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2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074

FACSIMILE (202) 225-3974

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Opening Statement

Rep. Danny Davis, Ranking Member

Hearing on "Waste, Abuse and Mismanagement in Government Health Care"

April 5, 2011

As a Chicago native, I have long focused on the problems of the inner city poor and disabled. The seventh congressional district is the largest medical center district in the country, with 21 hospitals, 4 medical schools, and 92 community health centers. Specifically in my district, the Affordable Care Act, which I strongly supported, improved health insurance coverage for 334,000 residents and closed Medicare's prescription donut hole for 76,000 seniors. Additionally, it extended coverage to 52,000 uninsured residents and has reduced the cost of uncompensated care for hospitals and other health care providers by \$222 million annually.

At a time when thirteen million older Americans are considered economically-insecure and our constituents are grappling with unemployment and the effects of the economic downturn, I am at a loss when some in Congress are pushing to reduce or eliminate basic health care services for vulnerable Americans. Make no mistake, a repeal of the Affordable Care Act and deficit reduction proposals targeting Medicare and Medicaid will equate to an assault aimed at women, the sick, and the poor. In 2009, over 365,000 Americans were on waiting lists in 39 states to join the 3 million aged and disabled individuals receiving long-term care services in nursing homes and in home health care settings.

I am concerned that today's hearing reportedly focused on "Waste, Abuse, and Mismanagement in Government Health Care" is less about constructive proposals to fight fraud and is more about the House Republican leadership's campaign to cut Medicare and Medicaid. For the record, this is the fourth hearing in a row in the House on this topic with three identical hearings held in recent weeks by the Energy and House Committee, the Committee on Ways and Means, and, finally, the Committee on Appropriations. It is clear to this Member that Republican leadership has given messaging orders to its rank-and-file for its campaign to slash Medicare and Medicaid.

Certainly targeting waste and abuse in Medicare and in Medicaid is an important and bipartisan effort. I note that in February a multi agency anti-fraud effort, coordinated under the auspices of the Administration's Health Care Fraud Prevention and Enforcement Action Team—known as HEAT, resulted in criminal charges being brought against 111 individuals who allegedly defrauded the Medicare program out of \$225 million dollars through false billing claims and kickback operations. As a proud supporter of the Affordable Care Act, which contained essential funding and new tools for agencies to fight health care fraud, I am especially pleased that the HEAT initiative has recently expanded to Chicago.

I thank the witnesses for joining us today and I look forward to hearing their testimony.