

MAXINE WATERS

MEMBER OF CONGRESS
35TH DISTRICT, CALIFORNIA

CHIEF DEPUTY WHIP

COMMITTEES:
FINANCIAL SERVICES

SUBCOMMITTEE ON CAPITAL MARKETS AND
GOVERNMENT SPONSORED ENTERPRISES
RANKING MEMBER

JUDICIARY

SUBCOMMITTEE ON INTELLECTUAL PROPERTY,
COMPETITION, AND THE INTERNET

SUBCOMMITTEE ON IMMIGRATION POLICY
AND ENFORCEMENT

Congress of the United States
House of Representatives
Washington, DC 20515-0535

PLEASE REPLY TO:

WASHINGTON, DC OFFICE

2344 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-0535

PHONE: (202) 225-2201

FAX: (202) 225-7854

DISTRICT OFFICE:

LOS ANGELES OFFICE

10124 SOUTH BROADWAY

SUITE 1

LOS ANGELES, CA 90003

PHONE: (323) 757-8900

FAX: (323) 757-9506

Rules Committee
Hearing on H.R. 1213, a bill to repeal funding for Health Benefit Exchanges
Testimony by Rep. Maxine Waters
May 2, 2011

I would like to thank my colleague from California, Chairman David Dreier; Ranking Member Louise Slaughter; and all of the members of the committee for allowing me to testify today.

As you know, H.R. 1213 would repeal the mandatory funding provided to states in the Patient Protection and Affordable Care Act to establish American Health Benefit Exchanges. I have come here today to request that the Rules Committee allow me to offer four amendments to H.R. 1213 and waive all points of order against these amendments.

The Affordable Care Act requires the establishment of Health Benefit Exchanges in every state. These exchanges will be a marketplace for individuals and families to purchase health insurance. The exchanges will feature many different health plans offered by different insurance companies, all of which must offer a comprehensive set of essential health benefits at affordable prices. The exchanges will allow American consumers to compare premiums, out-of-pocket expenses, and health benefits and make informed choices. In other words, Health Benefit Exchanges will give individuals and families – instead of profit-motivated insurance companies – control over their health care.

Health Benefit Exchanges are at the heart of the Affordable Care Act. Without Health Benefit Exchanges, individuals who are currently uninsured will have nowhere to go for affordable coverage.

The Affordable Care Act allows states to establish their own Health Benefit Exchanges and offers grants to states to assist them in doing so. Without this funding, some states will have difficulty establishing exchanges in a timely manner. This could lead to poor state management of the exchanges, fewer health plans included on the exchanges, and years of delay in getting the exchanges up and running. Some states might simply refuse to establish exchanges at all in the absence of federal assistance. This will result in greater costs for the federal government, because the Affordable Care Act requires the federal government to establish health exchanges in those states that do not establish their own exchanges.

H.R. 1213 would repeal the funding provided by the Affordable Care Act to assist states in establishing Health Benefit Exchanges. However, H.R. 1213 does nothing to make certain that states will have the resources to establish exchanges without this funding. Furthermore, H.R. 1213 does nothing to make sure individuals and families will be able to find affordable health insurance with Health Benefit Exchanges.

According to an analysis by the Kaiser Family Foundation, there were 50 million nonelderly uninsured Americans in 2009. These 50 million people deserve an opportunity to purchase affordable health insurance coverage. If H.R. 1213's repeal of state funding would take that opportunity away from them, it should not be implemented.

I submitted four amendments to H.R. 1213. Two of these amendments would condition H.R. 1213's repeal of state funding for the exchanges and the other two amendments impose reporting requirements.

1. Amendment #5 states that this bill will not take effect if the Secretary of Health and Human Services certifies that a significant number of uninsured Americans would have difficulty obtaining affordable health insurance coverage without being able to access a Health Benefit Exchange.
2. Amendment #7 states that this bill will not take effect if the Governors of five or more states each certify that their states may be unable to afford to establish a Health Benefit Exchange without any federal assistance.
3. Amendment #8 requires the Secretary of Health and Human Services to submit to Congress a report on the extent to which states are expected to have difficulties establishing Health Benefit Exchanges without the federal assistance repealed and rescinded under this bill.
4. Amendment #9 requires the Secretary of Health and Human Services to submit a report on the extent to which uninsured Americans will have difficulty obtaining affordable health insurance coverage without being able to access such coverage through Health Benefit Exchanges.

I thank the Rules Committee for considering my amendments and respectfully request that you allow me to offer them on the House floor.