



COMMITTEE ON  
**ENERGY & COMMERCE**  
RANKING MEMBER FRANK PALLONE, JR.

DEMOCRATS

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**Statement of Ranking Member Frank Pallone, Jr., as prepared for delivery  
House Energy and Commerce Committee  
Subcommittee on Health  
Hearing on “H.R. 1624, Protecting Affordable Coverage for Employees Act”**

Thank you Chairman Pitts. I welcome today’s hearing on the Affordable Care Act’s required expansion of the small group insurance market and H.R. 1624, which instead aims to give states the option to expand.

As everyone knows, I am a strong supporter of the Affordable Care Act—and for good reason. Since its passage, 17 million Americans have gained health insurance coverage. As a result, we’ve seen the largest reduction in the uninsured in four decades.

The ACA has increased access and reduced financial barriers to important preventive services, such as cancer screenings and well-woman visits by requiring their coverage with no cost sharing. The law also stopped insurers from discriminating based on preexisting conditions or placing annual limits on how much health care they will cover. Fewer Americans are struggling to pay their medical bills and fewer are forgoing care because they can’t afford it. In 2015, nearly 80 percent of individuals shopping for coverage on HealthCare.gov could purchase coverage for \$100 or less after tax credits.

With all of ACA’s reforms, from its passage to its implementation, we have heard predictions that the sky was falling, yet it has not. Premiums have stabilized and millions of Americans are no longer one accident, injury, or diagnosis away from financial ruin.

That said, of course, no law is perfect and there is always room for improvement. Historically, Congress has been able to pass technical fixes and improvements after major legislation. A perfect example of this is Medicare, which has continually evolved over the course of the last 50 years. Since 1965, we have expanded Medicare coverage to include mammograms and hospice care. We have learned lessons that convinced us to move

away from fee-for-service towards alternative payment models. The ACA will need improvements as well, and it's critical we ensure that the ACA works for everyone.

That is why, I'm glad that my Republican colleagues are ready to put politics aside and look to strengthen the law. While I commend the bill's sponsors – Reps. Cardenas and Guthrie for their leadership on this important issue – I don't necessarily agree this is the right approach.

The small-group health insurance market is in the midst of several reforms as a result of the ACA. The SHOP Marketplaces are still in their infancy. While these reforms are still underway, experts will tell us that expanding the definition of small employers now would add significant uncertainty into our small-group market. However, a few year-transitional delay would provide us with more appropriate research and actuarial data to make a smart decision at the appropriate time. I believe the benefits of an expanded small-group market such as added consumer protections and increased stability for small employers are important and achievable goals. So, I am concerned that H.R. 1624 is premature.

But I am mindful of the uncertainty that comes with moving forward with the expansion. That is why I am pleased to view today as a turning point. As opposed to using the ACA as a political football through repeated, futile attempts to repeal or defund the law, Republicans and Democrats have come together today in a bipartisan fashion to improve and strengthen the ACA. I am hopeful this spirit can continue.

Thank you and I yield the remainder of my time to Mr. Cardenas.

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