

**Opening Statement of the Honorable Fred Upton
Subcommittee on Communications and Technology
Hearing on “Examining the FY 2016 HHS Budget”
February 26, 2015**

(As Prepared for Delivery)

Secretary Burwell, welcome. Today marks your first official appearance before the Health Subcommittee – but I know it isn’t your first time in this room as you participated in one of our 21st Century Cures roundtables last year. Your testimony today comes at a pivotal point in health policy, from our exciting cures effort to next week’s Supreme Court oral arguments. We look forward to hearing the administration’s perspective on the many important issues facing the American people. You have said that during your tenure at HHS, transparency, ownership, and accountability are important values for the department to demonstrate, which we welcome.

In that spirit, we look forward to gaining straightforward answers here today about implementation of the president’s health care law. There have been quite a few red flags raised in recent weeks on the continued struggles to implement key pieces of the health law.

Just in the past week, 800,000 households learned that key tax forms sent out by the administration contained major errors. Those Americans were asked to delay tax filing, therefore also delaying refunds. A recent analysis from H&R Block estimates that the majority of Obamacare customers are being forced to pay back some of their subsidies.

Millions of Americans are also now learning about the law’s IRS fines for failing to comply with the individual mandate. The backlash has been so intense that the administration has resorted to yet another “special enrollment period” to quell some of the anger of those who are just coming to learn about the individual mandate penalty.

And this week, the HealthCare.gov CEO Kevin Counihan suggested that the back-end functions of the exchanges would undergo a two-year development plan. That means this key part of the law will not be fully complete until President Obama leaves the White House.

Collectively, these revelations suggest that the health care law is still not working. Our constituents deserve better. That is why I have worked on introducing the Patient CARE Act, a health care reform blueprint with my colleagues in the Senate, Chairman Hatch, and Mr. Burr. I look forward to working with my colleagues about these ideas to improve health care in America by empowering states and families, not Washington.

Yes we have concerns with the president’s signature law. But there are other important health areas that we believe are fertile for collaboration. For the past year, this committee has undertaken the bipartisan 21st Century Cures initiative to accelerate the pace of the discovery, development, and delivery of new treatments and cures for American patients.

I would like to thank you for your personal engagement on the 21st Century Cures initiative. As you know, this is a top priority for our committee this year. Patients and families in my district in Michigan and across the country are looking for hope, and that’s what we seek to instill. And this effort is also important to many job creators as well, firms like Stryker, Perrigo, and Pfizer in southwest Michigan. I would also like to thank the staff throughout the administration, particularly at the FDA and NIH, their time, work, and effort to help us improve the ideas released by our committee at the end of January. We have established a great foundation for bipartisan success.

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