

**Opening Statement of the Honorable Tim Murphy
Subcommittee on Oversight and Investigations
Hearing on “2014: Seeking PPACA Answers”
January 16, 2014**

(As Prepared for Delivery)

I convene this hearing on the Subcommittee on Oversight and Investigations to review the implementation of the Patient Protection and Affordable Care Act.

Our witness this morning is Mr. Gary Cohen, the Deputy Administrator and Director of the Center for Consumer Information and Insurance Oversight at the Centers for Medicare & Medicaid Services. Mr. Cohen, I would like to read you two quotes from your testimony before the committee last year:

- On April 24, 2013, when asked by the Ranking Member for benchmarks to measure CCIO's progress, you responded: "I think the keys are that we are on schedule and on track with the IT build that were doing, which is clearly an important part of this." And then: "I think it is just important to take a look at each of the steps along the path and make sure that we are on track. But I am very optimistic and confident of where we are at this point." Again, this was on April 24, 2013.
- Here is a second quote. On September 19, less than two weeks before the start of open enrollment, when Dr. Burgess asked you if open enrollment would be ready on October 1, you said: "Consumers will be able to go online, they will be able to get a determination of what tax subsidies they are eligible for, they will be able to look at the plans that are available where they live, they will be able to see the premium net of subsidy that they would have to pay, and they will be able to choose a plan and get enrolled in coverage beginning October 1." When pressed further, you responded: "I have nothing further to add to my answer."

Those unqualified statements that the exchanges would be ready by October 1 are now contrasted against what we have learned through our investigation since the HealthCare.gov website failed on launch.

Mr. Cohen, on April 4 and 5, 2013, just three weeks before you told this committee that you did not have "any question" about the exchanges being ready on October 1, the McKinsey Company briefed you on a number of risks facing the website and the federal marketplace. Those included late policy, delayed designs and building time, and a limited time to test the website. Why did you feel confident telling this subcommittee on April 24 that everything was on track? Similarly, CMS' own emails from the summer of 2013 show that CMS officials were worried that HealthCare.gov would "crash on take off." And yet, you again told us in September that everyone would be able to go online, select a plan, learn their subsidy, and enroll starting October 1.

Mr. Cohen, I thank you for being here today. I know the number of times you have made yourself available to testify to this committee and I do appreciate it. But it seems like you are faced with two alternatives today: either you didn't know about the problems with HealthCare.gov when you testified last year, or you did, and decided not to inform Congress.

This is part of a pattern for this administration and the Affordable Care Act that is so disheartening to the American people. Promises made, promises broken. We have spent over \$600 million on the HealthCare.gov website and the administration gave absolutely no warnings that a disaster was approaching—and now we know those warnings were obviously there. The broken promises don't end there. After years of saying that "if you like your plan you can keep it", the president finally apologized. What about the \$2,500 in premium savings the president promised? We don't hear that promise anymore. Now recent news reports have discussed narrow provider networks as a consequence of the

Affordable Care Act. Will Americans still be able to keep their doctors? Will they be able to afford their deductibles?

This hearing is not just about looking backward and determining who knew what about the website. But one important purpose of this hearing is accountability. Mr. Cohen, we would like to try and start fresh in 2014, but our ability to do so depends on you explaining fully and honestly what you knew and what you understood about the development of the exchanges and website as it was happening, and how that informed your testimony last year to this committee. Because, as we have often said, this is about more than a website. If people are to trust and rely on this system, this administration needs to have an honest and open dialogue with the public about the status of implementation. Promises of "all is well" just don't cut it anymore. With the start of coverage just a few weeks ago, there are many important issues to examine about how the exchanges are operating. If problems are looming, we need to get the facts on the table and do something about it before it is too late. Mr. Cohen, I hope you will give complete answers today to the following questions:

- Why didn't you tell Congress last year about the problems with HealthCare.gov?
- How many people have actually paid their insurance premiums in the exchanges?
- Of those people who have paid their premiums - how many were uninsured and how many had their plans cancelled?
- How much will the taxpayer end up spending on HealthCare.gov, and where are you getting the money for it?
- News reports have stated that not enough young people are enrolling. When will we know about the risk corridors, and whether the federal and state exchanges are sustainable?

###