

## Chairman Dingell at the Subcommittee on Health Hearing on "H.R. 5613, Protecting the Medicaid Safety Net Act of 2008"

Statement of Congressman John D. Dingell, Chairman  
Committee on Energy and Commerce

SUBCOMMITTEE ON HEALTH HEARING ON  
"H.R. 5613, PROTECTING THE MEDICAID  
SAFETY NET ACT OF 2008"  
April 3, 2008

I thank Chairman Pallone for holding this hearing on H.R. 5613, legislation introduced by Representative Murphy and me. And I commend the Gentleman from Pennsylvania for his willingness to work in a bipartisan fashion on this important issue.

The "Protecting the Medicaid Safety Net Act of 2008" is a simple, straightforward bill that would place a temporary moratorium on seven regulations recently issued by the Centers for Medicare and Medicaid Services (CMS). These regulations would reduce or eliminate payments for services provided to vulnerable Americans and the institutions that serve them: children with disabilities, people with mental illness, those with multiple care needs, people attempting to transition from an institution to a community living environment, and people with disabilities who need these critical services, such as rehabilitation services and case management, in order to remain in their community. The regulations would also eliminate funding for school-based outreach and enrollment, and funding that helps safety net providers care for indigent and under-insured patients in our communities.

In my home state of Michigan, the rehabilitation rule would cut rehabilitation services for 15,000 children with special needs, eliminate habilitation services for another 29,000 developmentally disabled adults and children living in the community, and eliminate access to critical community services and resources for 23,600 adults and 5,100 children who are in supported independent living arrangements or group homes.

The Administration's arguments for supporting these regulations do not hold water. These regulations go beyond any justifiable point to curb any abuses in the system and instead would shift costs to the States and prohibit Federal support for legitimate expenditures on behalf of Medicaid beneficiaries.

When one reviews how CMS dealt with comments submitted on the regulations, it appears that there was no intention of working with States or other beneficiary groups to find common ground. For example, according to CMS's own analysis, only 1 of the 1,000 comments submitted to CMS on the rule limiting payments to public providers "contained a positive comment." With respect to the rule limiting payments for hospital outpatient care, there were 91 pieces of correspondence received containing more than 300 comments, of which one piece of correspondence "contained a positive comment." And in the case of the rehabilitation rule, of the 1,845 comments received, "no comments were in support of the regulation."

The Protecting the Medicaid Safety Net Act will delay implementation of these seven regulations for a year. It will allow time to examine the regulations thoughtfully.

I look forward to the testimony of our witnesses on this important legislation. I hope that the Committee will move H.R.

5613 forward quickly, to both protect Medicaid beneficiaries and the integrity of the program.

Prepared by the Committee on Energy and Commerce  
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