

Opening Statement of Ranking Member Mark DeSaulnier (CA-10)

Subcommittee on Health, Employment, Labor, and Pensions

A Healthy Workforce: Expanding Access and Affordability in Employer-Sponsored Health Care

Wednesday, April 2nd, 2025 | 2:00 p.m.

Thank you, Mr. Chairman. I want to thank you for having this hearing.

As you know, as soon as we both knew we were going to have these assignments again, I reached out and we had a wonderful conversation. As two former small business owners — well, I'm a "former," the grey and white hair came from politics, mostly — well, no, owning restaurants probably was worse — so we've both met payrolls, we've paid for insurance. My hope is that while we go into our ideological approaches to this — there's an old saying that "if you do what you've always done, you get what you've always gotten" — that when we get through this, we can work in a way that seems to me to be completely bipartisan.

How do we improve efficiently, with performance standards, the delivery of care and the cost to this marketplace? For you and I, as you've stated, and for large employers, clearly, if you're a business owner, you want to get value out of your insurance. You don't want to have high denials. You don't want to have, as you said, your employees not being as effective because they're not getting the support that they paid for. So, my concern is what's happening to the marketplace in this field.

In the previous session, the previous Chair and I had hearings on Pharmacy Benefit Managers (PBMs) — what an inefficient part of the health care delivery system. We have stories now about private equity companies going in and buying out rural hospitals, taking out all the assets and leaving, and having emergency response people having to take people an hour and fifteen minutes to the next nearest hospital instead of fifteen minutes. All of that is a structure that, while I don't know what the solution is — I have my own ideas, as you do — but it clearly, for me, is a level of urgency that this committee should really dive into.

And my respect for you, Mr. Chairman, and our collegiality over the years, being in the same class and our backgrounds, gives me hope that we can approach this in a way that we get good value for the employers and the employees, and that value includes the costs but also the quality of care. I don't think we're talking enough, in this hearing, but hopefully in future ones, about the quality of care. And then, secondarily, you know my passion about behavioral health — making sure people have that access. But we've also had hearings in the previous session, bipartisan hearings about denials. The facts about denials are just outrageous. I've had doctors tell me, all over the country, that claims they put in routinely for decades are now being denied. I have one example of that in my comments. So, thank you for this.

However, I have to start with the reality that the last three months with the current administration, DOGE, and Mr. Musk, have done irreparable harm, without analysis, to the health and safety of American workers, and this is the next part.

The reckless closure of key offices within the Department of Health and Human Services (HHS) and the firing of tens of thousands of essential workers is contrary to the Administration's supposed enthusiasm for efficiency.

You don't take years of experience in any operation, private or public, and just indiscriminately get rid of them. There is value that taxpayers lost by doing this. I am fine with greater efficiency, we can always look at that, but efficiency also requires us to look at the current, positive sides of the delivery of services. To me, that's the essence of owning a business: problem-solving without already assuming what the solutions are and being open-minded as to how we achieve those solutions. The Administration for Community Living (ACL), which is slated for closure, was formed specifically to streamline and bring under one umbrella the various programs in the Health and Human Services Department. I'd like to submit for the record a letter, signed by more than 450 organizations, expressing their dismay over the plan to eliminate the ACL and split its functions across three other agencies.

I would like unanimous consent at this time to submit this to the record. Thank you.

Today, we could discuss ways to improve access to care through employer-sponsored insurance by addressing exorbitant prescription drug costs or unjustified claims denials by large insurance companies. These are challenges we should tackle in light of the fact that last year alone, 31 million Americans had to borrow an estimated \$74 billion to pay for health care for themselves or a family member. Health care costs are the number one reason for personal bankruptcy in the United States of America. That is completely unacceptable. Instead, against this backdrop, my Congressional Republican colleagues are working to cut Medicaid, based on their budget decisions, to pay for tax cuts for billionaires and corporations.

While we could partner on efforts to expand coverage for all Americans, including through employer-sponsored insurance, my colleagues are unfortunately, in my opinion, pressing forward on efforts to eliminate health coverage and make health care costs skyrocket for many people without an analysis of the quality of care. In February, the House majority approved a budget resolution that would give tax cuts to the richest one percent, with a price tag of over \$1.1 trillion. To help pay for this, Republicans directed the House Energy and Commerce Committee to cut \$880 billion. The nonpartisan Congressional Budget Office (CBO) reported last month that there is no way for the majority party to meet their targeted cuts without forcing the most significant cuts to Medicaid in American history. I would like to enter this report into the record, and I ask for unanimous consent to do so.

I might add that the CBO also did a report on the tax cuts, and their analysis showed that over 85 percent of the benefits did not trickle down to Americans — it went to the top percent. So, in an age where we have the highest concentration wealth in the history of our country, this tax cut *actually* made it worse, according to the CBO.

I challenge my colleagues from across the aisle to hold town halls and listen to what their constituents say — I've had four in three months — about how much they rely on Medicaid. Constituents like Alisa Rosillo, who lives in my district I am proud to represent and is a parent to children with disabilities. She and her children would be irreparably harmed by reckless cuts to Medicaid.

One in five Americans are covered by Medicaid — and they're understandably furious and afraid that their health is being sacrificed to pay for billionaires' tax cuts.

Our priorities have never been clearer: Republicans are fighting to slash Medicaid for millions of people — I hope they change their mind, and I hope their constituents are telling them not to do that — raise taxes for consumers in ACA plans, and dismantle federal agencies that combat corporate greed, all in order to fund \$4.5 trillion in tax cuts for billionaires and large corporations. Also, they've just cut the National Institute for Health, including serious cuts to the American Cancer Institute, which we'll talk about further with Ms. Lilly. On the other hand, Democrats have solutions to take on Big Pharma, insurance companies, and large corporations — and not all of them. We support corporations that have social responsibility and want to work with us and that expect a profit from those contributions and their efficiencies. But unfortunately, too many corporations are driving to the lowest common denominator in terms of return on investment without any long-term strategy for the quality of the product they offer.

Last week, we celebrated the 15th anniversary of the *Affordable Care Act*, which dramatically expanded millions of Americans' access to affordable health care. Congressional Democrats continued to build on this progress with the *American Rescue Plan Act* and the *Inflation Reduction Act*.

Much more work needs to be done to improve health care in this country and make it more affordable. However, axing the services and coverage that so many Americans rely on is not the way to accomplish those goals. I look forward to us working together to increase efficiency and the quality of care in our health care system. Nothing, I think, should be more bipartisan, in spite of our differences of approach, in order to extend people's lives and the quality of life for all Americans, irrespective of where they live or what their party affiliation is.

Thank you, Mr. Chairman. I yield back.