

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Subcommittee on Health Ranking Member Anna G. Eshoo

***Hearing on “Health Care Spending in the United States: Unsustainable for Patients,
Employers, and Taxpayers”***

January 31, 2024

Thank you, Mr. Chairman and good morning, colleagues and welcome to the first Health Subcommittee hearing of 2024. As the Chairman said today, we’ll discuss a pressing issue for all Americans: health care spending.

In 2022, the United States as the Chairman said spent \$4.5 trillion on health care. This accounts for nearly 20 percent of the U.S. economy, and per capita, that’s almost \$14,000 per person. But, patients are not seeing better health outcomes. Americans live shorter lives than residents of other developed nations such as Germany, the United Kingdom, and Austria, despite spending double on health care.

Americans are also in an affordability crisis. Half of Americans say it’s difficult to afford the cost of health care and two-thirds of Americans say our health care system doesn’t meet their needs. Patients fear they can’t afford to pay their bills if they get sick, even if they have health insurance.

Yet there is a bright spot that bears our attention today: Medicare, one of our nation’s most important federal health care programs, covers more than 65 million people and accounts for ten percent of the nation’s budget. After decades of rapid increases, Medicare spending is defying trends seen in other parts of our health care system. Spending on Medicare patients has slowed to the lowest rate since 2005. Between 2013 and 2019, spending increased just over two percent and is expected to remain relatively flat through 2031. Importantly, costs will continue to decrease as Medicare, for the first time ever, negotiates prescription drug prices.

Another policy that will lower health care spending is the Lower Costs, More Transparency Act, which passed the House with overwhelming bipartisan support. The legislation will empower patients to make informed decisions about their care by shining a light on parts of the health care industry that have remained hidden for too long – such as the profits middlemen called pharmacy benefit managers extract at the expense of patients. I hope the Senate passes this bill quickly. Now, Senate and quickly is an oxymoron but we can still hope.

But Congress’s job won’t be done when the Lower Costs, More Transparency Act is signed into law. There’s more Congress can do to lower costs, and we can start by building on the successes of the Inflation Reduction Act (IRA) which has lowered health care costs for seniors on insulin, prescription drugs, and vaccines. Premium tax credits from the IRA also fueled record-breaking enrollment in health coverage under the Affordable Care Act this year. 21.3 million people enrolled in marketplace coverage during the Open Enrollment Period, including 5

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million new enrollees nationwide. 80% of enrollees found a plan for less than \$10 a month. Congress should make the premium tax credits permanent to protect and expand health care coverage for all Americans.

Together with all of my colleagues here I look forward to the testimony that the witnesses are going to offer today telling us what they think Congress should do to lower costs while improving the health of our nation. Thank you Mr. Chairman and I yield back