

Opening Statement for the Honorable Brett Guthrie “Legislative Proposals to Increase Medicaid Access and Improve Program Integrity.” April 30, 2024

I would like to welcome everyone to today’s hearing.

Today, we will hear from Dr. Daniel Tsai (sigh), the Director of the Center for Medicaid and CHIP Services, about some of the most pressing challenges facing the Medicaid program.

Over 75 million Americans are covered by Medicaid, a number that approached nearly 100 million during the pandemic. According to the Congressional Budget Office, federal spending on Medicaid is expected to increase from around \$550 billion in fiscal year 2023 to almost \$800 billion in fiscal year 2033. And that does not include state spending. Continued unchecked growth in the program will inevitably lead to decreased spending on other important priorities such as education or increases in taxes at the state and federal level.

HHS OIG Even Acknowledges there is a Compelling need to Protect Against Medicaid Improper Payments

During an Oversight and Investigations Subcommittee hearing two weeks ago, we heard about the increase in improper payments and the risks they pose to the program, which totaled more than \$50 billion last fiscal year. In the hearing, we heard from the Department of Health and Human Services Inspector General, who stated that there is a “compelling need to prioritize program integrity to protect against improper payments.”

As a former state legislator, I know the work it takes to ensure Medicaid beneficiaries maintain access to high-quality health care services while maintaining vigilance over the program. Part of that work is engaging with CMS to approve State Plan Amendments and 1115 waivers in a timely manner, so that States can administer the program. However, according to the National Association of Medicaid Directors in a recent Health Affairs article, CMS is taking more than 15 months to approve new waivers, which is a breach in the state and federal relationship in running this program.

Yet instead of addressing these backlogs and working to ensure that the program is better managed, CMS has chosen to impose new, sweeping regulations on States that will lead to increased spending and a decrease in services to beneficiaries.

The Biden Administration’s Harmful One-size-fits-all Mandates will Threaten Patient Access to Care

I am extremely concerned about two of these Rules in particular – the nursing home Minimum Staffing Rule and the Medicaid Access Rule – both of which threaten access to long-term care services for Medicaid beneficiaries by setting arbitrary staffing and pay standards.

While I agree that we need to do more to ensure our frontline caregivers and clinical care providers are compensated commensurately with the care they’re providing and offer a better quality of life for our most vulnerable, this approach simply won’t work. These rules come at a time where we have seen

more than 500 nursing home facilities close since the start of the pandemic and where we have 150,000 fewer long-term care workers than we did before 2020.

That is further evidenced by a collection of red and blue states suggesting in their comment letter to CMS that the rule, (quote) “threatens to make these critical programs so expensive that States will need to seriously consider controlling costs by serving fewer people, growing more slowly, providing fewer services, or cutting back on other aspects of the Medicaid program.” (end quote)

This echoes concerns I have raised these concerns alongside my Energy and Commerce Republican colleagues in a letter to CMS in September opposing the Access Rule.

Bipartisan Solutions to Address Workforce Challenges in Medicaid

Today, we’re preparing to act by considering Representative Pence’s bill, H.R. 7513, which would block the Minimum Staffing Rule and Representative Cammack’s legislation, H.R. 8114, to block the Access Rule’s 80% pass through policy. I’ll note that Representative Pence’s bill already advanced out of the Ways and Means Committee with a bipartisan vote, and I hope we’ll see similar bipartisanship on these issues here.

Of course, the subcommittee is not just reacting to the Administration’s flurry of bad regulations, but we are also being proactive in finding constructive solutions. Today’s hearing includes a number of bipartisan bills to support long-term care and reduce program integrity for the Medicaid program.

In particular, I would ask that my colleagues work with me on passing my bill, H.R. 468, the Building America’s Healthcare Workforce Act. This legislation would permit temporary nurse aides to work and support while nursing home residents while they work to become certified nurse assistants, filling a critical shortage in the workforce. This is a balanced approach that won’t put new burdens on nursing home facilities, like the Minimum Staffing Rule, while also protecting our nation’s seniors.

Thanks to our witness for your time today and to my colleagues for their leadership on the bills before us today. I yield back.