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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”

Thursday, September 17, 2009

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

I would like to thank the witnesses for participating.

Yesterday, we heard some heart-breaking stories of families dealing with severe illnesses and the mounds of paperwork they were forced to wade through when trying to get treatment. Bureaucracy, whether in government or private industry, should not be the final arbiter of health care decisions. In my opinion, these decisions should be between doctors, patients, and their families.

I have had constituents come into my office and say that their child got sick and their insurance got cancelled. Practices like this are inexcusable. People purchase health insurance to guard against the day their child or spouse becomes gravely ill. It is precisely these instances when people most need the coverage. Individuals who have acted in good faith, paid their premiums, and upheld their contractual responsibilities should be covered.

These cancellations, as you know, are referred to as rescissions. Last year, in the full Committee we held a hearing on improper health insurance rescissions. This was a real problem in California and Connecticut. Rescissions should only occur when there is a material misrepresentation of fact or other breach of contract. It must be noted that any rescission, even when proper, leaves individuals uninsured. All stakeholders, regulators, insurers, and consumers should strive to prevent these occurrences.

So, what can we do to make sure that all Americans have access to coverage? My friends on the other side believe that more and bigger government is the answer. I think that most Americans, like me, instinctively realize that trading some challenges with insurance companies for the bureaucracy of the federal government is not the solution. Instead, we should keep what works best in the current system and reform what is broken.

The plan I support has four principles that I think need to be part of any health care reform proposal. First, all Americans must have access to health care coverage. Second, that coverage should be truly owned by the patient. Third, we must improve the health care delivery structure. Finally, any reform must rein in out-of-control costs.

As we address the challenges in our health care system, it is important that everyone has a seat at the table. I am glad that our witnesses can be here today and I look forward to hearing your testimony.