

Opening Statement of the Honorable Joe Pitts
Subcommittee on Health
Hearing on “Advancing Patient Solutions for Lower Costs and Better Care”
June 10, 2016

(As Prepared for Delivery)

Today’s hearing will examine legislation designed to modernize the current health insurance market by empowering States to better regulate markets tailored to their unique conditions. Previously, this committee examined health care solutions that centered on promoting patient choice and innovation in the design of health coverage. This hearing is a natural follow-on to that.

Current law is leading to an increase in health care premiums. Double-digit premiums increases are hurting, not helping, patients. It’s no surprise that a recent Gallup poll revealed that [health care costs top American families’ financial concerns](#).

Almost daily, headlines across the country offer frightening news on health care costs. This undoubtedly is contributing to the fears of the American people.

Here are some of the numbers:

- In Virginia, nine insurers are looking to raise premiums as high as 37.1 percent.
- Three of the requests in Oregon are over 29.6 percent.
- One plan in New York is asking for a shocking 89 percent increase.
- For Texas, the biggest plan wants to raise its rates 60 percent.
- In Colorado, Golden Rule is seeking a 40.6 percent hike, Rocky Mountain HMO is seeking a 34.6 percent boost and Colorado Choice wants a 36.3 percent increase.
- Connecticut has three plans wanting increases from 12 to 27 percent.
- And in my home state of Pennsylvania, one insurer is seeking a 48 percent increase, while the Insurance Department says the average request is 23.6 percent for individual plans.

This is why we are here today: To offer better care at a fairer price. Our solutions aim to help patients, stabilize the insurance markets, restore flexibility, provide more choices and keep costs in check.

Health care is the most personal of any political issue. When Congress gets involved in health policy, we are changing peoples’ lives. Decisions we make in Washington can have a tremendous effect on the well being of families and their budgets. States, on the other hand, are great innovators and when given the flexibility to tailor coverage and conditions, patients are the winners – with greater choices and more affordable options.

The five bills before us today offer a variety of options to begin to reduce costs – including the Flores bill to align grace periods; the Blackburn bill which requires eligibility verification; the Brooks bill which adjusts age-rating ratio for health care pricing; the Griffith/DeGette bill that allows individuals and families to purchase stand-alone dental plans either on or off the exchanges; and the Rick Allen bill which establishes an audit process for failed State exchanges. Any unallocated or misspent Federal funds would be returned to the U.S. Treasury.

The first thing health reform should accomplish is to stabilize or reduce the costs of health care. The number one complaint people have about health care is the rising cost, and yet the current

law has done little to decrease health care spending. In fact, many Americans are paying higher premiums and deductibles for health insurance and care as a result of the law.

We can do better. We must make health care costs more transparent and give people the freedom to choose the insurance that they want – with the benefits they value most at a price that is fair.

More government bureaucracy, regulations, and spending never successfully reduce the price of health care. Yet that is exactly the premise of how health insurance is regulated today – with top down mandates that empower Washington and remove control over health care decisions from states, small businesses, families and individuals. This has to be changed if we truly want bottom up solutions that provide better care at lower costs for patients.

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