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Opening Statement

Ranking Member Elijah E. Cummings

“Fulfilling a Legal Duty: Triggering a Medicare Plan from the Administration”

July 12, 2011

Chairman Gowdy and Ranking Member Davis, thank you for holding today’s hearing.

There are 45 million people nationwide who depend on Medicare for their healthcare. For them, and for the millions of seniors who will come after them, it is vital that Congress ensure Medicare’s long-term solvency. The Patient Protection and Affordable Care Act extended the Medicare trust fund’s solvency by eight years, which is one of the many reasons I am proud that I voted to enact this law.

By providing free preventative screenings and reducing the cost of brand name prescription drugs, the Affordable Care Act has already made a tremendous impact on the seniors’ healthcare, and their pocketbooks.

The Affordable Care Act also addresses the escalating costs of health care by reforming Medicare’s payment and delivery system to incentivize high-quality, better coordinated care, to root out inefficiencies, and to fight fraud and abuse.

In contrast, the recent plan passed by House Republicans would eliminate Medicare as we know it. In a radical transformation, they would wipe out Medicare’s guaranteed benefits for seniors. They would also shift massive costs onto seniors, while doing nothing to address the real reasons behind the high costs of healthcare.

Under the Republican plan, seniors age 65 and 66 would be abandoned to find health care on their own or go without it. Seniors 67 and older would get a voucher from the government to pay for a smaller and smaller share of their healthcare costs each year.

The non-partisan Congressional Budget Office estimated that the Republican plan would more than double out-of-pocket costs for seniors. Right now, seniors pay about 25-30%; under the Republican plan, they would pay 68%.

The Center for Economic Policy Research calculates that the Republican plan would shift costs of up to \$4.9 trillion onto seniors. For the individual senior citizen, that would amount to an average of \$13,368 per year.

Mr. Chairman, the Republican plan is a cruel betrayal of our nation's seniors. It would have a profoundly negative impact on the health of the elderly, it would be detrimental to the nation's economy, and it would impair the living standards of seniors and their children, who will be called on to take over when the government abandons them.

This radical plan is not inevitable, and Democrats in Congress will fight tooth and nail to help protect our nation's seniors from this abomination. At the same time, we will seek common-sense measures to curb run-away medical inflation, rather than taking away medical care from people who need it most.

I look forward to the testimony of the witnesses here today.

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