

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

Hearing on “What’s the Prognosis?: Examining Medicare Proposals to Improve Patient Access to Care & Minimize Red Tape for Doctors”

October 19, 2023

Last year, my constituent and the President of the California Medical Association, Dr. Donaldo Hernandez, wrote a letter to me saying that “Within our health care system, a crisis of grave proportions is taking shape.” It was November 2022 and while COVID cases had eased, health care workers were still struggling to keep up. “For us and the patients we serve,” Dr. Hernandez wrote, “the crisis is far from over.”

The California Medical Association surveyed its members about how Medicare payments are impacting access to care. The responses are striking and highly instructive:

1. 87 percent of physicians said low Medicare reimbursement rates negatively impact their ability to recruit and retain physicians and
2. 76 percent of physicians said Medicare payments didn’t cover the cost of providing care.

A few bills we’re considering today attempt to stabilize doctors’ Medicare reimbursement, although we’re notably not considering Dr. Bucshon and Dr. Ruiz’s H.R. 2474 to provide a Medicare physician payment update tied to inflation. I think that is really a must on a bipartisan basis.

I also often hear from physicians in my district about administrative burdens from Medicare and commercial health insurers. For example, seven years ago, Congress passed MACRA or the Medicare Access and Chip Reauthorization Act, as Dr. Buschon said, to finally end the annual need to pass the “doc fix” to save doctors from cuts to Medicare reimbursement. That legislation created the Merit-Based Incentive Payment System which the GAO found added more administrative burden while doing little to improve quality of care. I think our Subcommittee should seriously consider MedPAC’s recommendation to eliminate the Merit-Based Incentive Payment System.

While traditional Medicare increased its paperwork through MACRA, Medicare Advantage plans also started burdening doctors by overusing prior authorization. Prior authorization has morphed into a costly, inefficient mechanism that prevents patients from

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receiving care and adds unnecessary burdens onto providers. It's why I support the *Improving Seniors' Timely Access to Care Act* to reduce the overuse of prior authorization in Medicare Advantage plans.

While this hearing is focused on improving patient access to care and reducing burdens on physicians, I'm concerned my Republican colleagues once again refused to consider legislation to fund State Health Insurance Programs and Area Agencies on Aging: two programs whose funding expired on September 30th. As I said during our last hearing, California's State Health Insurance Program is called HICAP. This is a program that works and it works very, very well. It provides stellar services every day for seniors in my district who have Medicare problems. Its incomprehensible Republicans have let funding for critical programs like HICAP expire. I'm also concerned this Subcommittee is once again considering a huge slate of bills – 23 in total – with nearly half either in discussion draft form or only formally introduced a week ago.

I look forward to hearing from our witnesses today on how we can enhance beneficiary access to care and reduce burdens on physicians without jeopardizing the financial sustainability of the Medicare program. Ten thousand Americans age into Medicare every day. If that isn't reason enough to find a solution to these issues, then I don't know what is. Thank you and I yield back.