Opening Statement of the Honorable Joe Pitts
Subcommittee on Health
Hearing on "PPACA Pulse Check: Part 2"
September 10, 2013

(As Prepared for Delivery)

On August 1, CMS Administrator Marilyn Tavenner testified before the full committee on implementation of the Affordable Care Act.

She assured us that despite numerous delays – including one-year delays of the "employee choice" provision of the SHOP Exchanges, the employer mandate, and verification of eligibility for insurance subsidies – that the exchanges would be ready on October 1 to begin enrolling Americans in new health plans and that implementation of the law's other provisions was on track.

Since that hearing, we have learned of several troubling developments.

On August 13, *The New York Times* reported that it had discovered a delay in the implementation of the law's out-of-pocket caps – *buried in a list of 137 "Frequently Asked Questions," posted on the Department of Labor's website on* ***February 20, 2013***.

On August 27, CMS announced that instead of finalizing contracts with health plans set to participate in exchanges between September 5 and September 9 – as had been expected – final contracts would not be signed until mid-September.

Obamacare's implementation involves a litany of federal and state agencies.

My constituents are understandably confused about what is happening with the exchanges, enrollment, and premiums.

Considering the Administration's track record on deadlines and delays, reassurances from CMS officials are not comforting.

In our previous hearing, Administrator Tavenner also made an extraordinary remark that she had only heard of "isolated incidents" of the ACA having burdensome or negative impact on Americans.

I would briefly like to share the experiences of some of my constituents who are being harmed by the law.

In April of this year, Eastern Lancaster County (Elanco) School District and Penn Manor School District in Lancaster, PA both announced that they were "outsourcing" some employees to avoid the costs of complying with the ACA's employer mandate.

Elanco will outsource approximately 90 food service workers and classroom aides, and Penn Manor is shifting more than 95 special-education classroom aides off its payroll. The affected employees work over 30 hours a week, thus triggering the employer mandate, and the school districts simply cannot afford to pay for the additional expenses of covering these individuals.

Dairy farmers in my district, members of the Mt. Joy Farmer's Cooperative Association, which is affiliated with Dairylea Cooperative, currently enjoy a negotiated plan characterized by a low-risk pool and shared savings. As of January 1, 2014, they will lose this unique risk pool and be forced on to the Exchanges.

A father from my district wrote me, distraught, about his daughter's work hours being cut to 28 hours a week, because her employer could not absorb the cost of providing her with health insurance. He is among dozens of people who have told me that their hours have been cut, and they have been moved from full-time to part-time as a direct result of the ACA.

Dozens more have expressed shock at the staggering premium increases they face in 2014.

These are not “isolated incidents.”

I would like to welcome all of our witnesses here today, and I look forward to their testimony.

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