Opening Statement
Rep. Gene Green
Health Subcommittee Hearing: "Strengthening Medicaid Program Integrity and Closing Loopholes"
September 11, 2015

Good morning and thank you all for being here today.

Throughout its 50 year history, Medicaid has been an adaptable, efficient program that meets the health care needs of millions of children, pregnant women, people with disabilities, seniors and low-income adults.

Today, Medicaid serves as a lifeline to nearly 72 million Americans who depend on the program for health coverage.

The Affordable Care Act included the most significant changes to the program since its creation.

It expanded coverage, made improvements to promote program integrity and transparency, and advanced delivery system reform.

Thanks to these provisions, the uninsured rate is at a record low, and the program continues to efficiently provide coverage to enrollees.

Program integrity provisions of the ACA shift from the traditional "pay and chase" model to a preventative approach, by keeping fraudulent actors out of the program before they commit fraud.

Today we are examining six Medicaid proposals.

Four of the bills under consideration address program integrity, and two deal with eligibility.

Efforts that truly improve transparency and program integrity are something we can all support.

The Affordable Care Act took major steps to improve program integrity in Medicaid, including new protocols for the comprehensive screening of suppliers and providers, and additional authority to terminate entities that commit fraud.

These are significant steps forward; however more can be done to ensure these reforms are fully implemented.

We should also continue to examine other ways to further strengthen Medicaid program for all beneficiaries, so that dollars are spent on quality care, without inappropriately limiting access.

While we will hear about all six legislative proposals during today's hearing, I want to take this opportunity to highlight a few.

Prior to the passage of the ACA, if a State terminated a provider's participation in its Medicaid program, the terminated provider could potentially participate in the program in a different State, leaving the system vulnerable to fraud and abuse.

The ACA took steps to prevent this from happening, but OIG has identified weaknesses in the process.

One of the legislative proposals would build on the ACA, and with some technical changes, this proposal will achieve its intent to further reduce waste and fraud, and promote quality and safety in the Medicaid program – something we all support.

Two of the bills under consideration would scale back Medicaid eligibility under the guise of closing loopholes.

The Affordable Care Act established a streamlined, coordinated eligibility determination system for Medicaid and CHIP, as well as premium tax credits and cost-sharing subsidies.

The approach was designed so that people can quality for the appropriate program without gaps or duplication, and move between insurance programs when their incomes change.

H.R. 2339 would undermine this approach by requiring states to count lump sum income as though it were income that the individual is receiving for up to 20 years after it was actually received.

The bill is being described as a way to prevent people who win large lottery pay outs from receiving Medicaid, but this is misleading.

By counting all lump-sum income as monthly income, the overwhelming majority of people it would affect are those who received things like workers' compensation settlements, unemployment and retroactive disability payments.

If H.R. 2339 became law, a significant number of low-income Americans who receive a lump sum income could be inappropriately determined ineligible for Medicaid and lose access to their health insurance.

Gaps in coverage due to "churn" is an issue I have been concerned about for some time, and have worked with my colleague from Texas, Representative Joe Barton, to advance legislation requiring 12-month continuous enrollment in Medicaid and CHIP.

Coverage gaps due to temporary changes in income are bad for patients, providers and health plans, and ultimately, is a waste of tax payer dollars.

This is a concept MACPAC has recommended in several reports to Congress.

Proposals that ensure federal and state taxpayer dollars are spent appropriately on delivering quality care and prevent fraud, waste and abuse from occurring should be supported.

Good program integrity holds all stakeholders accountable, without unintentionally impeding access.

I want to thank our witnesses for being here today, and look forward to the discussion on the legislative proposals under consideration.