

Statement of the Honorable Cliff Stearns
Committee on Energy and Commerce
Chairman, Subcommittee on Oversight and Investigations
Hearing on The Center for Consumer Information and Insurance
Oversight and the Anniversary of the Patient Protection and Affordable
Care Act
March 21, 2012

(As Prepared for Delivery)

It has been two years since the health care law was forced on the American people on a purely partisan basis. As we have done since its initial passage, we continue to evaluate the effect the law has on individuals, the health care industry, and the government.

It's fairly obvious what those effects are: higher costs, higher premiums, and increased government control.

These are not partisan points—these are objective facts. Proponents of the law promised lowered premiums, they promised lowered costs, and they promised that if you didn't want your coverage to change, it would not. That is simply not the case.

This month, the Congressional Budget Office (CBO) announced that the 10-year cost for the bill is nearly \$2 trillion, substantially higher than the figure used when the law was passed.

The CBO also reported that as many as 20 million Americans could lose their current coverage—despite the president's countless promises that if you liked your coverage you could keep it.

These are not partisan talking points; this is the analysis of the non-partisan Congressional Budget Office.

Meanwhile, the implementation of the law has failed to inspire confidence in the future of Obamacare:

The cost and premium increases for some were so large that a waiver program had to be created to excuse over 1,700 companies, insurers, and individuals from the law's effects. For example, one business from my home state of Florida needed a waiver so that 34,000 individuals did not face

significant premium increases or the loss of coverage. Yet, these waivers still expire in 2014, and I fear the premium increases and loss of coverage will become unavoidable for over three million Americans.

The Early Retiree Reinsurance Program is practically broke. In fact, we'll probably learn from one of the witnesses today whether this program—which was supposed to last until 2014—has finally run out of money. As of last month, it had already spent \$4.7 billion of its \$5 billion budget.

Despite predictions that 375,000 individuals would sign up for the temporary high risk pools in the first year, only 50,000 have signed up two years later.

The countless pages of regulations, rules, and requirements for Obamacare have been incredibly confusing. To my constituents and individuals throughout the country, these massive new rules and regulation demonstrate the increasing interference of the federal government in their lives, while to the business community the uncertainty they create makes planning for the future nearly impossible.

Lastly, the creation of the Independent Payment Advisory Board (IPAB) has been met with universal distain by the medical community and our seniors. Today, we'll be debating on the House floor a bill to repeal this board of unelected bureaucrats charged with cutting Medicare payments to doctors and hospitals.

Of course, next week the Supreme Court will address the question of whether this unprecedented reach into every Americans life is permitted by the Constitution, but today we want to evaluate the law's effects since passage.

Today's hearing is unique because we will start off with a member panel featuring both Senator Ron Johnson from Wisconsin and our fellow House member Donna Edwards. I thank the members for appearing today, and we look forward to what they have to say.

We also have Mr. Steven Larsen joining us again today. Mr. Larsen is the Deputy Administrator and Director for CCIIO and is a previous witness of both this committee and the Subcommittee on Health. We welcome him back and thank him for joining us today.