

**PROTECT
OUR CARE**

**Written Testimony of
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before the
Committee on Ways and Means
Subcommittee on Health
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"Modernizing American Health Care: Creating Healthy Options and Better Incentives"

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Chairman Buchanan, Ranking Member Doggett, and distinguished members of the subcommittee, thank you for the opportunity to testify today. My name is Leslie Dach, and I am the Founder of Protect Our Care, whose mission is to make high-quality, affordable, and equitable health care a right, and not a privilege, for everyone in America. Prior to founding Protect Our Care, I served as a Senior Counselor to the Secretary of the Department of Health and Human Services and as the Department's global Ebola coordinator. I also served on the global executive committee of Walmart for nearly seven years, where I became deeply familiar with purchasing health care for over 1 million employees of America's largest private employer.

The American people understand how fundamental access to health care is for their health, their financial security, and their dignity. It also remains too expensive for too many people, which is why in 2021 and 2022, Congress used budget reconciliation legislation to bring down the cost of prescription drugs and health insurance, expanding coverage to millions more Americans.

Today, in America, thanks to tremendous progress made over the past four years, more people than ever have health insurance. During President Trump's first term in office, the uninsurance rate rose from 10% to 10.9%, it has since come down to 8.2%. Nearly half of Americans have insurance through their employers, and those who don't get coverage through work are now enrolled in affordable Medicaid or Affordable Care Act (ACA) coverage in greater numbers than ever: over 70 million are enrolled in Medicaid, and over 24 million are enrolled in a Marketplace plan.

Thanks to the ACA, 150 million people with private coverage can access preventive services for free. ACA coverage pays for essential benefits like hospital care, prenatal care, and prescription drug coverage, and ensures people with pre-existing conditions aren't charged more or denied coverage. And thanks to the enhancements made to premium tax credits through reconciliation, four in five people can choose a plan for less than \$10 per month, and no one with a Marketplace plan has to pay more than 8.5% of their income for coverage.

These gains in coverage have especially helped people from racial and ethnic backgrounds who face lower life expectancies and worse health outcomes, and have historically faced barriers to accessing care and other key determinants of health. Building on the ACA helped cut the uninsured rate nearly in half among Black and Latino Americans and by over a third among American Indians and Alaska Natives, and increased insurance coverage among Asian Americans, Native Hawaiians, and Pacific Islanders more than any other racial or ethnic group. Thanks to bipartisan legislation

passed in 2022, all but two states offer a full year of postpartum Medicaid, which is critical to closing the unacceptable racial gaps in maternal mortality we face in the U.S., including Black women dying at rates more than 3 times higher than women of other races.

Additionally, today in America, seniors now have access to affordable prescription drugs. This year, for the first time ever, people with Medicare have a \$2,000 out-of-pocket cap on prescription drug costs, a monthly \$35 cap on insulin costs, free vaccines, and protections from drug price increases. And Medicare is finally negotiating lower prices for the most expensive drugs.

No matter where they live or work, or who they voted for, the American people want health care to be more affordable and accessible. Health care is America's kitchen table issue and is central to economic security – nothing else has the same financial and emotional impact on families. It's a key reason Americans look to lawmakers to ensure they can count on quality, affordable coverage. Approximately 4 in 5 Americans believe the government spends "too little" or "about the right amount" on Medicare and Medicaid, including 65% or more self-identified Republicans. An overwhelming majority of Americans - 79 percent of voters, and 69 percent of Trump voters - oppose any cuts to Medicaid. Medicaid has broad support because 63% of Americans say they personally know someone who benefits from it, including 37% who say that someone in their immediate family benefits from Medicaid. Thirty-eight percent (38%) of Trump voters say that someone in their immediate family benefits from it.

Yet, reconciliation proposals currently under consideration in Congress would increase health care costs for seniors and working families and take away health coverage from millions, including our neighbors in nursing homes, children, individuals with disabilities, and people who take care of their children or elderly parents. These cuts would devastate families in order to pay for tax breaks for billionaires and wealthy corporations. I appreciate the opportunity to share with the committee what health care in America will soon look like if those proposals become law.

Increased Health Care Costs and More Americans Without Insurance

Under current proposals, over \$2 trillion could be cut from Medicaid, our largest federal health care program that provides health care to over 72 million people. Proposals ranging from decreased federal match funding, per capita caps, lifetime caps, block grants, limiting provider taxes, and burdensome bureaucratic reporting measures known as work requirements all have the same effect: taking away health care from people to

fund tax breaks for the wealthy. Cuts of this magnitude are too large to be backfilled by state budgets and would lead millions of the most vulnerable Americans to lose health coverage. These reconciliation proposals would:

- Put the care of over 8 million seniors at risk, including 6 in 10 nursing home residents. Medicaid covers the largest share of long-term care; 5.6 million people count on it for long-term care.
- Take away coverage for people with disabilities and mental illness, jeopardizing care for over 15 million adults with disabilities and kids with physical, mental, and developmental disabilities.
- Threaten health care from children. Almost half of all children in America have Medicaid, helping over 30 million children get the health care they need.
- Put veterans' health care at risk. Nearly a million non-elderly veterans, many of whom suffer with chronic conditions, use Medicaid for all or part of their health care.
- Force rural hospitals and clinics to close. Half of all children and 20% of adults in rural areas get their healthcare through Medicaid.
- Jeopardize health care for new mothers. Medicaid covers 4 in 10 births and is the largest share of maternity coverage.
- Take away coverage from lower-wage workers who don't get health care through their jobs, or from people who left the full-time workforce to care for their children or an aging parent. Medicaid is a lifeline for these families.

This historic, catastrophic threat to health coverage for people with Medicaid is happening at the same time premiums for ACA plans will rise dramatically if Congress decides to end tax credits that make coverage affordable for millions. Premiums are expected to nearly double unless Congress acts quickly. Democrats in the House and Senate have introduced legislation to permanently extend the enhanced premium tax credits that lower health insurance costs for over 20 million Americans with Marketplace plans. These tax credits not only lowered premiums for people who previously qualified for them, they also became available to more people so no family has paid more than 8.5 percent of their income for coverage.

These enhanced tax credits are so popular that enrollment in ACA plans has effectively doubled since they took effect in 2021. If Congress takes away enhanced tax credits:

- Premiums will increase by an average of 90 percent for over 20 million Americans, forcing working people to pay higher costs for their health insurance at a time when too many struggle to pay their bills and afford the cost of eggs and other essentials.
- 5 million more Americans would become uninsured.

- Premiums will skyrocket by an average of \$2,400 for millions of families, and certain families will face much higher costs.
- The average 60-year-old Florida couple making \$82,000 would see their premiums increase from roughly \$7,000 per year to over \$26,000 per year - over a third of their income.
- The average 60-year-old Pennsylvania couple making \$82,000 would see their premiums increase from roughly \$7,000 per year to over \$23,000 per year - over a third of their income.
- The average family of four in West Virginia making \$126,000 would see their premiums increase from roughly \$10,700 per year to over \$35,000 per year - a roughly \$25,000 premium increase.
- The average family of four in North Carolina making \$126,000 would see their premiums increase from roughly \$10,700 per year to over \$19,000 per year - an increase of over \$8,700 per year.

Unless Congress extends these tax credits, costs will skyrocket, and millions will lose their insurance, including self-employed Americans, small business owners, people living in high-cost rural areas, farmers, people with pre-existing conditions, older adults, and more. Americans cannot afford these premium hikes. In a recent survey of people who voted for President Trump, 63 percent said it was very or fairly important to continue expanded tax credits, and 64 percent would disapprove of increased premiums for Americans who get health insurance through the Affordable Care Act. Hardworking families are depending on leaders in Congress to act.

Loss of Free Preventive Services and Worsened Health Outcomes

As part of a longstanding effort to sabotage and repeal the ACA, including the promotion of junk plans, conservative interest groups are in court fighting to repeal the free preventive services guaranteed by the ACA. This spring, the Supreme Court will decide in the *Braidwood* case whether services like cancer and mental health screenings, prenatal care, and HIV prevention medication must continue to be covered at no cost to patients. The decision could have an impact on the outcome of free coverage for additional preventive services recommended by the Advisory Committee on Immunization Practices (ACIP) and Health Resources and Services Administration (HRSA) like vaccines, contraception, cancer screenings, and pediatric care.

Eliminating costs for these lifesaving screenings and services has transformed how preventive care is delivered, saved countless lives, improved health outcomes, reduced disparities in care, and cut consumer health care costs. A reversal of the preventive

services requirement would set off a massive disruption in the American health care system, revoking protections for no-cost services currently available to approximately 150 million Americans – nearly half of the U.S. population.

If the plaintiffs get their way, it will put Americans at the mercy of insurance companies and employers once again, allowing them to charge high out-of-pocket costs for critical preventive care and refuse to cover certain benefits entirely. As a result, more Americans will suffer because their cancers will be detected too late or they won't receive the mental health or prenatal care they need.

Higher Prescription Drug Costs and Worse Care for Seniors

Members of Congress and conservative policy blueprints like Project 2025 have also proposed radical changes to Medicare that would increase costs for seniors, reduce access to care, and subject seniors to delays and denials of needed care and limited provider networks.

First, some in Congress want to ban Medicare from negotiating lower drug prices in order to line the pockets of big drug companies. Thanks to the Inflation Reduction Act, which passed without a single Republican vote, seniors pay less for some of the costliest drugs in Medicare.

Drug companies are reportedly asking the Trump administration to pause drug price negotiations, and President Trump sent a strong signal that he plans to roll back lower drug prices by revoking a Biden-era order to lower drug prices.

Project 2025 and the nominee to lead the Centers for Medicare and Medicaid Services have proposed forcing seniors into private Medicare plans that harm seniors while padding the profits of big insurance companies. Medicare Advantage (MA) plans limit seniors' choices of providers and hospitals, and delay and deny care through prior authorization. Seniors flee these plans as they require more care and realize their health plan is more interested in limiting care to pad profits than ensuring they can access the doctors they need. This all comes at an enormous cost to taxpayers: on average, Medicare spends 22 percent more for MA enrollees than it would spend if those seniors were enrolled in traditional Medicare, a total of \$83 billion in 2024.

In the wealthiest nation on earth, no one should have to choose between putting food on the table and affording the medications they need to survive. In 2022, Democrats in Congress lowered drug prices for people with Medicare without a single Republican vote,

and they have since been fighting to expand these drug savings to people with private insurance and give Medicare the authority to negotiate lower costs for more drugs more quickly.

Six in ten seniors report they are concerned about their ability to afford prescription drugs, yet many in the Majority are trying to raise drug costs while big drug companies rake in multibillion-dollar profits. The seven biggest pharmaceutical companies made \$70 billion in profits in 2023 alone, while a third of Americans can't afford the medicine they need. Meanwhile, Americans pay three times more for the same medications than people in other countries. Proposals to repeal the Inflation Reduction Act would have these results:

- Medicare would be banned from negotiating lower drug prices. The first round of negotiated lower drug prices cut list prices by up to 79 percent, saving over 9 million seniors \$1.5 billion in out-of-pocket costs and taxpayers \$6 billion in the first year alone. Millions more will benefit from the second batch of drugs selected for negotiation announced in January.
- People with Medicare would lose the protection of the \$35 monthly cap on insulin costs.
- Seniors could once again be charged more than \$2,000 per year for prescription drug costs. 11 million seniors are expected to save an average of \$600 in 2025 alone, and seniors who don't receive financial assistance are expected to save an average of \$1,100 this year.
- Seniors would have to pay out-of-pocket for recommended vaccines like shingles and RSV.
- Drug companies would no longer face a penalty for raising prices faster than inflation.

The future of health in America is at an inflection point. Our country has made tremendous progress toward the goal of health care being a right. Yet proposals being considered by this Congress would gut funding for affordable coverage and leave millions without care. They would increase drug costs for seniors at a time they are struggling to pay for groceries – all to fund tax breaks for billionaires and wealthy corporations.

Congress is considering these proposals as the administration halts spending for community health centers, guts NIH funding for medical research at the world's leading academic institutions, pushes out record numbers of government staff, and removes reliable scientific information from government websites. The chaos and withholding of funding has led to disruptions in care across the country as health centers close their doors and researchers pause innovative clinical trials for patients. NIH is the envy of the

world for the role it plays in biomedical innovation and enabling a competitive life sciences industry, which contributes over \$69 billion in annual gross domestic product and supports over 7 million well-paid jobs in America. Each dollar spent on NIH research generates \$2.46 in economic activity. It is astounding that this administration is actively dismantling what has long been celebrated as the “crown jewel” of government.

Vaccine-preventable illnesses like measles and tuberculosis are resurging across the country as vaccination rates decrease and the administration plans to gut the nation’s public health and food and drug safety programs. The ongoing spread of avian flu puts us at ever-growing risk of a new pandemic as this administration is actively dismantling the tools Americans rely on to protect them from illness. These actions are a grave risk to Americans’ health. The American people expect lawmakers to further lower health care costs, not backtrack on the progress that has been made.

Thank you for the opportunity to participate in this hearing today. Congress has a sacred responsibility to ensure Americans have the tools they need to live healthy lifestyles, including through access to affordable, quality, health care and coverage. I look forward to taking your questions and working with you to make that a reality for everyone in America.