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February 22, 2012

Rep. Rob Andrews (D-NJ) Statement for the Record at the Field Hearing in Butler, Penn. on the Affordable Care Act

WASHINGTON, D.C. – Below are the prepared remarks of U.S. Rep. Rob Andrews (D-NJ), the senior Democrat of the Health, Employment, Labor and Pensions Subcommittee of the House Committee on Education and the Workforce’s field hearing on the Affordable Care Act.

Good Morning, Mr. Chairman. As we all very well know, health care costs have been skyrocketing for decades. And for decades, Congress failed to do anything about it. Recognizing that reforming this country’s health care system could wait no longer, congressional Democrats passed and President Obama signed the historic Affordable Care Act into law nearly two years ago.

This law takes control of health care away from the multibillion dollar insurance industry and returns it to American families where it belongs. And, while much of the law will not be fully implemented until 2014, today, millions of Americans are already benefiting.

Medicare is stronger. Seniors are paying less for prescription drugs. Young adults are able to stay on their parents’ health plan. Children who need life-saving medical attention can no longer be denied coverage due to a pre-existing condition, and all Americans are protected against lifetime limits and rescissions. Additionally, small employers can obtain substantial savings in health care costs through the small business tax credit.

Pennsylvanians now have long overdue protections against their insurance companies.

- Nearly 7.7 million Pennsylvania residents can no longer be subjected to a lifetime limit cap on their health coverage.
- Nearly 680,000 Pennsylvanians no longer face the uncertainty that their health insurer can drop their health coverage when they need it the most.
- More than 32,000 young adults in Pennsylvania may now have coverage through their parent’s health plan because of the law.
- Nearly 4,400 previously uninsured Pennsylvanians with a preexisting condition have already obtained coverage through the law’s Pre-existing Condition Insurance Plan.

Employers are also realizing the benefits of the law. More than 179,000 small employers in the state may be eligible for the law’s small business tax credit. More than 430 employers in Pennsylvania and their employees are paying less for retiree health care after receiving more than \$106 million in financial assistance through the Early Retiree Reinsurance Program.

And when the Affordable Care Act is fully implemented, the law will extend access to quality, affordable health care coverage to those who need it. Americans will no longer fear losing their health insurance if they change jobs, decide to start a small business or have a preexisting condition.

Employers could see even more savings through the elimination of pre-existing condition underwriting, medical loss ratio standards, states successfully combating unreasonable premium increases, and reforms such as Accountable Care Organizations that pay for quality of outcomes, rather than quantity of tests.

Seniors are also seeing significant benefits right now. Last year, 235,820 Medicare beneficiaries in Pennsylvania who hit the Medicare prescription drug donut hole saved a total of \$156 million on their prescriptions -- an average of \$662 per beneficiary. That is a significant savings. One million seniors on Medicare received at least one preventive service last year, including almost 59,000 annual wellness visits, without cost sharing or deductibles.

With the passage of the Affordable Care Act, Pennsylvania has received funding to plan for a health insurance exchange, support programs that prevent illness and promote health, strengthen the health care workforce, and invest in groundbreaking biomedical research. Specifically, the state has received:

- More than \$48 million to support 231 projects in the state that show potential in producing new and cost-saving therapies. More than \$18 million for primary care training that will expand and support Pennsylvania's primary care workforce.
- \$2 million to allow school based health centers to expand and provide more services to students in Pennsylvania.
- Nearly \$2 million for community and clinical prevention services that will help Pennsylvania prevent and manage costly conditions.
- A \$1 million exchange planning grant to conduct the research and planning necessary to build a health insurance exchange.

Despite doomsayers, putting patients and doctors back in control of their health care hasn't hurt the economy. In fact, more than 500,000 jobs have been created in the health care field since the law's enactment with more than 3.5 million private sector jobs created overall nationwide.

All of these critical reforms would vanish if the law is repealed. Seniors would pay more for their prescriptions and preventive care, young adults would no longer have the ability to stay on their parents' plan, and insurance companies could once again discriminate based on a preexisting condition.

While House Republicans have pressed for repeal, their only alternative to the Affordable Care Act thus far has been a proposal to end Medicare as we know it.

This would be a disaster for our nation's seniors. This plan will increase costs faster and shift more of the burden on the back of seniors themselves. Even after paying into the system for decades, the 107,000 individuals between 44 and 54 in this congressional district would have to pay more than \$6,000 per year in increased costs in 2022 and pay about \$12,000 more per year in increased costs in 2032 under the Republican plan to end the Medicare guarantee.

To cover these additional costs, a 54-year-old would need to save \$182,000 by the time he or she retires to purchase health insurance. I don't know a whole lot of working people who can scrape up an extra \$182,000 before they retire.

As we approach the second anniversary of the Affordable Care Act, we should be reinforcing the protections that hard working families now enjoy under the law. We should not be finding ways to end Medicare.

In closing, spending our precious time refighting the same political battles will not move this country forward. The American people deserve better. In the short time left in this Congress, we should be working together to put more Americans back to work and strengthen the middle class.

<http://democrats.edworkforce.house.gov>