

Senator Maria Cantwell

Floor Speech on the Affordable Care Act

January 9, 2017

Ms. Cantwell: Thank you, Mr. President. I look forward to having this discussion this afternoon about the Affordable Care Act and the many votes and actions that we're going to be taking. I especially look forward to having this discussion with the President in the chair because I know he's a state that is greatly impacted by the health care delivery system and its short fallings and look forward to discussing with him many of the ideas that our colleagues have. I'm willing to work with anybody to improve our health care delivery system. I'm willing to discuss with anybody what we need to do to improve the quality of health care for Americans, and I'm specifically interested in making sure that we improve the outcomes of many Americans' health care and also lower cost. That's kind of been the hallmark of what the Northwest delivery system has been all about. Yes, that's right. We get less money and deliver many outcomes. It is not because we all like to hike, although there are many Washingtonians who like to hike. It's because we have had to do with less that we have perfected the system.

I'm here to talk about the Affordable Care Act and the many aspects of that that are so important to our nation in actually slowing the cost of increases and reducing our deficit. That is one of the keystones of why we did delivery system reform and we did health care reform. Because we needed to slow the rate of increase of health insurance and we needed to lower the cost for us as a nation as well as the private sector, and that was the task at hand. So to my colleagues who are ready to repeal all that, I ask you to wait. I ask you to stop and think about what we're doing. And before you repeal that, think about what we are going to put in its place, because this is such an important issue.

So what does the Affordable Care Act mean? Well, one of the aspects that I think is getting lost in this debate right now is that people are talking about what has happened in a percentage of the individual market. They're talking about the plans as they related to last October and what happened with rate increases. Some people say, oh, well, a lot of providers went out and offered very low-ball coverage costs and then came back at higher rates later. Some people said some of the pools aren't big enough. Some people have said, oh, well, the coverage that we're going to guarantee is going to help. But the issue is, is that the Affordable Care Act is much more -- is much more than just what we tried to do in the individual market. It is about providing affordable coverage, but it was also about reducing costs, improving the health care delivery system, protecting women's health and saving taxpayers money. So I would hope that my colleagues on the other side of the aisle will think about all of these things, about providing affordable coverage, about reducing costs, about improving the health care delivery system. I warn my colleagues: if you repeal this and take away the improvements to the delivery system, you are going to balloon the deficit, and that is something we cannot afford.

So what am I talking about when I say affordable coverage? Well, let's just take our state, for an example. Let's take Washington state. I'm sure the presiding officer could take his state. But in our state there are three million Washingtonians with three million conditions that have been covered. There are 5,000 young adults now -- there are 50,000 young adults now who will have coverage through their parents' plans and more than 600 thousand Washingtonians covered by the Medicaid expansion. To me, the Medicaid expansion is about simple math. You decide you're going to expand Medicaid because it's the most cost-effective economic way for that population to get health care coverage and to be part of

the health care system and keep our costs down and keep that population healthy. Now depending on what state you're from and what philosophy you have as an individual, you may not be for Medicaid expansion but there's been many times that across the aisle we have been able to come to terms both on Medicaid expansion and on the CHIP program. Why? Because we believe that having a healthier population is the best economy for our nation. And we have now, after the Affordable Care Act's implementation, we actually have results and studies, analysis by various states in the nation who have said by expanding the Medicaid population, it has helped our economy and it has helped our state overall.

So I would say to my colleagues, please do not repeal the Medicaid expansion. Please do not put these people back on the street with their health care problems and their health care issues to increase the cost of uncompensated care. That is not a strategy. So what else do we want to do? We want to take the rate of uninsured Americans and drop them down and the Affordable Care Act has done that. It has decreased more than 40% the number of uninsured Americans. Less than 9% of Americans are now uninsured. And in our state, that has dropped to 5.8%. That's a 60% decrease. So for us in the state of Washington, we have more people covered and the Affordable Care Act is covering more people. So we've taken more people out of the uninsured market.

The way the other side of the aisle would like to describe this is that the whole thing is falling apart because of some changes and shifts in the individual market. But the facts are there. And if we can look at what the lowering costs have been between 2010 and 2019, because this is always a tricky issue. The rate of health care costs were going up. I like to say that this is an issue about wishing that the health care costs would keep pace with the rate of inflation, and I will give it a little bit of a bump because of technology and new innovations. It's not the same as the rate of inflation for everything else, but that we shouldn't be seeing double-digit increases in the cost of health care. That our goal is to change the system to the degree that we are seeing health care costs more in line, a little bit above the rate of inflation.

So what does this chart show? it shows the national expenditures for health care on the dotted line on these actual and most recent projections of what the health care system is doing and what, before the affordable care act would be. So again, people are over here debating about what these increases are when in reality we are seeing double-digit increases, and now we are trying to keep the cost of health care down. The reason why this projection is so big is because there are many facts here. This is about changing the delivery system. This is about making sure that there is not exorbitant amounts of uncompensated care. It's about making sure that we don't overspend on a health care delivery system. And I can imagine for some states, this may be the most frustrating issue, particularly if the reimbursement rate has led to a population that is constantly underserved because no one wants to see those patients. We in the northwest have had that frustration because we get somewhere \$1,000 or \$2,000 less, maybe more for Medicare beneficiary than many other states in the country. So what that's led to is parts of our state where people don't even see Medicare beneficiaries. That's right, people have to travel a great distance to find a doctor because they can't find one because of the Medicare reimbursement rate.

Well, my solution is if we're providing health care in my state with better outcomes and lower costs, I shouldn't be penalized for that. I should be rewarded. And every other state should try to practice medicine that actually helps us lower the costs. So why are we working on this issue? The Affordable

Care Act slowed the rate of growth for a population in the nation, and Medicare will spend \$1 trillion less between that benchmark. \$1 trillion less between 2010 and 2020, what was going to be done if we did nothing.

So my colleagues on the other side of the aisle, I know that you're all for repeal. Where are you going to replace this money? Where are you going to replace it? Where are you going to come up with those savings? If you're going to come to the floor and say you don't want to repeal the delivery system reforms that we fought so hard for and drafted, just wait a second, that if you are willing to make those changes and keep the delivery system, we'll be listening with open arms and great receptivity because there are many people on this side of the aisle who worked very, very hard on these reforms.

In the private sector, we have also slowed the rate of growth in insurance premiums. That is now I'm talking about the employer-based plans. They slowed the rate to one-third of what it was before. So in the employer system we also have slowed the rate. And individuals are seeing a lot less than what they would have to pay than if they previously bought. So what is the debate about now? What we are doing in health care reform is we are trying to improve the costs, improve the health care by decreasing the costs, have better outcomes and help doctors spend more time with their patients than they are with paperwork. Now this is critically important because so many of what we are seeing in the United States is doctors spending more time on the paperwork of the system than on the actual outcomes of their patient. We want everybody to have a medical home. We want everybody to have a cost-effective delivery system that rewards outcomes. And that's what we're driving towards. But the debate we've had here in Washington has been not over this issue of where do Americans get their insurance coverage. Forty-nine percent of them through work, thirty-four percent of them through the Medicaid and Medicare population. Then, we can see the uninsured in the individual market. The debate right now is over that individual market. That's 7 percent.

States where the individual market, as I explained earlier, was out of whack for a variety of reasons. Maybe the risk pool was too small. Maybe insurers went too low on their original estimates. Maybe they made some changes that didn't work in that marketplace.

But that does not mean we throw out all of the Affordable Care Act that is doing such great work just because 7 percent of the population in the individual market needs further attention. It doesn't mean that we repeal all of this. And it certainly doesn't mean we give this uncertainty to the American people about whether they're going to have health care coverage and give the illusion that the other side of the aisle is for somehow just taking the system and capitating Medicare/Medicaid, giving you a check that never keeps pace with inflation and then taking the savings from the system and channeling it into corporate tax reform relief. No, no, no. We need to make the health care delivery system work for the American people, deliver better outcomes and continue to make reforms.

So what are the innovations that we are talking about in the delivery system? Well, the presiding officer will know, because he understands health care. That the innovation in health care is about everything having a medical home. Why do you need a medical home? You need a medical home because you need to be seen not by the emergency room physician, but by your doctor and someone who is going to understand your health care needs. We need to make investments in primary care and prevention and wellness. I'm sure the presiding officer understands that very much. We don't have enough primary care physicians in the United States, and we need to change our delivery system for GME – that's graduate medical education – so we can get more primary care physicians.

But we also need to focus on health and wellness and that is what the Affordable Care Act starts to do. It starts to focus on those aspects of the system that rewards, not fee for service, but rewards in investment in prevention and wellness. And the Affordable Care Act says, well, okay, let's try to do this in a new way, accountable care organizations that would get a global budget instead of all the paperwork that has to happen. Or a provision that I authored, the Basic Health Plan which is being used in the state of New York and is showing phenomenal results in lowering the costs of premiums and giving affordability to people way beyond what they were able to do in the exchange.

The other idea is rebalancing nursing home care to community-based care. I think twenty different states in the nation have done rebalancing. I would say a lot of Republican states, a lot of states in the South. They took the money from the Affordable Care Act and they bought into a notion that's a really smart notion. It says let's rebalance away from nursing home care into community-based care. And we as the federal government will help incentivize that. So all the Republican governors that took that money from the Affordable Care Act to try to rebalance a population away from a very expensive delivery system to a new delivery system, are they going to pay us back for that? Is that what repeal is going to mean? That we're going to ask them to pay us the money back or that we're going to forego this notion that moving people out of nursing homes and keeping them in their community homes isn't more important?

I can tell you this: we have a problem of an aging population in the United States of America, and the best thing we could do is help change the delivery system so it's more cost-effective for the future. That's what the Affordable Care Act did. And then the center of Medicare innovation, which is also a part of the Affordable Care Act, drove in some incredible efficiencies that I know the secretary just spoke of today at the National Press Club. When she's talking about targeting and focusing managed care on the healthcare of many people in the area of diabetes, because they are one of the biggest cost drivers. So all of this innovation is part of the Affordable Care Act. So are you going to repeal that too? Are you going to repeal all of these delivery system reforms that are helping us improve the cost of healthcare? So, what does repeal actually mean?

Well, I'm taking it from two different sources here. That is that the Republican repeal of the Affordable Care Act will increase the deficit \$350 billion over ten years. Three hundred and fifty billion over ten years. Increase the deficit. Why does the Congressional Budget Office and the Committee for Responsible Federal Budget say that? Why do they say that? Why would they make such a claim? Because they know what is built into the Affordable Care Act are changes to the healthcare delivery system that improve access, focus on better outcomes, and change our system for the better. We cannot afford to repeal this as a way to try to say to our base this is a better way of delivering healthcare.

So what does it come down to in the Affordable Care Act? The philosophy that we push is to put the patient at the center of the healthcare delivery system so that the consumer has more market-driven choices, so that the delivery system works for them. The repeal attempt put on by the other side is nothing more than basically saying 'we're going to come up with a way where you're not at the center of this. You're going to get a check that no longer pays for your full health insurance costs, and you're going to get capitated and so is Medicare and Medicaid.' Or at least that's all we can get out of the other side right now about the system.

So it's very important to me that we do not repeal the Affordable Care Act, and that we certainly don't repeal the Affordable Care Act without any idea what it is that we are going to be doing instead. We have millions of Americans who won't be covered, and we are going to throw our whole system which has managed to save federal dollars, private employer dollars and individual families millions of dollars – I would say billions of dollars over the time period of this legislation – and put us on the right track. If we have to make some changes and adjustments to the system, let's make some adjustments and changes to the system, but let's not throw out the entire legislation and certainly let us not steal away the Affordable Care Act from the American people. Basically, that's what repeal is. The repeal is stealing away the affordability that they have been granted under these last several years and instead taking it for some other corporate interest.

I hope it is not to stuff it into a tax reform bill to give relief for corporate America because that is not what we need. We need a delivery system that works for everyone. We need to save those individuals by making sure there is a cost-effective healthcare option for them in the marketplace, and I look forward to seeing which of those legislations, not a poster board but a solution, and I love working with my colleagues who want to work on these ideas, I do, and I will because this is a solvable problem. It is. We have shown that. We have enough results. We have to make some adjustments, but repealing, repealing is just stealing health care from hardworking Americans, and I urge my colleagues to turn that down. I thank the President, and I yield the floor.