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House of Representatives

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Opening Statement

Rep. Elijah E. Cummings, Ranking Member

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

April 5, 2011

Last year, Medicare and Medicaid provided health care services to an estimated 115 million Americans, the vast majority of whom are seniors, individuals with disabilities, and children. Given the millions of Americans who rely on these programs, it is imperative that we root out fraud, because every dollar squandered is a dollar that does not go to critical health care services for these vulnerable Americans.

I am encouraged that the Obama Administration has taken on fraud so aggressively by expanding on the efforts of the Clinton and Bush Administrations. In 1997, the Health Care Fraud and Abuse Control Program was created to help fund and coordinate the efforts of the Centers for Medicare and Medicaid Services, the Department of Justice, the Inspector General at the Department of Health and Human Services, and state governments.

Through this program, more than \$18 billion has been recovered for the federal treasury. And since 2008, every dollar invested in this program has resulted in a return on investment of \$6.80 in recovered funds.

While I support these aggressive efforts, I am concerned that combating fraud is not the real purpose of today's hearing. This hearing appears to be the fourth in a series of identical hearings mandated by the House Republican leadership to promote messaging around its broader goal of slashing government health care programs to the bone.

Just this morning, Republicans on the House Budget Committee announced massive, unprecedented new cuts to the Medicaid and Medicare programs.

These cuts will have a drastic effect on seniors. Medicaid is the single largest payer for seniors in nursing homes and covers 43% of nursing home care. The Republican budget would block-grant Medicaid and slash its funding. The Republican budget would also inflict severe cuts on Medicare for 39 million seniors across the country.

These extreme cuts will also affect the most vulnerable Americans, including people with disabilities. Half of all Medicare beneficiaries have an annual household income of \$20,000 or less and suffer from chronic conditions. Almost a third have mental impairments, and more than one-fourth have limitations on activities of daily living such as eating, dressing and bathing.

Perhaps worst of all, these draconian Republican cuts will impair the health care of millions of our nation's children. Medicaid provides essential health coverage to 60 million vulnerable Americans, and half of these are children. In fact, Medicaid is the single largest insurer of children in the nation.

I want to make absolutely clear that I support eliminating fraud and waste in government programs, and I am absolutely committed to a leaner government that does more with less.

But what are the Republican priorities? They do not eliminate subsidies for oil companies that are drilling right now in the Gulf for free. Their proposal does not scale back the Bush tax breaks for the richest 2% of our society. To the contrary, they lower the top corporate tax rate even further, down to 25%.

The Republicans call this their Path to Prosperity, and that's exactly what it is—for the rich. But it's a Path to Poverty for millions of seniors, people with disabilities, and children across the country. This is disgraceful, it is wrong, and it is immoral. This is not just about cutting dollars—it's about our values as a nation, and it's about our priorities as Americans.

Rather than holding another "check the box" hearing to echo the Republican leadership's message of the week, I propose that this Committee hold a hearing to examine how the Republican budget proposal will deny critical health care services to millions of the most vulnerable Americans among us.