

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Full Committee Ranking Member Frank Pallone, Jr.

Hearing on “Legislative Proposals to Increase Medicaid Access and Improve Program Integrity”

April 30, 2024

Our nation faces an ongoing long-term care crisis that is impacting millions of American seniors, people with disabilities and chronic conditions. The growing need for long-term care continues to be one of the greatest threats to retirement security for American seniors, and the adult children who care for them. Today, Medicaid is the nation’s primary payer for long-term care services, but significant reform is needed to support a sustainable system. I have also long believed that we must move forward with bold solutions within both Medicaid and Medicare. This has been a priority of mine for years, and it is particularly important since demand for long-term care is expected to increase substantially as our nation’s population ages.

This Committee has long worked to expand access to long-term care for people who need it, while also improving the quality of care and promoting better pay for providers. We are continuing some of that work today by considering the Stop Unfair Medicaid Recoveries Act, bills to make the Money Follows the Person demonstration program and spousal impoverishment protections permanent, and bills to improve access to Medicaid home- and community-based services for some of the many additional Americans who need it.

While I appreciate the modest improvements these policies would make, much more significant long-term care reform is needed. Last Congress, I was proud to co-sponsor the Better Care Better Jobs Act, which would have increased funding for Medicaid home- and community-based services, ensured those funds were used to improve the quality and availability of such services, and strengthened the direct care workforce by addressing insufficient payment rates and high turnover rates.

I have also previously released a proposal to establish a long-term care benefit in the Medicare program so that millions of seniors and people with disabilities no longer have to face financial ruin before they get assistance. These are the types of sweeping reforms that we need to be thinking about in order to address the long-term care crisis.

Unfortunately, we will not be considering proposals to make those types of changes today. Instead, we will consider several Republican bills that would worsen access to quality long-term care for the millions of Americans who depend on it.

Some of the Republican bills that we will consider today go after rules the Biden Administration just finalized last week that lay the groundwork for necessary, systemic long-term care reform. The Administration’s action establishes minimum staffing standards for

nursing homes, requires that at least 80 percent of Medicaid payments for home care services go to caregiver pay, and expands nursing home oversight. These are important steps, but Republicans have proposed bills that would prevent them from taking effect and would ban any similar initiatives in the future.

We will also consider Republican legislation to roll back protections that ensure nurse aides working in nursing homes meet minimum training requirements and that their training is provided in settings that meet minimum quality standards.

If we want to improve the quality of long-term care, we need to ensure there are enough qualified workers, and to ensure there are enough qualified workers, we need to pay them adequately and provide a safe place for them to work. These rules by the Biden Administration take steps to do just that. They also balance the unique challenges that some nursing homes and home- and community-based service providers may face by phasing in certain requirements over time, and allowing hardship exemptions where they are truly needed.

While I have concerns about these Republican bills that would undermine the Medicaid program, I am pleased we will consider several proposals aimed at improving its integrity. To promote program integrity, we must acknowledge the system through which most Medicaid beneficiaries receive their care. More than 80 percent of Medicaid enrollees are covered by managed care programs and, increasingly, states are turning to managed care plans to administer Medicaid long-term services and supports.

The HHS Office of the Inspector General and the Government Accountability Office have long raised concerns about instances of waste, fraud, and abuse, low quality of care, and poor access to care in Medicaid managed care. Yet, the federal government lacks practical means to ensure plan compliance with federal rules. H.R. 8115 would give the government basic and necessary tools for Medicaid managed care oversight and enforcement. There is no reason this legislation should not garner strong bipartisan support.

I look forward to the discussion today and with that, I yield back the balance of my time.