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Opening Statement of Ranking Member Jim Jordan
Oversight and Government Reform Committee, Domestic Policy Subcommittee
Hearing:
“Between You and Your Doctor: the Private Health Insurance Bureaucracy”

Wednesday, September 16, 2009

Mr. Chairman, thank you for holding this hearing today.

I would like to thank the witnesses for participating. I look forward to hearing their perspectives on this important topic. I know many of the witnesses today have tragic stories to share with us. Please know that you have my sincerest sympathy.

The ongoing health care debate is extraordinary. Americans who were not previously engaged in politics are now attending town halls, rallies, and tea parties. During August and September, I had the opportunity to meet with my constituents in Ohio. Each and every person I talked to expressed grave concern about a government-run health care system, but no one denied that our current system needs reform.

Health care spending is out of control and we are not covering many of the most vulnerable. Medicare alone accounts for 3.5% of the gross domestic product (GDP). The Congressional Budget Office (CBO) projects that by 2080, without intervention it will be as much as 13.5% of the GDP. Total health care spending in 2007 exceeded 2.2 trillion dollars which represented 16% of the GDP.

In the debate there are areas of agreement between Republicans and the President. Last week during his speech to the Joint Session of Congress, the President said:

Let me set the record straight [here]. My guiding principle is, and always has been, that consumers do better when there is choice and competition. That's how the market works.

Mr. Chairman, on this point I agree with the President. H.R. 3400, a bill I co-sponsored, relies on free market approaches and tax credits to incentivize Americans to buy their own plans instead of mandates and surtaxes which are part of the current Democratic House bill.

Our bill allows individuals and businesses to purchase insurance across state lines, increasing their insurance choices from perhaps a dozen carriers to over 1,300. In contrast, the current bill being discussed decreases competition by installing a government-subsidized public option into the marketplace to crowd out the private sector. Real competition in the private market helps reduce prices. A government-run monopoly will cost all of us, especially our children and grandchildren.

Rather than a federal government bureaucrat serving as an intermediary, my colleagues and I realize that individuals and families are best served when a strong relationship exists between a patient, their primary and specialty health care providers. Our plan strengthens that relationship by reducing the practice of defensive medicine brought about by abusive lawsuits. Enacting medical liability reform will help reduce the price of medical malpractice insurance and defensive medicine, both of which are passed on to consumers through increased costs and higher insurance premiums. By establishing health courts, capping non-economic damages, and creating best-practices measures, we will eliminate frivolous lawsuits that harm physicians while also ensuring that justice is done to true victims.

Mr. Chairman, I hope the common-sense solutions delivered by Republicans are not ignored. I believe Americans trust their health care professionals more than they trust politicians and federal government bureaucrats. They want to keep what they like best about their current plan while addressing some of the problems with cost, access, and portability. My trust rests in the ingenuity and compassion of the American people and the professionalism and competence of our health care professionals.

Thank you Mr. Chairman.