose
2073 technology, frankly, is now a decade old, out of the millions
2074 of applications that have been filed, but this isn't good
2075 enough.

2076 I know you have sent warning letters and small civil
2077 monetary penalties to retailers and have taken some steps to
2078 combat this issue of these illegal vapes, but this also is
2079 not nearly enough.

2080 I hope you will do more to take on these millions of
2081 illegally marketed products. My question for you, does the
2082 Biden Administration believe in the continuum of risk in
2083 nicotine containing products, and if so, when will the FDA
2084 start authorizing products based on science, as opposed to
2085 ideology?

2086 *Secretary Becerra. Congressman, thanks for the
2087 question. And you actually gave a lot of information,

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2088 detailed information. Let me try to respond by saying, FDA
2089 is working aggressively to try to pull products off the
2090 market that are not only illegal, but not effective in trying
2091 to move toward cessation of smoking.

2092 I will tell you, and you never said the word vaping, but
2093 if we're talking vaping and e-cigarettes, FDA is working
2094 aggressively to make sure that no product gets in the hands
2095 of, especially kids, because so many of these products are
2096 marketed to kids, illegally, that we make sure that we're
2097 going to move to make sure that if you want to market a
2098 product, it actually does what you say it does.

2099 And I can tell you that, of the, I think they close to _
2100 more than a million different applications to market certain
2101 products. They've had to reject the vast majority, in the
2102 upper 90 percentile of those products.

2103 They'll continue to work forward. Obviously they are
2104 taxed by it because of the number of applications they've had
2105 and, as you know, in many cases, they end up in court because
2106 some of these larger vaping companies know how to slow down
2107 the process.

2108 We are going to do everything we can, but more than

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2109 willing to work with you on this.

2110 *Mr. Hudson. Well, I appreciate that. And at the end
2111 of the day, we have got products that are safer than smoking
2112 that we ought to be approving and then we have got these
2113 illegal products that are being illegally marketed to
2114 children that we need to do more to stop and get them off the
2115 shelves. So I appreciate you working with that.

2116 *Secretary Becerra. Thank you.

2117 *Mr. Hudson. I want to switch topics here to a topic
2118 that is more directly impacting my state that we have talked
2119 about in your previous visits.

2120 As you know, the last two years other members of my
2121 delegation and I have tried to conduct oversight and provide
2122 clarity to our constituents about the developments of HHS's
2123 Greensboro Influx Care Facility, which I understand has
2124 recently changed its name to Greensboro Childrens Center.

2125 However, throughout this whole process, we have been
2126 frustrated by your lack of transparency to Congress and to
2127 our state. In fact, in 2022, your staff was on the ground in
2128 Greensboro discussing this site the same day you were sitting
2129 at this table testifying under oath that you had no plans to

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2130 house any children in North Carolina.

2131 And you can understand, I hope, the frustration that not
2132 only did that happen, but since it has been really hard to
2133 get information you, sir. And another example is your
2134 Department's announcement to operationalize this facility on
2135 March 15th despite the fact that my colleagues and I were
2136 still waiting for answers from you from your hearings you
2137 appeared at here in July and November of last year.

2138 We sent another letter and got some answers from you,
2139 sir, but we just want simple answers about what is going on
2140 here at this facility.

2141 *Secretary Becerra. So Congressman, you know, you have
2142 always been very gracious with me and I hear what you are
2143 saying, but I'm looking at it from the opposite side and here
2144 let me give you my perspective.

2145 When you all asked me the question, were we considering
2146 a site in Greensboro for our Unaccompanied Migrant Program,
2147 we did not have any plans to establish a site in your state
2148 or in Greensboro.

2149 *Mr. Hudson. But you had staff on the ground that day
2150 looking at a site in North Carolina.

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2151 *Secretary Becerra. Just as today we have staff
2152 throughout the country looking, because we have to constantly
2153 look for places to make sure that we have accommodations,
2154 because we have an obligation to make sure a child has a safe
2155 place to be.

2156 HHS, I mean, excuse me, DHS, Department of Homeland
2157 Security Customs and Border Protection, they don't have sites
2158 that are equipped to handle kids. So we have to always look
2159 for sites.

2160 So when you asked me, did we have a plan to establish a
2161 site, I told you the honest truth, but I can see from your
2162 perspective because you heard that maybe we were looking, we
2163 did ultimately find a site in Greensboro that seemed
2164 promising, but it today has no children in it because that's
2165 how long the process takes.

2166 We have to go through, as you can imagine, a lot of
2167 hurdles before we can say a site is going to accommodate
2168 children. And we go through it very thoroughly. So as we
2169 speak, we are looking at sites throughout the country to make
2170 sure we're not caught flat footed when we need to have a safe
2171 place for a child to be.

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2172 *Mr. Hudson. Okay. I have gone way over time _

2173 *Secretary Becerra. So the Biden _

2174 *Mr. Hudson. _ here. I have got other questions I

2175 would like to submit. I would just ask you, please be more

2176 transparent with us and help us _

2177 *Secretary Becerra. I commit that _

2178 *Mr. Hudson. _ get information so we can assure our

2179 constituents and with that _

2180 *Secretary Becerra. You got it. Thank you.

2181 *Mr. Hudson. _ Mr. Chairman, I appreciate your

2182 indulgence. I yield back.

2183 *Mr. Guthrie. The gentleman yields back.

2184 And Mr. Carter, you are recognized for five minutes.

2185 *Mr. Carter. Thank you, Mr. Chairman.

2186 And Mr. Secretary, thank you for being here. I think

2187 we, you know, I don't doubt your intentions. I think you and

2188 I agree on the same thing, we want to lower drug costs.

2189 you didn't have the same experience that I had, serving

2190 as a pharmacist for over 40 years, having to go to the

2191 counter to explain to the patient how much their medicine was

2192 and watch them make a decision between buying groceries and

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2193 buying food and buying their drugs.

2194 I had that experience and I know you didn't have that
2195 experience, but I have to tell you that I feel like your
2196 promises fall flat. You and I, the last time we had the
2197 opportunity to speak, and I believe it may have been in the
2198 Budget Committee, I am not sure, but nevertheless, we talked
2199 about the government price controls of the IRA, which I think
2200 is the very worst legislation that I have ever seen in my 10
2201 years in Congress and my 10 years in the state legislature.

2202 It is nothing more than _ it is not negotiations, it is
2203 extortion and I hope that the court cases are going to prove
2204 it to be just that.

2205 Already, it has resulted, and I don't mean to get back
2206 into it again, we had this discussion last time, because you
2207 say you think it is going to result in more cures, whereas
2208 the University of Chicago says it is going to result in 329
2209 fewer cures in the next decade.

2210 Even CBO says it is going to result in fewer cures, yet,
2211 you say it is going result in more cures. I don't know how
2212 you justify that, but nevertheless I will move on from that,
2213 because I want to talk about something else.

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2214 And what I want to talk about is co-pay assistance and
2215 the fact that the co-pay accumulators are being used by the
2216 PPMs and that they are pocketing this money and yet, the
2217 courts made a decision that, and made a ruling that they
2218 struck down the rule that allows insurers to implement these
2219 harmful programs, but your Department is defying that
2220 decision and has gone on record as saying you will not
2221 enforce the court decision.

2222 Now, earlier the Chair of this Committee asked you about
2223 the PBM Transparency Rule and you said, well, we are going to
2224 respect the court's decisions. How do you respect the
2225 court's decisions there but you don't respect them here?

2226 How do you pick and choose which ones you are going to
2227 respect?

2228 *Secretary Becerra. Congressman, first thank you very
2229 much for the question, and you're right, every once in a
2230 while we may disagree, but I appreciate the questions that
2231 you ask.

2232 We will comply with the law. That is our obligation.

2233 *Mr. Carter. Why aren't you complying with this one
2234 then? Why are you allowing the PBMs to pocket this money

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2235 instead of it going to the patients, as it should go to the
2236 patients, because you know what is happening with these co-
2237 pay accumulators.

2238 And you know what is happening when they have these co-
2239 pay assistance cards. They are not honoring them and they
2240 are pocketing that money and then the patients are having to
2241 either pay their co-pay when they run out or when they get up
2242 to their stopgap, then they are having to pay more.

2243 *Secretary Becerra. And we are, as I said, first and
2244 foremost, I can assure you that we will comply with the law.
2245 What we want to make sure, at the same time is, we don't
2246 allow the Medicare Program and Medicare beneficiaries to get
2247 gamed in the process and, ultimately, end up having to pay
2248 more out of pocket at the end of the day.

2249 *Mr. Carter. How are they getting gamed here if they
2250 are not able to use these co-pay assistance cards? That the
2251 PBMs are pocketing it instead of passing it on to the
2252 patients?

2253 *Secretary Becerra. Congressman, I _

2254 *Mr. Carter. And the courts ruled that, but you are
2255 ignoring the courts and you have even said we are not going

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2256 to enforce it.

2257 *Secretary Becerra. Well, I recognize what the courts
2258 ruled here and I recognize what they looked at and they were
2259 looking at the facts that were before them. We have to make
2260 sure that we run the Medicare system so it works for all the
2261 66 million beneficiaries that receive Medicare services.

2262 So what we want to make sure is that, in the process of
2263 coming up with a system to not only dispense and allocate
2264 drugs, but to pay for them, that the folks who end up _ don't
2265 end up paying the higher prices are the Medicare
2266 beneficiaries themselves.

2267 And so that's why we have to _

2268 *Mr. Carter. I am not sure I follow that. Again, this
2269 appears to be a case _

2270 *Secretary Becerra. I think you do.

2271 *Mr. Carter. No, no, I don't and I don't think you do.
2272 With all due respect, Mr. Secretary, I don't think you do
2273 because these co-pay accumulators are not being honored by
2274 the PBMs, they are pocketing them.

2275 How is that impacting someone else? I don't understand
2276 that when it is not impacting the patient. When they are not

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2277 getting the credit for it?

2278 But let me move on. Earlier you said, again, in this _
2279 I have sat here the whole time and in this hearing, I promise
2280 you that I am not going to do anything that impacts patient
2281 access to care. This impacts patient access to care.

2282 *Secretary Becerra. It does not.

2283 *Mr. Carter. It does. How does it not?

2284 *Secretary Becerra. Patients will still have access to
2285 the drugs that they need.

2286 *Mr. Carter. If they can't pay for it, that is why they
2287 are getting the co-pay assistance.

2288 *Secretary Becerra. Under the Medicare Program, they
2289 will have help with accessing the drugs that they need.
2290 That's unfair for you to say _

2291 *Mr. Carter. And _

2292 *Secretary Becerra. _ any patient will be denied a
2293 drug.

2294 *Mr. Carter. It is unfair for you to say that we are
2295 going to follow the law _

2296 *Secretary Becerra. Give me a case _

2297 *Mr. Carter. _ when you pick and choose which laws you

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2298 are going to follow.

2299 *Secretary Becerra. _ where a patient has been denied _
2300 Congressman, give me a case where a patient has been denied
2301 their drugs. Give me a case.

2302 *Mr. Carter. Give me a case where the patient has not
2303 been given credit for the co-pay assistance? All kind of
2304 cases and you say, even though the courts have ruled that
2305 that is not right, you are not going to enforce it.

2306 *Secretary Becerra. Congressman, I am just asking you
2307 to prove what you just said. You just said that patients are
2308 going to be denied their drugs. Show me the case.

2309 *Mr. Carter. Patients are denied their drugs _

2310 *Secretary Becerra. Show me.

2311 *Mr. Carter. _ when they get the co-pay assistance _

2312 *Secretary Becerra. Show me.

2313 *Mr. Carter. _ and they cannot afford it because it is
2314 not honored by the PBM.

2315 *Secretary Becerra. Show me.

2316 *Mr. Carter. I will get those cases to you and you get
2317 me a situation and show me where you make the decision on
2318 what court cases you are going to follow and what court cases

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2319 you are not going to follow.

2320 *Secretary Becerra. We will abide by the law.

2321 *Mr. Carter. You will abide by the law. You just said
2322 you are not going to enforce this one.

2323 *Secretary Becerra. Congressman, I just told you, we
2324 will abide by the law. And we will make sure that no
2325 patient, under Medicare, is paying more than they need to for
2326 their drugs.

2327 *Mr. Carter. But when it comes to the co-pay
2328 accumulators, you are not going to honor that?

2329 *Secretary Becerra. We are going to follow the court
2330 rulings wherever we can.

2331 *Mr. Carter. But you have said that you are not.

2332 *Secretary Becerra. However we can. I didn't say that.
2333 I just told you, we are going to abide by the law.

2334 *Mr. Carter. You know, I don't understand how everybody
2335 else is wrong and you are the only one that is right. I just
2336 don't get that.

2337 *Secretary Becerra. No, no, I'm just asking you to show
2338 me the cases _

2339 *Mr. Guthrie. Time is expired.

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2340 *Secretary Becerra. _ where people are being denied
2341 their drugs. Please, show me the cases.

2342 *Mr. Carter. You know, Mr. Secretary, I am sorry, but
2343 this is a total failure and I yield back.

2344 *Mr. Guthrie. The gentleman yields back.

2345 The Chair recognizes Dr. Joyce for five minutes for
2346 questions.

2347 *Mr. Joyce. Good afternoon and thank you for appearing
2348 Secretary Becerra.

2349 Let's go back to an earlier discussion that you started.
2350 In the No Surprises Act Congress rejected the inclusion of a
2351 federal benchmark payment standard, and when there are
2352 disputes over payment rates, the resolution process, laid out
2353 in statute, lists mandatory and equally weighted factors that
2354 must be considered by the independent dispute resolution
2355 process, the IDR.

2356 One of these factors is the qualifying payment amount,
2357 the QPA, defined as the median of health plans contracted
2358 rates, which should reflect a typical contracted rate for a
2359 particular service by plan and provider type in a particular
2360 geographic area.

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2361 The QPA was not included as a final payment amount or a
2362 payment benchmark, only as a reference point for arbitrators
2363 if payment disputes advances to the IDR.

2364 To date, I have heard multiple widespread concerns that
2365 the QPAs calculated by health plans are artificially low.
2366 And in some cases, lower than the Medicare fee for service
2367 rate.

2368 I have also heard from providers that health plans are
2369 overwhelmingly relying on the QPA as a default initial
2370 payment rate, even though the statute does not contemplate
2371 the use of the QPA in that manner.

2372 Section 102 of the No Surprises Act includes the
2373 explicit authority for an audit process of health plans. You
2374 mentioned that earlier. You mentioned the staffing issues to
2375 be able to achieve those audits.

2376 But since 2022, you have been required to report to
2377 Congress on these audits. Mr. Secretary, since you have
2378 failed to report to Congress on QPA audits, I would like for
2379 you to address today, in front of us, how many audits the
2380 agency, your agency, how many audits have been initiated and
2381 how many of these audits have been completed?

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2382 *Secretary Becerra. Congressman, thank you for the
2383 question. And I know because you have been very engaged on
2384 this whole No Surprises Act implementation that you recognize
2385 that the way the process and the system launched, really made
2386 it difficult to proceed forward with a clear understanding of
2387 how it would be implemented well, because much of the
2388 implementation went to court.

2389 We also found that the number of cases coming through,
2390 complaints coming through was dramatically higher. And so
2391 much of the data that would help us explain how No Surprises
2392 Act will function moving forward, especially when it comes to
2393 the Independent Dispute Resolution process are barely
2394 beginning to come in.

2395 And so when it comes to the audit, what we're trying to
2396 make sure we do is we get information as quickly as we can.
2397 And, as I mentioned earlier, we don't always have a site.
2398 That Independent Resolution Process, as you know, does not
2399 involve the HHS.

2400 So ultimately, the resolution, the end result, the
2401 outcome, we don't get information on that, and until we get
2402 information from some source, hopefully from the winning

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2403 party, we don't have an opportunity to act to try to change
2404 things.

2405 And so I wish I could give you more detail and give you
2406 more data, but we are now only beginning to see the process
2407 evolve to a point where it is now functioning the way I think
2408 _

2409 *Mr. Joyce. Have any audits been initiated?

2410 *Secretary Becerra. I can get back to you on what
2411 audits specifically have been done and any results from that.
2412 I would be more than willing to give you a closer insight, if
2413 you haven't already gotten that from (crosstalk).

2414 *Mr. Joyce. We have not. We have requested that and
2415 thank you.

2416 *Secretary Becerra. Let me follow up with you on that.

2417 *Mr. Joyce. And I appreciate your follow up,
2418 particularly in writing, because we would ask for a prompt
2419 response, number of audits that have been initiated and the
2420 number of audits that have been completed.

2421 I wrote a letter to you in April of 2023 expressing my
2422 concern over CMS broad and overreaching definition of what a
2423 single qualified source of drug was and when you select life-

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2424 saving drugs to price set, under the Inflation Reduction Act,
2425 I stated my disappointment that this overly broad definition,
2426 which could capture multiple drugs at once for negotiation
2427 and highlighted the potential detriments of such a far-
2428 reaching policy and how that could affect current and future
2429 innovation.

2430 So today, I am asking you the same question. Will your
2431 Administration maintain the uniform standard, supported by
2432 the FDA, and consistent with the statute that a qualifying
2433 single source drug will be defined as a distinct new drug
2434 application or biologic license application?

2435 In other words, will your Administration commit to
2436 incentivizing innovation by ensuring that only one drug, not
2437 multiple drugs, is chosen at once for government price
2438 setting?

2439 *Secretary Becerra. Congressman, first, we don't price
2440 set. Secondly, the process that we engage in to negotiate
2441 fairer drug prices is set forth by the law, by Congress. You
2442 all gave us the rules on how to do that, and we want to make
2443 sure that no gaming can occur, so that a drug manufacturer
2444 can't use, you know, techniques to try to avoid having to

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2445 have its drugs come under the price negotiation process.

2446 *Mr. Joyce. But one drug versus a classification of
2447 drug. Will you commit that you will use this negotiation,
2448 that you described, to implement this in one drug, versus a
2449 classification of drugs?

2450 *Secretary Becerra. We are implementing the law as it
2451 was passed, otherwise the courts would have stopped us from
2452 doing so. So I guess what I am saying to you is that I don't
2453 agree with the way your characterizing _

2454 *Mr. Joyce. So you are looking to the courts for
2455 oversight as opposed to the intent of the legislation?

2456 *Secretary Becerra. I'm sorry?

2457 *Mr. Joyce. You are looking for the courts, you said _

2458 *Secretary Becerra. No, no, we've moved forward. We've
2459 made clear how we're going to do this. If someone didn't
2460 like the way we're doing it, I guarantee you, they would have
2461 sued us. All 10 of the companies that owned the 10 drugs
2462 that are part of the negotiations today, have taken us to
2463 court.

2464 And so what I'm saying to you is if we were doing
2465 something wrong, we would have found out from the courts by

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2466 now, I think.

2467 *Mr. Joyce. My time is expired. I thank you for
2468 appearing today. I yield.

2469 *Mr. Guthrie. The gentleman's time has expired.

2470 Dr. Schrier is recognized for five minutes.

2471 *Ms. Schrier. Thank you, Mr. Chair, and thank you,
2472 Ranking Member Eshoo, and thank you Secretary Becerra, for
2473 being here today.

2474 Mr. Secretary, I want to start by just thanking you for
2475 the work that you and your Department are doing to improve
2476 the health and the well-being of Americans. I know that is
2477 the ultimate aim.

2478 I also know that you can't comment on pending
2479 litigation, but I do share Dr. Joyce's serious and urgent
2480 concerns about the way that the way that the carefully
2481 crafted No Surprises Act has been implemented, giving
2482 insurance companies way too much power and having really
2483 devastating effects on physicians and patients.

2484 I am not going to ask you because I know you can't
2485 comment, but I would just ask that you fix this as soon as
2486 possible. Okay.

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2487 I do have a question about social media and youth mental
2488 health. On May 23rd of last year, Surgeon General Murthy
2489 released an advisory regarding social media and youth mental
2490 health, and the advisory confirmed what we all know, that
2491 excessive social media use can lead to poor mental health,
2492 eating disorders, low self-esteem, poor body image, anxiety,
2493 depression, I will add, as a pediatrician, inattentiveness,
2494 poor sleep, and I believe we would all characterize the
2495 average of eight hours per day that 13-17 year olds use
2496 social media, as being very excessive and leaves them no time
2497 to sleep.

2498 As a pediatrician, I have seen firsthand what has
2499 happened since social media became a thing, and with the
2500 skyrocketing use.

2501 So this advisory included several helpful policy
2502 recommendations, which include developing age-appropriate
2503 health and safety standards for technology platforms,
2504 increasing funding for research, oversight, higher standard
2505 of data privacy.

2506 This Committee had a hearing this morning. We are
2507 working on some of these things. I know that many of these

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2508 recommendations will be interagency, efforts with the FTC,
2509 but I would love to know what HHS's next steps are, in terms
2510 of following through on these recommendations made by the
2511 Surgeon General, and feeling urgency about this as well?

2512 *Secretary Becerra. Congresswoman, you pose a really
2513 good question because, again, our reach into some of this, it
2514 doesn't fit into any particular bucket. For example, SAMHSA,
2515 our Substance use and Mental Health Service Administration is
2516 working, through its Centers of Excellence, to try to provide
2517 guidance to states on how to address the wellbeing,
2518 especially of children, when it comes to the use of social
2519 media.

2520 But, as you know, there was a lawsuit that was filed
2521 that essentially _ to try to restrict our ability to have
2522 conversation with some of the social media platforms on good
2523 practices and things to do.

2524 That litigation continues. I have to be careful what I
2525 say. All I can tell you is that _

2526 *Ms. Schrier. There may be a role, instead of working
2527 with the companies, like we will do that from our Committee,
2528 but there may be a role for HHS here to do the outreach to

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2529 parents and to kids in the way that we approached cigarettes
2530 and how it is the _ it is big brother trying to manipulate
2531 you, teenagers, and to parents, your kids. And I would love
2532 to see something like that come.

2533 *Secretary Becerra. More than willing to work _ willing
2534 to work with you one that.

2535 *Ms. Schrier. Thank you.

2536 *Secretary Becerra. And so long as you bring some money
2537 to the table so we can actually get that done.

2538 *Ms. Schrier. Okay. I am switching to SAMHSA.

2539 Fentanyl and kids. Schools are very worried.
2540 Superintendents, teachers, and they have guidance from SAMHSA
2541 about how to talk about alcohol and how to talk about
2542 marijuana and smoking, but they don't have it for Fentanyl.

2543 Can you get that to the schools? Because they are not
2544 sure how to address this problem and it is a huge problem in
2545 the schools.

2546 *Secretary Becerra. So Congresswoman, I'm not sure
2547 which schools you are referring to, but we work closely with
2548 the state. Remember our reach, usually through the state
2549 health authorities, and we provide them with a lot of

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2550 guidance, information.

2551 It would be tough for us to go to each and every school,
2552 but we try to make sure that we reach kids with all the
2553 information.

2554 *Ms. Schrier. Can you just _ if you could make sure
2555 that some sort of paper guidance, from HHS, just from SAMHSA,
2556 gets to the states so that they can get it to the schools,
2557 that would be excellent.

2558 *Secretary Becerra. Okay.

2559 *Ms. Schrier. I have one more question. Avian Flu. If
2560 you go to Costco and you buy eggs, they are probably coming
2561 from my district. Wilcox Eggs is in my district. And so
2562 Avian Flu was a huge concern, tremendous concern about a year
2563 ago.

2564 And we don't know yet what will happen with this year's
2565 Avian Flu. We also never know how that will impact human
2566 health. And I was just wondering if you could tell us what
2567 HHS is doing, with regard to being ready for, addressing this
2568 year's H5N1 Avian Flu threat?

2569 *Secretary Becerra. Congresswoman, we've been working
2570 for about 20 years on this, and while I can't say we're ready

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2571 for whatever form of H5N1 virus may come at us, because it's
2572 always mutating, you never know what one it will be.

2573 We've spent the last 20 years preparing for Avian Flu,
2574 if it should get to humans. What I can tell you is that we
2575 all have to be prepared. Right now what we've seen is that
2576 cattle, dairy cattle are being infected.

2577 We are working closely _ this is a government-wide
2578 effort within HHS. You've got our Administration for
2579 Strategic Preparedness and Response working with CDC, NIH,
2580 and FDA within HHS, but we're also working closely with the
2581 Department of Agriculture and Secretary Vilsack and all of us
2582 are working with our state health and ag authorities to make
2583 sure that we're going at this, getting the data we need to
2584 know what's going on and then letting everyone know what to
2585 do.

2586 We're prepared to provide not just PPE, but medical
2587 countermeasures if something should happen, but we're trying
2588 to get ahead of this.

2589 *Ms. Schrier. Thank you. And I will follow up with the
2590 USDA about vaccinations for birds. Thank you.

2591 I yield back.

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2592 *Mr. Bucshon. [Presiding]. The gentlelady yields back.
2593 Recognize Dr. Dunn, five minutes.

2594 *Ms. Barragan. Thank you very much, Mr. Chairman.

2595 Thank you, Secretary Becerra, for being here today. I
2596 have some questions specifically about a new program housed
2597 in ASPR. I am excited about the mission of the Office of
2598 Industrial Based Management and Supply Chains, though, to be
2599 frank, I have some concerns over ASPR's experience at
2600 executing on a program this size.

2601 So I want to highlight for you that Congress is
2602 watching. I think HHS needs to get this right and ensure the
2603 focus remains on this critical need. I hope we can work
2604 together to make that a success.

2605 I believe in the shared goal of prioritizing US
2606 investments and strengthening the domestic biomanufacturing
2607 industrial base, which makes us more resilient when future
2608 crises occur.

2609 It enables us to surge production to meet demand for
2610 domestically produced medical supplies and products. This
2611 office aims to respond to critical lessons learned from
2612 COVID-19 pandemic and it would be a disgrace for us to have

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2613 to relearn all the same lessons again.

2614 I also want to support good paying biomedical
2615 manufacturing jobs in the United States. So I think the
2616 creation of the Office of the Industrial Base Management
2617 supply chain, IBMSC, was a part of the elevation of ASPR to
2618 an operating division of HHS.

2619 Now, as you know, that office was implemented using
2620 supplemental appropriations. It was tasked with that
2621 critical medical countermeasures, like drugs, vaccines, and
2622 therapeutics, are manufactured in the United States, or
2623 certainly friends short, as it were.

2624 IBMSC also aims to support innovative manufacturing
2625 technologies in the fill finish capacities to better produce
2626 and distribute drug products and vaccines, et cetera. In
2627 your '25 budget, you requested 95 million at ASPR for the
2628 biodefense production of medical countermeasures and
2629 essential medicines which would be managed by that office, as
2630 I understand, correct?

2631 Okay, good. How is the new office of IBMSC, within
2632 ASPR, how is it working to ensure these supplies are, in
2633 fact, manufactured here?

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2634 *Secretary Becerra. Congressman, first, appreciate the
2635 mention of the work that ASPR and BARDA are doing. And here
2636 I'm going to ask you for some help, because this is what
2637 we're requesting.

2638 We don't know if we're going to get it. We haven't been
2639 getting the resources we need. We had a proposal to do
2640 domestic production last year and the year before, but we
2641 didn't get the funding to do it.

2642 How we would do it? BARDA, ASPR, they're ready to go.
2643 We've been doing some of this. COVID gave us the
2644 capabilities to do it. Our folks are raring to go. We have
2645 private sector partners who are raring to go because we would
2646 love nothing more than to know that the production of the
2647 most critical countermeasures that we need, in case of a
2648 pandemic, are accessible to us and we don't have to go to
2649 China or anywhere else.

2650 *Mr. Dunn. I see _ and people approach us, and we have
2651 companies approach us all the time that are actually very,
2652 you know, good American companies that are trying to
2653 manufacture and do that in America.

2654 So I think we can help them with that. Let me turn my

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2655 attention to the IRA for a moment, the, you know, the price
2656 part of that bill.

2657 So according to the Kaiser Family Foundation, a number
2658 of standalone drug plans is plummeting under this
2659 Administration. It's down 29 percent since 2021, and it
2660 increased 34 percent under the Trump Administration.

2661 So many analysts are actually predicting that the mass
2662 exodus of standalone drug plans in 2025, is going to leave
2663 Part D _ that's when Part D redesign goes into effect, and it
2664 is going to leave these patients who take traditional
2665 Medicare no alternative for prescription drug coverage.

2666 So it looks like our policy here is going to be to
2667 corral our seniors into HMO's that restrict their choices of
2668 physicians and treatments, or they don't get a drug plan
2669 coverage at all on CMS. Can you address that?

2670 *Secretary Becerra. Yeah, I'd love to see what you're
2671 reading, because that's not some _ that's not what I
2672 understand. What we're doing is making sure that drugs are
2673 actually going to go down in price.

2674 *Mr. Dunn. Well, but the drug plans are going away. So
2675 the insurance plans for traditional Medicare, this is not the

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2676 Medicare Advantage plans, the traditional medical care, they
2677 will be, they will lack coverage.

2678 *Secretary Becerra. Again, please share that _

2679 *Mr. Dunn. I am an old guy, this is a personal
2680 question.

2681 *Secretary Becerra. Well, please share that
2682 information, because that is not what I'm hearing.

2683 *Mr. Dunn. Well, I'm quoting the industry at large.
2684 Well, my time is running out _

2685 *Secretary Becerra. Well, I can understand the industry
2686 _ I can understand the industry's trying to spook people, but
2687 I'm asking to _ so I want to see the data myself instead of
2688 relying on industry generated data.

2689 *Mr. Dunn. Turn around as fair play. You are asking us
2690 for a written response after that. Okay.

2691 *Secretary Becerra. Within 30 days. Okay?

2692 *Mr. Dunn. We will do it. Thank you very much.

2693 I yield back.

2694 *Mr. Bucshon. The gentleman yields back. Recognize Ms.
2695 Barragan for five minutes.

2696 *Ms. Barragan. Thank you, Mr. Chairman.

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2697 Thank you, Secretary Becerra, for being here, for all
2698 you are doing.

2699 When I first walked into the hearing earlier the
2700 Chairman was in this opening statement and was talking about
2701 the border, and I thought I walked into the wrong
2702 congressional hearing.

2703 What I heard was expressing a disappointment that the
2704 budget request didn't address the influx of illicit drugs
2705 like Fentanyl, which are coming across our border at a rapid
2706 rate.

2707 I just want the American people to know that President
2708 Biden had a supplemental request that had \$850 million that
2709 he was asking for to help combat Fentanyl from crossing the
2710 southern border, another 100 million for HSI, which is
2711 investigations from crossing the southern border regarding
2712 Fentanyl and the higher number border patrol agents for this
2713 very reason.

2714 So the President of the United States and this
2715 Administration asked for money. Millions of dollars.
2716 Hundreds of millions of dollars. And it is Republicans who
2717 said no to that.

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2718 So expressing a disappointment about the lack of money
2719 in the budget for that is a little rich considering the
2720 President asked for the money and Congress, with the
2721 Republicans in charge of, said no.

2722 And with that said, Mr. Secretary, I am going to move on
2723 to my questions I have for you. I want to thank you for all
2724 you are doing on health care, all you are doing in the space
2725 of women's reproductive rights, and all you are doing on
2726 Alzheimer's.

2727 And my question, my first question is on Alzheimer's.
2728 Mr. Secretary, 85 percent of initial diagnoses of Alzheimer's
2729 are made by clinicians who are usually primary care
2730 providers.

2731 And half of these providers reported that they do not
2732 feel adequately prepared to care for those individuals. That
2733 is why I have introduced a bill called the Adapt Act with my
2734 Republican colleague Representative Carter, which would
2735 empower primary care providers to better diagnose Alzheimer's
2736 and deliver high quality, personal-centered care.

2737 As the number of people with dementia is set to
2738 increase, how will HHS work to support workforce readiness as

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2739 well as access to treatments and services?

2740 *Secretary Becerra. Congresswoman, thank you for the
2741 question and all the work you've done on this issue of
2742 dementia.

2743 We are continuing to work to try to make sure that as we
2744 graduate the next generation of physicians, nurses, that we
2745 have them going into the areas that we need them most. And
2746 so we are trying to make sure that GME, Graduate Medical
2747 Education slots are going into those spaces.

2748 We're trying to make sure that, as you just mentioned, a
2749 primary care physician gets training beyond what they
2750 currently get in most medical schools.

2751 I focused earlier on the issue of behavioral health
2752 because too many family care doctors, too many internists are
2753 not really trained on behavioral health services. And that
2754 means someone going in with a child that has behavioral
2755 health challenges has to wait to get to a specialist before
2756 they start to get the care.

2757 Very similar to the question you're asking with regard
2758 to Alzheimer's. We would be very supportive of any
2759 initiatives, especially if they come with resources, so we

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2760 can make sure we can implement that, to make sure that the
2761 healthcare workforce actually addresses the needs of the
2762 populations that we're seeing grow.

2763 *Ms. Barragan. Great. Thank you, Mr. Secretary. I
2764 also want to thank you for your demonstrated commitment to in
2765 the budget to cut the cancer death rate by 50 percent over
2766 the next 25 years, which includes implementation of President
2767 Biden's Cancer Moonshot Initiative.

2768 Every three minutes, someone in the US is diagnosed with
2769 blood cancer. One such cancer is Multiple Myeloma, where
2770 early detection is key to effective treatments. My sister
2771 has Multiple Myeloma. She's only two years older than I am.
2772 Of course, our colleague, Republican Steve Scalise, has been
2773 battling Multiple Myeloma. And so I know firsthand, you
2774 know, what he is going through with the stem cell transplant
2775 and ongoing chemo meds people take.

2776 Can you share the importance of funds for the Advanced
2777 Research Projects Agency to improve early detection of such
2778 cancers?

2779 *Secretary Becerra. Congresswoman, ARPA H the agency
2780 you just referenced, unlike the National Institute of Health,

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2781 when it engages in a research program, it is not the long-
2782 term 10, 15-year process that NIH usually goes through to try
2783 to get some innovative therapy on the ground.

2784 ARPA H is meant to harness those innovative ideas that
2785 are out there in America, but haven't yet been catalyzed with
2786 resources.

2787 And ARPA H says if you can get something going in the
2788 next two or three years, then you're in ARPA H's space. And
2789 so something like the issue of cancer, if there's an
2790 innovative idea on how to address any number of cancers, ARPA
2791 H is a great, a great platform, so long as that proposal can
2792 get out there within two or three years.

2793 *Ms. Barragan. Well, thank you. I am interested in
2794 working with the agency on the Moonshot Initiative,
2795 especially on blood cancers, because there is no formal
2796 program at the Centers for Disease Control and Prevention.

2797 So hopefully we can get that on a bipartisan basis.
2798 Done. And with that, thank you, Mr. Secretary.

2799 I yield back.

2800 *Mr. Bucshon. The gentlelady yields back. Recognize
2801 Mr. Pence, five minutes.

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2802 *Mr. Pence. Thank you, Mr. Chairman. Thank you, Mr.
2803 Secretary, for being here.

2804 And I have got all these notes I could read to you, but
2805 I have done a lot of talking about the nursing home minimum
2806 staffing ratios and kind of as just a conversation between
2807 the two of us. I am in rural southern Indiana. Indiana's
2808 6th district, and staffing shortages for professionals,
2809 nursing and doctors is just rampant.

2810 It is huge. In the nursing homes we have got sometimes
2811 30 percent more beds than we have the ability to staff, and
2812 yet the ratio would increase that. And I have done plenty of
2813 criticizing this, wrote to CMS in a bipartisan letter, but
2814 more importantly, I just want to hear your thoughts on the
2815 shortages out there.

2816 And I know there is some university training issues
2817 maybe we could address as well. We are not producing as many
2818 healthcare professionals, nurses, and doctors as the demand
2819 is.

2820 Just give me your thoughts on what are you going to do
2821 about it? What can we do about this?

2822 *Secretary Becerra. Congressman, thank you for the

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2823 thoughtful question and this is a tough one because we know
2824 that in many cases some of our families don't have a choice
2825 but to send their loved one to a nursing home.

2826 We want to make sure that when they send their loved one
2827 to a nursing home, they're going to get quality care. We
2828 also know that in many cases the workforce is a challenge.

2829 And so what we're saying is the fact that we want to
2830 keep standards high so that you know that your loved one is
2831 being cared for properly should not be a reason why a nursing
2832 home says they can achieve the workforce that they need.

2833 If you're going to say you're in a nursing home, you
2834 should have a nurse in your home. And too often Americans
2835 are finding that that's not the case. Perhaps that explains
2836 why during COVID we have lost over a million Americans.
2837 About 20 percent of the people we lost are people who died in
2838 nursing homes.

2839 Only 1 percent _

2840 *Mr. Pence. Most of them were over 65 and had maybe had
2841 underlying conditions.

2842 *Secretary Becerra. Remember, less than 1 percent of
2843 the US population lives in a nursing home. But 20 percent of

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2844 the people who died live in nursing homes.

2845 *Mr. Pence. So well, I just want to share with you, Mr.
2846 Secretary, that I have gone out in my district to go home
2847 every weekend, as I am sure you did in the past. And what I
2848 am hearing, you had an exchange with Dr. Dunn that you would
2849 like to see the reports and the data on that.

2850 I get it straight from, not just the nursing homes with
2851 the hospitals and doctors in rural America, we don't have
2852 enough. We just don't have enough. And instead of _ and so
2853 I understand what you are saying, more is better for care. I
2854 get that.

2855 But it is saying that you have to have even more. I am
2856 here to tell you that there is not enough trained people out
2857 there. I am sharing that with you. Okay.

2858 *Secretary Becerra. Congressman, I ask, when you say
2859 there are not enough trained people out there, does that mean
2860 that a nursing home is trying to take care of your loved one
2861 and my loved one without enough people or without enough
2862 trained people?

2863 *Mr. Pence. To hire.

2864 *Secretary Becerra. Excuse me?

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2865 *Mr. Pence. To hire.

2866 *Secretary Becerra. Right. But if they're not hiring
2867 people because they say they can't find them, is it
2868 appropriate for them to say that they could care for your
2869 loved one or my loved one?

2870 *Mr. Pence. No, why don't we _ first of all we have to
2871 address _ we have to identify the problem before we can fix a
2872 problem and the problem _

2873 *Secretary Becerra. They're not waiting.

2874 *Mr. Pence. _ you want to add _

2875 *Secretary Becerra. They're opening up their doors.

2876 *Mr. Pence. _ more requirement when there is not even
2877 enough people now for that nursing home to fill the beds that
2878 they have.

2879 I am reporting. I am not debating with you. I am
2880 reporting information to you.

2881 *Secretary Becerra. Yeah, Congressman _

2882 *Mr. Pence. We had, I think, seven people here. Six of
2883 them said exactly what I am saying to you. There aren't
2884 enough people out there to hire. But it is not just the
2885 nursing home issue, okay? It is also in rural doctors,

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2886 hospitals, and healthcare professionals back, the back
2887 office. I am here to tell you about that today, okay?

2888 *Secretary Becerra. What we're hearing, and when we put
2889 out our rule, our proposed rule, and we got comments in the
2890 thousands back, what we were hearing were things like
2891 residents in these nursing homes lying for hours in soiled
2892 diapers.

2893 We were hearing about residents who needed to help to
2894 eat, struggle to get help to eat. We were hearing about
2895 people who were going through circumstances which you and I
2896 would just completely object to.

2897 *Mr. Pence. Okay, then I understand that. I understand
2898 that.

2899 *Secretary Becerra. And so what we are saying is, wait,
2900 if you're going to open your doors and sell yourself as a
2901 nursing home, then you shouldn't open them until you're ready
2902 to actually give people the care they need.

2903 *Mr. Pence. So in conclusion, my time is up. We need
2904 to address the shortage in healthcare advisors.

2905 *Secretary Becerra. Absolutely. And we put out tens of
2906 millions of dollars to help the industry. Not enough, but

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2907 we're trying to help bring up the workforce.

2908 *Mr. Pence. I think we need to train them.

2909 *Secretary Becerra. Okay.

2910 *Mr. Pence. Thank you.

2911 *Secretary Becerra. Thank you.

2912 *Mr. Pence. Mr. Chairman, I yield back.

2913 *Mr. Bucshon. The gentleman yields back.

2914 Now recognize Mrs. Dingell for five minutes.

2915 *Mrs. Dingell. Thank you, Mr. Chairman.

2916 And Mr. Secretary, it is good to see you. I am not sure
2917 you're having the most pleasant afternoon, but it is always
2918 good to see you back in the House. And I appreciate the
2919 opportunity to be able to highlight a few of our priorities
2920 in the fiscal year 24 HHS budget.

2921 First, let's discuss long-term care and home and
2922 community-based services. As you know, caregiving is the
2923 foundation of our economy. It allows for all other work to
2924 be possible.

2925 No care workers should have to live below the poverty
2926 line to do this work that millions of Americans depend on.
2927 The Fiscal Year 2025 budget includes a ten-year, \$150 billion

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2928 proposal to expand Medicaid, home, and community-based
2929 services to allow more older adults and people with
2930 disabilities to receive care at home.

2931 Mr. Secretary, could you expand on what type of services
2932 would be provided and how this will improve the quality of
2933 life for seniors?

2934 *Secretary Becerra. Congressman, thank you for that.
2935 And I know you know this issue so well, I do too, from having
2936 provided this type of care.

2937 Not everybody is fortunate, as fortunate as you or I to
2938 be able to afford to do it. And we understand that the best
2939 care for our loved ones comes from home. And so the more we
2940 invest in providing care at home, the greater the chance that
2941 the life of our loved one will be as good as it can be for as
2942 long as it can be.

2943 Here's the difficulty. It's tough to hire people who
2944 will do this and come to our homes and do it right. And the
2945 President's budget cost for \$150 billion. Most of it is to
2946 make sure that we're getting qualified people to be the
2947 caregivers in our homes.

2948 It's also to make sure that if you, as a relative, are

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2949 willing to take on the work, some would say the burden of
2950 caring for your loved one at home, then you should not be
2951 excluded from getting some compensation for the work that
2952 you've done.

2953 Because if you end up having to send them into some
2954 place where Medicaid has to pay for them, taxpayers are
2955 paying that bill. But when you do it, you're saving
2956 taxpayers a ton of money.

2957 And so we want to incentivize home care because it is
2958 the best care. You and I know that, and we want to try to
2959 invest. So it's a professional workforce that's caring for
2960 our loved ones and you and I, where we can afford it, but
2961 others can't. Others should not be denied the opportunity to
2962 do what you and I did.

2963 *Mrs. Dingell. Agree. And I just want to highlight,
2964 but keep going, the point that it actually saves money. It
2965 does good. It saves money.

2966 *Secretary Becerra. Yes, ma'am.

2967 *Mrs. Dingell. Now let's turn to supporting and
2968 improving rural EMS needs, or SIREN grants. The funding from
2969 the substance Abuse and Mental Health Services Administration

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2970 goes towards supporting rural EMS agencies in training and
2971 recruiting staff, conducting certification courses, and
2972 purchasing equipment in the grants.

2973 I lead a bill, the SIREN Reauthorization, that would
2974 extend funding through Fiscal Year '28. It passed the
2975 Senate, and I hope for the same fate in this chamber.

2976 I want to emphasize how these Emergency Medical Service
2977 Agencies play a critical role in every community across our
2978 country. They respond to all kinds of crises, often risking
2979 their own safety and work around the clock to keep Americans
2980 safe.

2981 But EMS cannot fulfill their important mission without a
2982 strong workforce. Mr. Secretary, can you provide an update
2983 on SIREN Grants? And can we expect SIREN Grants to be
2984 extended through Fiscal Year '28?

2985 *Secretary Becerra. Congresswoman, that last part about
2986 how far it will be extended is really on you all and Congress
2987 and what kind of resources you give us.

2988 We are sending out the second cohort of grants under
2989 this program in 2024. We believe as you do that, the more
2990 EMTs are prepared and trained to take on all of these

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2991 challenges, especially in rural communities, we're going to
2992 not only save lives, but improve health.

2993 *Mrs. Dingell. Thank you. And I also want to go to
2994 drug pricing quickly. You are doing a great job of
2995 implementing the historic provisions in the Inflation
2996 Reduction Act.

2997 First round of negotiations is underway. Can you
2998 describe how the various drug pricing reform provisions
2999 enacted as part of the IRA are improving the lives of
3000 Medicare beneficiaries? And how will beneficiaries save
3001 money when the 2,000 annual out of pocket cap takes effect
3002 next year? And what impact are the inflationary baits in the
3003 Medicare Part B and part D programs already having?

3004 *Secretary Becerra. Congresswoman, I know you're very
3005 aware of the savings that seniors and Americans with
3006 disabilities are going to really see from the Inflation
3007 Reduction Act and its role in prescription drugs.

3008 Clearly, insulin, the fact that today Americans are
3009 benefiting by only paying \$35 a month for their insulin is a
3010 game changer. But the fact that we're going to negotiate
3011 prices in cases, in some cases, drugs that cost more than

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3012 two, \$3,000 each time, that's going to be big because you
3013 just mentioned starting next year, the most that any American
3014 in Medicare will pay out of pocket for their drugs will be
3015 \$2,000.

3016 So you may have one drug which costs you more than
3017 \$2,000, that's all you'll pay out of pocket.

3018 *Secretary Becerra. Thank you Mr. Secretary.

3019 I yield back, Mr. Chairman.

3020 *Mr. Bucshon. The gentlelady yields back. And now
3021 recognize Mr. Crenshaw, five minutes.

3022 *Mr. Crenshaw. Thank you to the Chairman and Ranking
3023 Member. Thank you Mr. Secretary, for being here. HHS deals
3024 with a lot of stuff. You have gotten a lot of different
3025 questions today.

3026 You are going to get another one. I am only focused on
3027 two pages. I am focused on two pages of HHS guidance on
3028 quite a controversial subject. Well, it is controversial up
3029 here. It is actually not very controversial in the public.

3030 It involves gender affirming care on young people, on
3031 children, on minors. It is not controversial in the public.
3032 70 percent think that we should not do gender affirming care

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3033 and hormone therapy, puberty blockers on children under 18.

3034 I bet that number is much higher if you ask them about a
3035 double mastectomy on a 12-year-old girl. And yet HHS
3036 guidance, it is only two pages, is very clear in what HHS
3037 believes, which is that gender affirming care is great.

3038 There is nothing but good things coming out of gender
3039 affirming care. You should just believe a child immediately
3040 if they say they are a different gender and put them first on
3041 puberty blockers, a month later on hormones, and then put
3042 them in the physical body that they believe they should be
3043 in.

3044 That is very, very radical stuff and obviously very
3045 consequential. You are making permanent physiological
3046 changes to a child, and you would think that if you're going
3047 to do something like that, that we would have an unbelievable
3048 amount of evidence to show that it indeed results in positive
3049 outcomes.

3050 You would agree with that at least, right? That you
3051 would want the evidence?

3052 *Secretary Becerra. So, first, Congressman, I have to
3053 say that nowhere what you have described do we say in any

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3054 document from HHS. We do not make these flat statements as
3055 you said.

3056 What we do is say _

3057 *Mr. Crenshaw. Okay. I will read it.

3058 *Secretary Becerra. _ is we follow what the medical
3059 practitioners _

3060 *Mr. Crenshaw. I will read it. I will read it for you.
3061 If you don't believe me, I will read it for you.

3062 So this is from HHS Office of Population Affairs. It
3063 says, "it allows children/adolescents to focus on social
3064 transition and can increase their confidence while navigating
3065 the healthcare system.

3066 Research demonstrates that gender affirming care
3067 improves the mental health and overall well-being of gender
3068 diverse children/adolescents. Medical and psychological
3069 gender affirming healthcare practices have demonstrated to
3070 yield lower rates of adverse mental health outcomes, build
3071 self-esteem, improve overall health quality for transgender
3072 gender diverse youth.''

3073 Nowhere in here does it say there is any possibility of
3074 anything bad happening. Nothing negative at all in these two

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3075 pages. It says that puberty blockers are reversible. There
3076 is really no evidence for that.

3077 Anytime you cite something in here, it is a study that
3078 is at the most recent is from 2021, all of which have very
3079 serious problems with them. They are all surveys. First of
3080 all, they are not really studies.

3081 There is not like a double blind, randomized control
3082 trial going on here. And many, in some cases 14 percent
3083 actually received the hormones. And many of these studies
3084 are not even just on children, and most of the participants
3085 are over 18.

3086 So you can't really determine any kind of causation.
3087 And bottom line, none of them are systematic reviews. If
3088 nothing else, you might agree that systematic reviews are the
3089 gold standard of evidence, right?

3090 A systematic review for anyone listening doesn't mean a
3091 study, it means a systematic review of all of the studies.
3092 One just came out, like, last week, the Cass Review, which,
3093 we're just going to put up this diagram here.

3094 One of the things that pointed out was how all of these
3095 studies that have been cited by all these radical ideological

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3096 medical associations that are lying to parents and doctors,
3097 showed how they cite each other in this sort of circular
3098 reasoning in order to make their point, and HHS should not
3099 fall victim to that.

3100 You were relying on studies that match this much paper.
3101 These are the studies that you cite. This is the Cass review
3102 that just came out. That is a systematic review. That is
3103 the evidence that they are pushing out. That came from the
3104 British Dr. Hilary Cass.

3105 That is a huge difference in evidence, and that is a
3106 really big deal when we are talking about something as
3107 consequential as permanent physiological changes to children,
3108 right?

3109 Can I get maybe some agreement from you that you might
3110 want to take another look at this particular document from
3111 HHS, which is relying on old data, data that is from studies
3112 that have really been debunked in many ways.

3113 Can we at least look at it one more time?

3114 *Secretary Becerra. Congressman, I can assure you that
3115 we look at all studies because the services that we provide
3116 are based on an understanding what the best available science

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3117 and evidence are.

3118 When we talk about a standard of care, it's not
3119 something we make up. It's based on what the major medical
3120 associations, by the way, those radical associations you
3121 mentioned, many of your colleagues are members of those so-
3122 called radical medical associations _

3123 *Mr. Crenshaw. Yeah, and they would probably agree that
3124 they have become radicalized. Let me tell you something
3125 about standards of care. The Cass _

3126 *Secretary Becerra. You don't want to _

3127 *Mr. Crenshaw. No, no let me _

3128 *Secretary Becerra. _ that is the answer to your
3129 question _

3130 *Mr. Crenshaw. Let me talk. The Cass review also
3131 studied, and they ranked 23 standards of care from all the
3132 countries. You know what's ranked second to last? All of
3133 the ones you are citing here, the ones that you guys use,
3134 they ranked last, as far as standard of care practice, as far
3135 as how good they are compared to other countries.

3136 That as a really damning statement from a systematic
3137 review from a very, very well-respected group of doctors.

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3138 You are not relying on the best data. You are just not.

3139 And that is terrifying for our children. I am out of
3140 time and I yield back.

3141 *Mr. Bucshon. The gentleman yields back.

3142 Countries around the world are banning this stuff. The
3143 United States is behind.

3144 I recognize Mr. Balderson, five minutes.

3145 *Mr. Balderson. Thank you, Mr. Chairman, Secretary,
3146 thank you for being here today.

3147 I believe that digital health technology have the
3148 potential to change the entire healthcare ecosystem.
3149 Patients using digital health tools are empowered to better
3150 control their conditions and often catch problems before they
3151 become deadly.

3152 Rural patients, like many of those in the congressional
3153 district that I represent, can save time and money by not
3154 traveling long distance to brick and mortar clinics.

3155 However, at every turn, your Administration has denied
3156 patients access to these innovations. Your Department
3157 stopped the flexibilities for remote patient monitoring.

3158 The new reimbursement structure means many physicians

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3159 cannot afford to invest in RPM program. Your Department
3160 stopped the Medicare coverage of innovation technology, or
3161 MSIT Program and instead created a watered-down version that
3162 only offers coverage to five new technologies a year.

3163 This leaves more and more devices stuck in the valley of
3164 death between FDA approval and CMS coverage, and more
3165 importantly, leaves our seniors without technology that could
3166 better manage or even cure their conditions.

3167 Lastly, your Department stopped one innovation
3168 technology-based health plan from staying in the Ohio
3169 exchange, despite the price transparency it brought straight
3170 to patients and the savings it brought to employers.

3171 Mr. Secretary, my question is this, why has HHS, under
3172 your leadership, been so content with the status quo?

3173 *Secretary Becerra. Congressman, we are not content
3174 with the status quo. And I would challenge much of what you
3175 just said, because what you're not recognizing is that
3176 Congress is the one that set the rules for telehealth.

3177 Congress has to extend the flexibilities. We can only
3178 implement and execute based on the flexibilities you all give
3179 us. As you know, come the end of 2024, some of the existing

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3180 flexibilities that we have will expire unless you all extend
3181 them.

3182 So we have to comply with the law. If you don't like
3183 the law, you should change it.

3184 *Mr. Balderson. Okay, I will remember that.

3185 What is the total estimated time amount the taxpayers
3186 spend on premium subsidies for people making over \$100,000?

3187 *Secretary Becerra. I'm sorry, say that again?

3188 *Mr. Balderson. What is the total estimated amount of
3189 taxpayers of what they spend on premium subsidies or people
3190 making over \$100,000?

3191 *Secretary Becerra. I know I don't have that particular
3192 answer, and I don't know if we can give you a specific
3193 response, but I'm more than willing to follow up.

3194 I want to make sure I'm clear so my team can hear it as
3195 well. You're asking how much are taxpayers providing in
3196 assistance through the subsidy program under the Affordable
3197 Care Act for Americans who get their coverage under the
3198 marketplace in the ACA?

3199 *Mr. Balderson. That is correct. The CBO previously
3200 said it is at least \$7 billion.

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3201 *Secretary Becerra. I will try to get back to you with
3202 an accurate number if that's not the case.

3203 *Mr. Balderson. Thank you, sir.

3204 At what income level do you think people should no
3205 longer get taxpayer funded health insurance?

3206 *Mr. Balderson. Well, that's pretty much set forth by
3207 law, so it's not what I want or believe it's what the law
3208 says.

3209 *Mr. Balderson. Okay. Well, the \$7 billion could be
3210 instead used for expanding our seniors access to innovative
3211 healthcare.

3212 I want to thank you today for your time, and I will have
3213 more questions for the record. And Mr. Chairman, I will
3214 yield back. Thank you, sir.

3215 *Secretary Becerra. Thank you.

3216 *Ms. Trahan. The gentleman yields back.

3217 Recognize, Ms. Craig, five minutes.

3218 *Ms. Craig. Thank you, Mr. Chairman. And thank you for
3219 your resilience here today, Mr. Secretary.

3220 More Americans have health care today than ever before,
3221 thanks to the ACA and the expansion of those tax credits

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3222 included in the Inflation Reduction Act.

3223 Enrollment and coverage through the ACA marketplace is
3224 at an all-time high and a record high of 21.4 million
3225 Americans are now enrolled in coverage. In fact, in my home
3226 state of Minnesota, the uninsured rate has been cut in half
3227 compared to ten years ago.

3228 On that note, Secretary Becerra, can you talk a little
3229 bit more about how the subsidy expansions included in the IRA
3230 are helping lower health care costs for families?

3231 *Secretary Becerra. Thank you, Congresswoman. I think
3232 it's pretty obvious when people recognize that so much of the
3233 cost of health care occurs because people who don't have
3234 health insurance use the emergency room, the most expensive
3235 place to try to get health care.

3236 It ends up costing all of us money. It's also, when you
3237 think about it, the emergency room, it's the last resort. So
3238 someone is waiting till they're so sick, so bad that they
3239 have to use an ER.

3240 Having your own insurance means that you don't have to
3241 wait. You can actually go see a physician ahead of time.
3242 And so we're saving billions of dollars by making sure people

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3243 go early for their care and don't wait till they're so sick
3244 that now taxpayers have to cover the load.

3245 *Ms. Craig. Thank you so much. It is really heartening
3246 to know that the policies that we have championed and I've
3247 been part of voting for, are delivering real savings to
3248 American families.

3249 Thanks to the IRA, millions of families have seen the
3250 cost of their monthly insurance premiums go down, and the
3251 average family is saving \$2,400 in premiums a year. This
3252 budget includes a proposal to make those expansions
3253 permanent.

3254 Can you briefly discuss the importance of making the tax
3255 credit enhancements permanent?

3256 *Secretary Becerra. You know, there's always someone
3257 who's right on the edge. They qualify for Affordable Care
3258 Act coverage in the Marketplace to get a really good
3259 insurance plan, but all of a sudden they're lucky. They get
3260 a bit of a wage increase, all of a sudden, they no longer
3261 qualify, and the burden of having to cover the entire cost
3262 without any subsidies becomes too much.

3263 By making these subsidies permanent, what we're doing is

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3264 making sure that a lot of Americans, Americans who aren't
3265 rich but they're not poor, that they qualify for Medicaid,
3266 are able to sustain that coverage for themselves and their
3267 families.

3268 And so it's a way to make sure we are healthy from the
3269 beginning.

3270 *Ms. Craig. Mr. Secretary, I can just say to you that
3271 one of the reasons I ran for Congress is because I wanted to
3272 sustain the ACA. I grew up in a family myself, without
3273 access to health care coverage for much of my childhood.

3274 And, you know, I know my colleagues talked earlier today
3275 about cost of living across this country, but I am proud of
3276 the reforms, especially in the last six years when it comes
3277 to health care, because we have lowered the cost of living
3278 for so many Americans, not just with the ACA, but also in
3279 capping insulin at \$35 a month copay, which I was proud to
3280 lead that bill here in the House.

3281 I want to slip in one more question before I yield here.
3282 I would like to turn to an issue that has been really top of
3283 mind for me in this Congress, and frankly, one that I don't
3284 think this body and its members and a number of

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3285 administrations have paid enough attention, too. And that is
3286 the Fentanyl crisis, the opioid crisis in our country.

3287 With every step that we make toward preventing more
3288 deaths, it seems that the dark underbelly of the illicit drug
3289 market churns out new poisons 100-fold.

3290 I was very pleased to see President Biden sign my
3291 bipartisan bill, the End Fentanyl Act, into law last month.
3292 That legislation requires Customs and Border Protection to
3293 update its manuals, at least every three years, in order to
3294 identify new ways to prevent drug and human smuggling through
3295 those ports of entries.

3296 It is a critical step in the right direction, and I am
3297 interested to know how our public health agencies are working
3298 to improve outcomes in concert with law enforcement.

3299 So, Mr. secretary, in 30 seconds, how does the
3300 President's budget proposal support HHS with respect to these
3301 issues?

3302 *Secretary Becerra. Well, I won't speak to the close to
3303 \$45 billion that the President devotes for enforcement,
3304 especially at the border. I'll speak to the close to 9
3305 billion that the president has in his budget to try to tackle

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3306 opioid overdose and all the effects, which would include what
3307 Fentanyl does.

3308 There is a particular program, which I know your state
3309 and every state of every member here takes up, and that is
3310 the State Opioid Response Grants. That is money that we give
3311 out to the states so they can directly target that opioid
3312 abuse. Fentanyl is part of that.

3313 We also have a drug prevention strategy that makes sure
3314 that the best practices, that are evidence based, are used,
3315 and so we invest in those. We're doing everything we can.
3316 \$1.6 billion is allocated for those State Opioid Response
3317 Grants.

3318 Another billion and a half is provided for SAMHSA to
3319 provide behavioral health services to help address opioid and
3320 substance use issues. So we're trying to make the right
3321 investments we can with our states.

3322 *Ms. Craig. Thank you so much.

3323 Mr. Chairman, with that I am out of time and I yield
3324 back.

3325 *Mr. Bucshon. The gentlelady yields back.

3326 Moreover utilization of the ER is done by Medicaid

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3327 patients than the uninsured, statistically. So good
3328 insurance actually matters. Yes.

3329 I want to recognize former member of this Committee,
3330 Congressman John Shimkus, who just walked into the room
3331 sitting back there.

3332 Now, recognize Ms. Harshbarger, five minutes.

3333 *Ms. Harshbarger. Thank you, Mr. Chairman. Thank you,
3334 Mr. Secretary, for being here.

3335 We have seen large advancements in access to care in the
3336 last four years, particularly in rural areas, thanks to
3337 telehealth and increasing access to pharmacist services.

3338 And I am a lead co-sponsor of legislation, the Equitable
3339 Community Access to Pharmacist Services Act, that would
3340 provide Medicare coverage to seniors so they can have access
3341 to certain testing, treatment, and vaccination services at
3342 the pharmacy, where permitted by a state scope of practice.

3343 CMS was able to provide access to these services during
3344 the public health emergency using waivers, but these waivers
3345 expired, and Congress have to act to make these services
3346 available to our seniors again.

3347 Sir, is it correct that CMS cannot provide this coverage

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3348 on its own?

3349 *Secretary Becerra. If we're talking about the
3350 availability through telehealth, that's correct. Only
3351 because we were in that public health emergency world were we
3352 able to extend those flexibilities. But those expired when
3353 the public health emergency expired.

3354 *Ms. Harshbarger. Okay. Will you work with us to
3355 advance this legislation next year?

3356 *Secretary Becerra. Absolutely.

3357 *Ms. Harshbarger. Great. I want to change topics. And
3358 on the topic of updating our country's dietary guidelines and
3359 alcohol consumption, a decision was made by your Department
3360 to break a 40-year precedent and replace it with a new
3361 process.

3362 In the 2023 Consolidated Appropriations Act, Congress
3363 specifically allocated 1.3 million for the National Academies
3364 of Sciences, Engineering, and Medicine to study the
3365 relationship between alcohol consumption and health outcomes
3366 for incoming the next edition of the Dietary guidelines on
3367 Alcohol.

3368 But your Department, this is independently and

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3369 separately, also directed the Interagency Coordinating
3370 Committee to prevent underage drinking. That's ICPUD at
3371 SAMHSA, to write recommendations on adult alcohol consumption
3372 and a process that is duplicating and may intend to undermine
3373 the congressionally mandated effort already being carried out
3374 by NASEM.

3375 Notwithstanding the fact that guidance on moderate
3376 alcohol consumption for legal drinking age adults is entirely
3377 outside the mandate of ICPUD. So why did you decide to
3378 redirect resources away from combating underage drinking to
3379 focus on adult legal consumption under the dietary
3380 guidelines?

3381 *Secretary Becerra. Congresswoman, I'm going to
3382 acknowledge that you just gave me a good question.

3383 *Ms. Harshbarger. I just laid it down, didn't I?

3384 *Secretary Becerra. Can I follow up with you on that?
3385 Because I don't want to give you an answer that doesn't
3386 respond.

3387 *Ms. Harshbarger. Yes, sir. Okay.

3388 *Secretary Becerra. I don't know. I can tell you right
3389 now, I don't _

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3390 *Ms. Harshbarger. Good to know. Yeah. Get back with
3391 me quickly, okay?

3392 *Secretary Becerra. Will do so.

3393 *Ms. Harshbarger. Because, you know _

3394 *Secretary Becerra. Thank you for being patient.

3395 *Ms. Harshbarger. Yeah. ICPUD, you know, they don't
3396 have expertise on nutrition, healthy dietary patterns of
3397 moderate alcohol consumption by adults. So if you'll do
3398 that, that would be great.

3399 *Secretary Becerra. I will get back to you.

3400 *Ms. Harshbarger. As you know, in January 2021, CMS
3401 approved Tennessee's groundbreaking innovation Section 1115
3402 Medicaid Waiver Program.

3403 It is known as Tenn Care Three, and it infuses the
3404 principles of value-based healthcare into the Medicaid
3405 program like it never has before. And this, first in the
3406 nation forward looking waiver, puts guardrails in place to
3407 ensure appropriate oversight and protections for
3408 beneficiaries, while also creating incentives for the state
3409 to manage costs while holding them accountable for improving
3410 access, quality, and health outcomes.

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3411 And it is no exaggeration to say that this has been
3412 carefully crafted and its demonstration is an unqualified
3413 success.

3414 So can you explain how the Department tends to respect
3415 states like Tennessee's ability to innovate, as well as
3416 ensure flexibility to serve the unique needs of our
3417 particular populations?

3418 *Secretary Becerra. Congresswoman, speaking generally
3419 here, we are very enthusiastic about states that want to
3420 innovate with Medicaid. The way we look at Medicaid, we
3421 should have left the days where a Medicaid dollar only
3422 reimburses for a doctor visit or a hospital stay.

3423 But there are ways that a state can work with other
3424 state agency programs to ensure that a Medicaid recipient
3425 ends up healthier if by that Medicaid Waiver Program, you're
3426 combining a lot of different services.

3427 So we are absolutely interested in innovation. What we
3428 have to do, because I have to come back and testify before
3429 you, is show that those states are being accountable for the
3430 money.

3431 Show me that your Medicaid recipients are ending up

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3432 healthier tomorrow from the Medicaid waiver that you got
3433 today.

3434 *Ms. Harshbarger. Yeah. And who knows better than the
3435 state how to take care of its own population?

3436 So that would be a great program going forward and can't
3437 measure something if you don't measure the outcomes. So with
3438 that, thank you, sir.

3439 And Mr. Chairman, I yield back.

3440 *Mr. Guthrie. [Presiding.] The gentlelady yields back.

3441 The Chair recognizes Dr. Miller-Meeks for five minutes
3442 for questions.

3443 *Ms. Miller-Meeks. Thank you, Mr. Chairman. And thank
3444 you, Secretary Becerra, for testifying before the Energy and
3445 Commerce Health Subcommittee.

3446 As a physician, I have unlimited endurance. I just want
3447 to say, follow up to Dr. Bucshon and a comment you made. So
3448 during 2012 to 2019 ED treatment costs increased from 54
3449 billion to 88 billion, a 5.4 percent annual renewal growth
3450 rate.

3451 Treatment cost, ER costs did not go down after
3452 implementation of the ACA. Just wanted to put that out

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3453 there.

3454 When you testified before this Subcommittee last year, I
3455 asked you if you would responsibly work with me on my
3456 legislation to implement algorithmic technologies at HHS to
3457 save taxpayer dollars by reducing improper payments, fraud,
3458 waste, and abuse.

3459 And you said, we absolutely would look forward to
3460 working with you and that you are still trying to figure out
3461 how we can make the best use of AI and use it for the right
3462 purpose.

3463 We are in agreement that these technologies should not
3464 be used to deny legitimate claims and restrict access, like
3465 what we see happening in some of the private plan spaces. My
3466 office submitted the legislative text for this proposal, and
3467 unfortunately, Representative Eshoo, I have to one up you a
3468 year ago, a year ago for technical assistance, but we have
3469 not received it back from you.

3470 Yes or no, will you commit to getting this back to me
3471 within the next 30 days?

3472 *Secretary Becerra. So _

3473 *Ms. Miller-Meeks. Yes or no? Yes or no?

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3474 *Secretary Becerra. I was about to say absolutely yes,
3475 but I want to make sure I qualify because I want to make _ I
3476 have to take in _

3477 *Ms. Miller-Meeks. Okay. Thank you very much. The No
3478 Surprises Act implementation has been a disaster. According
3479 to the GAO, over 61 percent of 490,000 claims submitted
3480 remain unresolved in June of 2023.

3481 This means that thousands of physicians nationwide are
3482 not being paid and potentially going out of business, selling
3483 their practices to hospitals, or retiring. And this is on
3484 top of what has happened with change.

3485 What is HHS doing to improve the efficiency? More
3486 importantly, your Department said that you had the ability to
3487 penalize after arbitration, but claims are still unpaid.
3488 What are you doing to penalize bad actors who are not paying
3489 after arbitration has shown that their claim should not have
3490 been denied?

3491 *Secretary Becerra. Right. And you may have, I don't
3492 know if you were here, Congresswoman, at the time, but I
3493 mentioned that the Independent Dispute Resolution process
3494 does not involve HHS.

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3495 So once a dispute is resolved, the winner in that
3496 dispute, if that winner isn't getting paid by the loser,
3497 we're not aware of that. And the only one _ when a winner,
3498 comes to us and says, wait a minute, you know, we never got
3499 paid, do we get informed of that.

3500 So what I would do is encourage any provider that wins,
3501 that you know of, to please reach out to us, to our help desk
3502 so we are informed so that way we can take action because we
3503 are, under law, given the authority to try to enforce those,
3504 those judgments.

3505 *Ms. Miller-Meeks. We will do that. And if it requires
3506 legislation, which was not put in the No Surprises Act, in
3507 accordance with the guidance given to legislators by HHS who
3508 said that they had the ability to, in fact, enact penalties
3509 or get this recruitment. So we'll follow up on that.

3510 Under the Biden Administration, Part D drug premiums are
3511 going up, plan choices are evaporating and formularies are
3512 getting tighter largely due to inflation Reduction act
3513 reforms to Part D.

3514 Essentially, the IRA has increased Medicare costs for
3515 seniors and continued Democrats goal of limiting health plan

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3516 choices and eventually the country evolves into a single-
3517 payer socialist health care system.

3518 According to national cost data report on Medicare Part
3519 D premiums by Health View Services, Medicare recipients
3520 nationwide will pay an average of 35 percent more in 2024 for
3521 prescription drug coverage compared to 2023.

3522 Seniors will continue to see narrow formularies, more
3523 prior authorization and utilization management, more step
3524 therapy, meaning that seniors are paying more for restricted
3525 coverage.

3526 Secretary Becerra, I am concerned that your management
3527 of the Medicare Part D program and changes that are going
3528 into effect, under the IRA, will in fact drive up premiums
3529 and lead to less plan and prescription drug choice for our
3530 seniors.

3531 Part D premiums went down 11.7 percent under President
3532 Trump, but are up 22 percent from last year under President
3533 Biden. The IRA calls for increased risk plans starting next
3534 year when Part D redesign goes into full effect and plan
3535 liability triples from 20 percent to 60 percent for expensive
3536 drugs.

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3537 Have you performed any analysis on the IRA's impact on
3538 Part D plan design to see how much more restricted seniors'
3539 plans will be compared to how they were pre-IRA and how much
3540 more utilization management they'll experience?

3541 *Secretary Becerra. Congresswoman, you just said a lot.
3542 I don't agree with much of it, but what I will tell you is
3543 this. Ask any senior on Medicare what they pay for insulin,
3544 and I guarantee you they're going to tell you they're paying
3545 a lot more.

3546 Then ask a senior how much out of pocket they're paying
3547 right now for the prescriptions they need _

3548 *Ms. Miller-Meeks. With all due respect, sir, the
3549 seniors in my district are all paying more for their drugs.
3550 But I will appreciate that _

3551 *Secretary Becerra. That's on the drug companies, not
3552 on Medicare _

3553 *Ms. Miller-Meeks. _ your pre-IRA analysis.

3554 *Secretary Becerra. Yeah, but that's on the drug
3555 companies.

3556 *Ms. Miller-Meeks. Thank you.

3557 *Secretary Becerra. The drug companies are the ones

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3558 that set the prices, not Medicare.

3559 *Ms. Miller-Meeks. Last question. My time's running
3560 out.

3561 In February of this year, the Committee subpoenaed the
3562 National Institutes of Health for documents related to NIH
3563 handling of sexual harassment complaints from within the
3564 agency and its grantee institutions.

3565 There are over 900 files related to sexual harassment to
3566 be reviewed. As you know, Committee staff have been
3567 conducting in-camera reviews at HHS of sexual harassment
3568 cases reported to NIH.

3569 During these reviews, the documents have been heavily
3570 redacted. HHS has redacted the names of the disciplined,
3571 terminated, resigned, or transferred abusers, including
3572 individuals who are convicted of crimes.

3573 There is no basis for protecting these abusers' names
3574 from Congress. This is unacceptable. By redacting the names
3575 of all the abusers, HHS is preventing Congress from seeing
3576 whether these abusers are still receiving grant funding, or
3577 even worse, if they are transferred to a new institution and
3578 were then given new grant funding.

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3579 Why are you protecting the identities of the abusers and
3580 institutions who house them from being shown to Congress?

3581 *Mr. Guthrie. We are going to have to take that in
3582 writing. I am sorry. We are trying to get to everybody
3583 before voting.

3584 So Ms. Kuster, from _

3585 *Ms. Miller-Meeks. Thank you. I yield back.

3586 *Mr. Guthrie. The gentlelady yields back and Ms. Kuster
3587 is recognized for five minutes.

3588 *Ms. Kuster. Thank you, Mr. Chairman.

3589 Secretary Becerra, you must be exhausted, but we are
3590 delighted you are here. You can see the light at the end of
3591 the tunnel. Great to have you with us.

3592 The Department of Health and Human Services plays a
3593 critical role in protecting the health and wellbeing of our
3594 country and this budget proposal reflects just that.

3595 The budget reflects this Administration's commitment to
3596 ending the mental health and Substance Use Disorder crisis
3597 has been my number one priority for twelve years in Congress.

3598 Last year, the FDA approved the first over the counter
3599 overdose reversal medication, Naloxone nasal spray. This is

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3600 truly an exciting first step to making this life-saving drug
3601 more accessible and reducing deaths from overdose.

3602 And I will point out New Hampshire is the site of one of
3603 the very first vending machines for Naloxone to make it
3604 available to everyone in the community. However, I am
3605 concerned that seniors with Medicare Part D plans and
3606 Medicare Advantage plans may actually lose access to the drug
3607 now that a prescription is no longer needed.

3608 As you know, 52,000, excuse me, Medicare beneficiaries
3609 overdosed in 2022. The Office of the Inspector General
3610 believes this could actually be an undercount. The OAG also
3611 found over one million seniors enrolled in Medicare struggle
3612 with Opioid Use Disorder, including relatives of mine.

3613 Secretary Becerra, what steps can be taken to ensure
3614 that seniors can access over the counter Naloxone?

3615 *Secretary Becerra. Congresswoman, you point out
3616 something that's critically important. Most folks think of
3617 young people when it comes to the need for Naloxone to save a
3618 life from overdose. But we need to make that available to
3619 all people, including our seniors.

3620 We are right now in communication with Medicare

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3621 Advantage plans and Medicare Part D sponsors to try to
3622 encourage them _ remember, we can't force them to do things.
3623 They are the ones that decide what they cover and what they
3624 don't.

3625 We don't have the legal authority to require them to do
3626 certain things, but we're talking to them because it just
3627 makes total sense. This is about saving a life. They might
3628 even save a lot of money by making sure Naloxone is
3629 available, because if someone doesn't end up od'ing, they may
3630 still cost a lot of money for the care that they're going to
3631 receive while they're in the hospital.

3632 So we're right now in the process of talking to the
3633 health insurance companies, those who offer Part D plans to
3634 make sure they're clear. It makes total sense to make sure
3635 Naloxone is available, even though it's no longer necessary
3636 through prescription, but can be available over the counter.

3637 *Ms. Kuster. Thank you. And I hope that more plans
3638 will expand their supplemental benefits and take action to
3639 help seniors maintain their access to Naloxone.

3640 And I stand ready to work with you on this important
3641 issue with my colleagues. I would also like to discuss the

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3642 work HHS is doing to better serve hard to reach populations.

3643 I applaud the Biden Administration's effort to expand
3644 medication assisted treatment and opioid treatment programs
3645 within the federal prisons.

3646 This is another area where I believe there is much work
3647 to be done, and I make it a priority in my months left in
3648 Congress. States and localities continue to struggle with
3649 the cost of providing mental health and substance use
3650 disorder services to incarcerated individuals under custody
3651 due to what's called the Medicaid inmate exclusion.

3652 Studies show, however, that for every dollar we spend to
3653 treat substance abuse in prison, we can save up to \$7 down
3654 the road. That is a decent return on investment. We should
3655 maximize effective cost saving treatments, and that is why I
3656 introduced my Rehabilitation and Recovery During
3657 Incarceration Act.

3658 This bill, which has bipartisan support, would reform
3659 the Medicaid inmate exclusive exclusion policy so that
3660 incarcerated individuals, who are eligible for Medicaid, can
3661 continue to receive mental health and substance use services.

3662 Secretary Becerra as our nation's top health care

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3663 advisor and the former attorney general of California, can
3664 you explain how providing mental health care and substance
3665 use treatment in prison could actually keep our communities
3666 safer and healthier?

3667 *Secretary Becerra. Congresswoman, we know that prison
3668 is supposed to be a place for rehabilitation. We know that
3669 most prisoners are, at some point, going to be released into
3670 the community again.

3671 It makes no sense to release someone into the community
3672 who is addicted or is still having behavioral health
3673 challenges. The more we do to get a prisoner ready for exit,
3674 the better prepared our community will be to bring them back
3675 into the fold.

3676 In fact, we are now making investments, through
3677 Medicaid, with states so that they can prepare those who are
3678 incarcerated in their process of exiting to be ready. So
3679 Medicaid will be available to them. So they start right away
3680 with the healthcare they need.

3681 They may not have a place to live, they may not be
3682 integrated into society, but we'll make sure that at least
3683 healthcare is something that's available to them.

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3684 *Ms. Kuster. Thank you. And I encourage my colleagues
3685 to join our bipartisan bill, the Rehabilitation Recovery
3686 During Incarceration Act. And it is a delight to have you
3687 with us. I am so proud of your service. And with that, I
3688 yield back.

3689 *Mr. Guthrie. Thank you. The gentlelady yields back.
3690 Chair recognizes Mr. Obernolte from California for five
3691 minutes for questions.

3692 *Mr. Obernolte. Thank you very much, Mr. Chairman.
3693 Secretary Becerra, thank you for being here today. I
3694 appreciate your willingness to engage with us on the issue of
3695 the HHS budget.

3696 I am one who believes that we don't have enough
3697 interaction between the executive and the legislative
3698 branches. And so the fact that you are here means a great
3699 deal to me.

3700 I am a budget guy and this purpose of this hearing is
3701 supposed to be to present the HHS budget for next year. And
3702 so I want to talk about the high-level numbers. So you are
3703 asking for a Fiscal Year 2025 budget of \$130 billion in
3704 discretionary spending and \$1.7 trillion in mandatory, for a

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3705 total of about 1.84 trillion in budgetary authority.

3706 When I look and I compare that with last year, last year
3707 total is about 1.7 trillion. So you are asking for about an
3708 8.3 percent increase. One thing that stood out to me is that
3709 inflation over the last year has run about 3.5 percent. So
3710 you are proposing that we increase HHS spending by a rate
3711 that is over double the rate of inflation, is that right?

3712 *Secretary Becerra. We are not recommending it. In
3713 many cases it is required because much of the increase that
3714 you mentioned is mandatory, which we don't have control over.
3715 It is by law. We have to provide it.

3716 So the Medicare beneficiary, the Medicaid beneficiary,
3717 that's automatic. And so if a population increases, as it
3718 has, a lot of the baby boomers are now into Medicare, we have
3719 to provide those services.

3720 *Mr. Obernolte. All right. So just projecting in the
3721 future, do you anticipate that HHS spending will on the path
3722 it is on increase at over double the rate of inflation over
3723 the next few years?

3724 *Secretary Becerra. Actually, I think if you take a
3725 close look, the discretionary part, which is the money that

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3726 isn't mandatorily obligated, I think you're going to find
3727 that that's way, way smaller than what you, the percentage
3728 that you quoted.

3729 *Mr. Obernolte. Oh, certainly. But I mean, dollars are
3730 fungible, obviously. So when we care about the overall
3731 piece.

3732 *Secretary Becerra. Not necessarily in this case
3733 between discretionary and mandatory. No, not necessarily.

3734 *Mr. Obernolte. Okay. We will agree to disagree on
3735 that. Let me talk about this.

3736 Obviously, we have a problem with the federal budget.
3737 We are almost 30 percent in deficit. There are only three
3738 choices here. We can increase taxes, we can decrease
3739 spending, or we can borrow more money. And our national debt
3740 is already over \$34 trillion.

3741 When you come to a budget with us, with a budget that
3742 increases spending, I mean, that really is taking spending
3743 decreases off the table, unless we make statutory changes to
3744 the law that decrease that mandatory piece, you know, or we
3745 could increase taxes. And I know your budget proposal has a
3746 proposal in there for increasing taxes, or we can deficit

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3747 spend.

3748 So, I mean, of those three options, what do you think we
3749 ought to be doing?

3750 *Secretary Becerra. Well, the President's budget
3751 responsibly makes investments. So for example, I think you
3752 and I would agree that Fentanyl is something we have to take
3753 on.

3754 I don't think you're going to say let's shortchange our
3755 efforts to try to keep Fentanyl out of the hands of
3756 Americans. So we want to make sure we're making the right
3757 investment there.

3758 I think you would agree that we want to make the right
3759 investments with behavioral health. Today, more and more
3760 children are dying from suicide than ever before. I think we
3761 want to improve our services.

3762 And so where we're making the investments, I hope you'll
3763 agree it's important to do so. The President, though, in his
3764 budget, does make responsible choices in how to make sure
3765 we're covering the costs of much of what we're doing.

3766 And so I would say to you that the President's budget is
3767 extremely responsible because he tries to pay for what he

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3768 does.

3769 *Mr. Obernolte. Sure. I mean pay for maybe perhaps in
3770 the sense of incrementally, but overall, the President's
3771 budget does not balance the budget. There is still a
3772 substantial amount of deficit spending, and healthcare
3773 spending is what is driving that.

3774 Let me ask you this. I mean, we will probably spend 18
3775 percent of our gross domestic product this year on healthcare
3776 spending. That compares with much lower levelers in other
3777 countries.

3778 For example, the UK, which has a socialized healthcare
3779 system, spends about 10 percent, maybe even less than 10
3780 percent, and has, by a lot of metrics, better healthcare
3781 outcomes than we do.

3782 And there are other countries, like Singapore, that
3783 spend a third what we do and have substantially better
3784 healthcare outcomes. So by a lot of metrics, the United
3785 States has the least efficient healthcare system in the
3786 world.

3787 *Secretary Becerra. I would agree.

3788 *Mr. Obernolte. So what should we be doing about that?

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3789 *Secretary Becerra. You know, I had a conversation with
3790 my friend, the health minister from Singapore and also from
3791 Indonesia on these subjects, and they do a lot more early
3792 intervention care, preventative care, so that way they can
3793 tackle health issues before they get really expensive, become
3794 chronic diseases.

3795 We don't do that well enough. And because we have a
3796 system of healthcare that is essentially governed by 50
3797 states, not the federal government, you have a patchwork.

3798 Some states do better, some states don't. And if we
3799 could even that out and also focus early, my mom used to say,
3800 [speaking Spanish], better to prevent than to remediate. We
3801 get to tackle those things better.

3802 *Mr. Obernolte. Yeah, I would agree with that, but also
3803 add that we need to restore the functionality of healthcare
3804 markets in the way that other countries have done. But I see
3805 that I am out of time. I would love to continue our
3806 discussion. Thank you very much again, again for making _

3807 *Mr. Guthrie. Thank you. The gentleman yields back,
3808 and the Chair recognizes Ms. Trehan for five minutes for
3809 questions.

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3810 *Ms. Trahan. Thank you, Mr. Chairman, it's great to see
3811 you, Secretary Becerra.

3812 As you and I have discussed before, community hospitals
3813 around the country are facing significant financial
3814 challenges. In my home state of Massachusetts, those
3815 challenges are being made worse by a private equity
3816 corporation that has prioritized profits over patients and
3817 jeopardize the future of the nine hospitals it owns in the
3818 process.

3819 Mr. Secretary, as we speak, Steward Healthcare, the
3820 largest for-profit, private equity backed health network in
3821 the country, is creating a health care crisis in working
3822 class communities across Massachusetts, just as it did when
3823 it drove Texas Vista Medical Center in San Antonio, Texas
3824 into closure last year when it was forced to sell off its
3825 hospitals in Utah just months earlier.

3826 Steward is facing a significant cash crunch because of
3827 blatant mismanagement by company executives who have rewarded
3828 themselves with multimillion dollar salaries while accruing
3829 massive debts.

3830 Unsurprisingly Steward has failed repeatedly, including

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3831 in response to a request from myself and my colleagues in the
3832 Massachusetts delegation, to provide transparency regarding
3833 its intentions to maintain the operation of their nine
3834 hospitals in our home state.

3835 So instead, it announced the sale of its physician group
3836 to Optum, a subsidiary of UnitedHealth Group, while providing
3837 no insight into the future of the hospitals, their
3838 physicians' practice, or what the proposed sale will mean for
3839 vulnerable patients.

3840 So Mr. Secretary, many of the hardworking families I
3841 represent just want to know that their government is paying
3842 attention to this issue and taking action to keep their
3843 hospitals open.

3844 I am hoping I can count on you to maintain a line of
3845 communication with Massachusetts leaders to ensure that every
3846 possible action is taken and resources available to keep
3847 community hospitals like Holy Family Hospital open and
3848 serving patients.

3849 *Secretary Becerra. Congresswoman, we will do
3850 everything we can. This is actually a question more
3851 appropriate for me when I was attorney general, because we

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3852 try to take on some of these, I mean, they were vicious
3853 investors that essentially try to gut the assets out of an
3854 institution, and they just sort of run out of Dodge.

3855 And I can't tell you that we have authority because we
3856 don't govern the licensing of hospitals and so forth at the
3857 federal level. That's all state. But we are ready to work
3858 with Massachusetts to make sure health care is available to
3859 communities.

3860 *Ms. Trahan. I appreciate that, and I am encouraged by
3861 the recent work your Department has done, in collaboration
3862 with the Department of Justice and the FTC, regarding the
3863 effects of corporate ownership trends in healthcare, and my
3864 colleagues and I plan to submit comments as part of that
3865 process.

3866 This year I am spearheading efforts to commission a GAO
3867 study on hospital closures in the last decade to identify the
3868 ownership models that have closed and assess the impact of
3869 those closures on their communities.

3870 This type of study has been conducted for rural
3871 hospitals, but not on a broader scale. If you could just
3872 speak a little bit to how improved transparency regarding

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3873 hospital closures will help the Agency to effectively
3874 address, respond to, and mitigate future community hospital
3875 closures, that would be great?

3876 *Secretary Becerra. Yeah, we're actually doing
3877 something very similar to that with nursing homes. We are
3878 tired of seeing nursing homes that get bought up. Usually
3879 they're owned by mom and pops, people who start them up for
3880 wanting to help the community.

3881 Then they get bought up, and before you know it, you
3882 can't trace back who the actual owner is. So now we are
3883 requiring nursing homes to provide information on who the
3884 actual owners are because they set up so many LLCs, excuse
3885 me, and so many different sham corporations, it's tough to
3886 get to the bottom of it.

3887 And then when they run out of town after they got the
3888 assets, people are left wondering what happened. So we would
3889 love to work with you on being able to have more transparency
3890 in the healthcare sector.

3891 *Ms. Trahan. Thank you. I do believe that we can agree
3892 that as we address closures and acquisitions that don't
3893 benefit patients, that it is crucial to distinguish corporate

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3894 for-profit hospitals from their nonprofit peers.

3895 I introduced bipartisan legislation with Congressman
3896 David Valadao to establish a federal designation for
3897 essential hospitals. And I hope my colleagues on the
3898 Committee will support this legislation.

3899 I hope to work with you, Mr. Secretary, to better
3900 support the essential health systems that all of our
3901 communities depend on for life-saving care.

3902 Thank you, Mr. Chairman. I yield back.

3903 *Mr. Guthrie. The gentlelady yields back. And that
3904 concludes all members of the Subcommittee.

3905 And we have two waive ons. And remember, there is a
3906 vote on the floor, so we will go quick.

3907 The Chair now recognizes Mr. Pfluger of Texas for five
3908 minutes for questions.

3909 *Mr. Pfluger. Thank you, Mr. Chairman.

3910 Mr. Secretary, are you the principal advisor of
3911 president of the United States on unaccompanied alien
3912 children?

3913 *Secretary Becerra. Congressman, the Office of Refugee
3914 Resettlement is the agency charged with them.

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3915 *Mr. Pfluger. Understand.

3916 *Secretary Becerra. We work with the White House in
3917 making sure that we _

3918 *Mr. Pfluger. Are you the principal, as the secretary,
3919 cabinet member, are you the principal advisor?

3920 *Secretary Becerra. I am the Secretary of the
3921 Department of Health and Human Services.

3922 *Mr. Pfluger. Thank you.

3923 *Secretary Becerra. And OOR is _

3924 *Mr. Pfluger. So you advise President Biden normally on
3925 unaccompanied alien children?

3926 *Secretary Becerra. We work with the White House.

3927 *Mr. Pfluger. Yeah, but you advise?

3928 *Secretary Becerra. We work with the White House. We
3929 offer advice, we take their direction and we work together.

3930 *Mr. Pfluger. Are you a cabinet member?

3931 *Secretary Becerra. I am a cabinet member.

3932 *Mr. Pfluger. Okay. How many children are unaccounted
3933 for right now?

3934 *Secretary Becerra. I'm sorry? How many children what?

3935 *Mr. Pfluger. How many children are unaccounted for?

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3936 *Secretary Becerra. In our care?

3937 *Mr. Pfluger. There has been reports that, through open
3938 press and media, that unaccompanied alien children who leave
3939 the care of ORR are unaccounted for. Their whereabouts are
3940 unaccounted for. Can you answer that question as to the
3941 number?

3942 *Secretary Becerra. Sure. There are no kids who are
3943 unaccounted for who are in our custody and our care.

3944 *Mr. Pfluger. Understand. Do they all have a place
3945 where they have gone that is a safe place, that they are not
3946 being either abused or that there is _ you feel good about
3947 where they are?

3948 *Secretary Becerra. The children who are in our
3949 custody, I feel very good about what the care that they're
3950 receiving under our custody.

3951 *Mr. Pfluger. When they leave your custody?

3952 *Secretary Becerra. When they leave our custody, they
3953 don't leave our custody until they've gone _ they have gone
3954 through a process where those who are willing to become the
3955 sponsors of the children go through a thorough vetting
3956 process.

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3957 *Mr. Pfluger. So the recent OIG report on ORR's _

3958 *Secretary Becerra. Recent? Which recent report are
3959 you speaking to? The one that's from 2021 or something
3960 recent meaning this year?

3961 *Mr. Pfluger. Yeah. More recent than 2021, refers to
3962 the handling of these UAC's and deficiencies in safety
3963 checks, deficiencies in the overall handling, the monitoring
3964 procedures.

3965 Can you kind of talk to me about what that looks like
3966 and what your office has done to address that? And are you
3967 following the OIG's guidance on that? And what steps have
3968 you taken?

3969 *Secretary Becerra. First, we always work closely with
3970 the Inspector General's Office and we try to follow through
3971 with them on all of their recommendations.

3972 The report I believe you're referring to is a report
3973 that's based on information that they got from early 2021.
3974 What I can tell you is that some of the circumstances, if you
3975 recall, that's when ORR, because the previous Administration
3976 had dismantled the operations of ORR to take care of kids, it
3977 was becoming difficult to find places to house them.

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3978 And so we went through a process _

3979 *Mr. Pfluger. And I think that is really what I am
3980 getting at. Is, you know, there are multiple reports that
3981 children have been lost, quote, unquote, in the system. So _

3982 *Secretary Becerra. We've not lost any children.

3983 *Mr. Pfluger. Zero?

3984 *Secretary Becerra. We've not lost any children.

3985 *Mr. Pfluger. Okay.

3986 *Secretary Becerra. Those who are in our care, we have
3987 not lost.

3988 *Mr. Pfluger. Okay, so everyone is accounted for?

3989 *Secretary Becerra. All the children that we have
3990 jurisdiction and custody over are not _ we know where _ we
3991 have them, we don't lose them.

3992 *Mr. Pfluger. Okay. I want to refer back to my
3993 colleague, Ms. Miller-Meeks, the question she asked that you
3994 weren't able to answer because of the time, and I will just
3995 ask the question, but she outlined it.

3996 Why are you protecting the identities of the abusers and
3997 the institutions who housed them from being shown to
3998 Congress, even though that was subpoenaed by Congress this

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3999 year?

4000 *Secretary Becerra. So I think it's first important to
4001 say that if there is an abuser that is receiving taxpayer
4002 dollars from the Department of Health and Human Services, or
4003 in this particular case, to the Congresswoman's questions,
4004 from the National Institutes of Health, we will take action
4005 immediately.

4006 *Mr. Pfluger. Why are you not releasing the names to
4007 Congress?

4008 *Secretary Becerra. Again, when we act, we have to act
4009 according to the law, and there are still laws that protect
4010 privacy interests, so we can only provide certain
4011 information.

4012 *Mr. Pfluger. Did you receive the subpoena?

4013 *Secretary Becerra. I know the Department received a
4014 subpoena.

4015 *Mr. Pfluger. Did you actually physically read the
4016 subpoena?

4017 *Secretary Becerra. I saw the subpoena.

4018 *Mr. Pfluger. So you read it. And did it ask for the
4019 names?

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4020 *Secretary Becerra. Because the subpoena asked for
4021 something doesn't mean that _

4022 *Mr. Pfluger. It doesn't mean you are going to comply
4023 with it?

4024 *Secretary Becerra. We're going to comply as best we
4025 can to a subpoena, but we have to _

4026 *Mr. Pfluger. So what _

4027 *Secretary Becerra. _ we have to follow the law in
4028 complying with any subpoena.

4029 *Mr. Pfluger. Can you tell me on what legal basis you
4030 are referring to that you would not release those names,
4031 according to the subpoena in the request?

4032 *Secretary Becerra. As I said, we have to make sure we
4033 follow the process, whether the process is in protecting
4034 privacy _

4035 *Mr. Obernolte. But you have read it. We have
4036 established that. What part of the law is preventing you
4037 from releasing those back to Congress?

4038 *Secretary Becerra. Well, as I said to you, there is a
4039 process for adjudicating any particular case where there are
4040 accusations of sexual assault, sexual harassment, and we have

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4041 to follow that process pursuant to the law.

4042 *Mr. Pfluger. Do you plan to release the names to
4043 Congress?

4044 *Secretary Becerra. We'll release whatever the law
4045 allows us to release in due course.

4046 *Mr. Pfluger. Do you think that is going to allow you
4047 to release the names back?

4048 *Secretary Becerra. It's hard for me to prejudge what's
4049 going on in adjudication.

4050 *Mr. Pfluger. I think, in the interest of a subpoena,
4051 it would be good to get back to Congress on that subpoena
4052 with the reasons stated why you would or would not release
4053 those names.

4054 *Secretary Becerra. Congressman, you are speaking to a
4055 former attorney general _

4056 *Mr. Pfluger. And that is the reason why my colleague _

4057 *Secretary Becerra. _ I understand the value and
4058 importance of it. We'll make sure that we abide by the law.

4059 *Mr. Pfluger. I think that is the frustration and why
4060 my colleague asked that question because that has not
4061 happened yet.

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4062 With that I yield back.

4063 *Mr. Guthrie. We got to get one more questioner in.

4064 So thank you and the gentlelady from Florida is
4065 recognized for five minutes.

4066 *Ms. Castor. Thank you, Mr. Chairman. Welcome,
4067 Secretary Becerra.

4068 Before I dig into the budget, I did want to commend you
4069 on two things. First, you finalized the rule relating to
4070 short-term, limited duration plans, known as junk plans.
4071 These are the plans that the former president and former
4072 administration tried to extend. They don't include care,
4073 often for preexisting conditions.

4074 And when you combine that with the unscrupulous,
4075 deceptive practices of a lot of scam artists out there, it
4076 was really great to see you crack down on junk plans and
4077 return them to where they were intended to be, short-term gap
4078 coverage.

4079 And I don't think we can celebrate enough the success of
4080 the Affordable Care Act enrollment. Coming from the state of
4081 Florida, where we have many challenges when it comes to
4082 health care coverage, the Affordable Care Act has been a

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4083 lifeline, and that has been an important partnership, based
4084 upon what Congress did to help lower costs through the
4085 Inflation Reduction Act, but what you all did to on outreach.

4086 Everything President Biden did to stand up to make sure
4087 families knew that the ACA was there for them. Florida,
4088 again, led the way in Marketplace enrollment, with 4.2
4089 million Floridians selecting high quality, affordable plans.

4090 That is almost 20 percent of the country's 2024
4091 enrollment of over 20 million people. So thank you for you
4092 and your team's continued support of the ACA and the
4093 healthcare navigators that are doing the hard workday in and
4094 day out to make sure folks are connected to coverage.

4095 Now, onto the budget. I was thrilled to see your
4096 legislative proposal to improve children's access to care.
4097 Allowing states to expand continuous eligibility to children
4098 in Medicaid and CHIP from birth to age six, and allowing
4099 states to provide 36 months of continuous eligibility for
4100 children until they turn 19. This 36-month period between
4101 redeterminations would build on the 12-month continuous
4102 eligibility protection for all children in Medicaid and CHIP.

4103 It has been championed by this Committee, went into

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4104 effect in January, but children often lose coverage, more so
4105 than adults due to procedural reasons, not because they are
4106 not eligible, but often there are other barriers in the way.

4107 Can you talk about what _ help us paint the picture on
4108 why so many kids inappropriately lose coverage and why you
4109 have targeted better continuous access to coverage for young
4110 people across America?

4111 *Secretary Becerra. Congresswoman, first, thank you for
4112 your help in making sure Florida just hit it out the park
4113 when _ Floridians, I should say, because we didn't always get
4114 support from the government in Florida, but Floridians really
4115 hit it out at the park when it came to getting coverage.

4116 And now they have the peace of mind that comes from
4117 being insured for healthcare. On Medicaid children, what we
4118 found, and we're looking to propose some rules that will help
4119 address this, that some states weren't ready.

4120 Some states didn't take the actions they needed to set
4121 in place the structures they would need to have to be able to
4122 quickly re-enroll people who qualified, especially children.

4123 Some states chose not to take advantage of all the
4124 flexibilities we provided to them so they can make sure

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4125 they're not inappropriately denying kids care. And so what
4126 we're going to do now is we learned a lot.

4127 Some states were really good about working with us,
4128 accepting our flexibilities. Some states just chose not to.
4129 And the result was many kids got kicked off.

4130 *Ms. Castor. Again, the state of Florida, boy, what?
4131 It's a tale of two cities. We do so well with ACA
4132 enrollment, but the state has disenrolled _ they've gone
4133 through aggressive redetermination in most people. Cases
4134 have been disenrolled, largely because of procedural errors,
4135 red tape.

4136 And that's not right. What I am hearing from neighbors
4137 back home, young people with complex medical conditions show
4138 up at the doctor and they are not getting the care they need.
4139 It is costly. And I know that CBO recently analyzed the
4140 effects of 12-months continuous eligibility for kids on
4141 Medicaid.

4142 They found that one year of continuous coverage actually
4143 improves outcomes in life, meaning that when they become an
4144 adult, they are more productive, they earn more. That is
4145 going to help all of us over time.

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4146 So congratulations on making it through the day here
4147 with Energy and Commerce, but I look forward _ we are going
4148 to draft some legislative language to help implement that,
4149 because we need to ensure in America that all kids get the
4150 care they need. Thank you very much.

4151 I yield back.

4152 *Mr. Guthrie. Thank you. The gentlelady yields and
4153 that concludes all members present for questions.

4154 And I will ask unanimous consent to shorten the record.
4155 The documents included on the staff hearing documents list.
4156 I think I have given that to you.

4157 Without objection, that will be an order.

4158 And I want to remind members they have 10 business days
4159 to submit questions for the record. And I ask the witness to
4160 respond to them promptly.

4161 And we appreciate prompt response and appreciate your
4162 time, appreciate your effort, and appreciate you being here.

4163 And members should submit their questions about the
4164 close of business on May 1st.

4165 And without objection, the Subcommittee is adjourned.

4166 Thank you.

This is an unedited transcript. The statements within may be inaccurate, incomplete, or misattributed to the speaker.

4167 [Whereupon, at 5:16 p.m., the Subcommittee was
4168 adjourned.]