



CHAIR JODEY ARRINGTON

HOUSE BUDGET COMMITTEE

Op-Ed, The Hill: *To Repair Our Fiscal Foundation, We Need to Bend the Health Care Cost Curve*

WASHINGTON, D.C. – Last week, House Budget Committee Chairman Jodey Arrington (R-TX) penned an [Op-Ed](#) in *The Hill* on the unsustainable level of federal health care spending and the need to reform our nation's health care system to improve patient access to quality care and save taxpayer dollars. Spending on health care programs like Medicare, Medicaid, and Obamacare are major drivers of our unsustainable fiscal path.

Read more as Chairman Arrington lays out ideas for bending the health care cost curve and improving the health care system for patients.

CHAIRMAN ARRINGTON IN THE HILL

Via [The Hill](#):

*“Willie Sutton famously explained (in a possibly apocryphal quotation) that he robbed banks because “that’s where the money is.” **If he turned his attention to the federal budget, he’d start with health care.***

*Our total national debt has ballooned to nearly \$35 trillion – the highest level in U.S. history. **This translates to over a quarter of a million dollars — \$265,838 to be exact — of accumulated liabilities for every American household.***



Washington now spends about \$2 trillion more than it takes in annually. These staggering figures get added to the total debt every year. Rising health care costs are far and away one of the main drivers of our unsustainable deficit.

Today, ***health care spending represents nearly 18 percent of our economy*** — and growing. The federal government devotes over \$1.8 trillion annually on programs like Medicare, Medicaid, Children’s Health Insurance and subsidies for ObamaCare (the Affordable Care Act).

More alarming is the fiscal trajectory. Ten years ago, the federal government spent \$926 billion annually combined on these health programs. ***That number has doubled in just a decade.***

The non-partisan Congressional Budget Office projects that by 2034, the federal government will spend a whopping ***\$3.2 trillion on these four health programs***, nearly three times more than it will spend on national defense in the same year.

We already spend more on health care than any other nation, and ***yet nearly half of Americans still can’t afford the basic care they need.***

Instead of taking action to address this crisis, President Biden, Vice President Kamala Harris and their party in Congress have only added to the problem. They have advanced and continue to double down on a laundry list of expensive policy choices that act as accelerants and divert scarce resources away from our most vulnerable and needy populations.

Moreover, reckless Democratic spending couldn’t come at a worse time given the historic demographic changes confronting America. Ten thousand baby boomers retire every day. ***This unprecedented influx is why Medicare program spending is projected to double over the next decade from about \$1 trillion a year to \$2 trillion.***

If health care is in fact ‘where the money is,’ what do we do about it?



To begin, ***federal health programs need modernization and reform.*** Doing so can improve access, efficiency and quality of care — but also save money and reduce costs to patients.

Here are five critical questions health reformers in Congress should ask to not only bend the spending trajectory, but also lower costs for patients and increase access to quality care.

- Why does it cost exponentially more for Medicare to cover cancer treatment in a hospital compared to the exact same treatment in an independent doctor's office? ***Equalizing these payments could save over \$150 billion over 10 years.***
- Why does the federal government provide taxpayer-funded health insurance to individuals eligible to get coverage through their employer? ***Rationalizing this policy could save tens of billions over the next decade.***
- Why is taxpayer-funded health care provided for those well above the poverty level, including those earning up to ***\$599,000 a year?*** ***Limiting these subsidies to those earning up to 400 percent of poverty could save \$110 billion over 10 years.***
- Why does Washington pay states 90 percent of the costs for work-capable able-bodied adults in the Medicaid program, but far less for other populations, including disabled children and poor pregnant moms? ***Ensuring the most vulnerable would receive at least the same amount in federal Medicaid funding would save \$690 billion over 10 years.***
- Why does the District of Columbia get ***70 percent of its Medicaid costs reimbursed by the federal government,*** while my state Texas receives only 60 percent and others even less? ***Equalizing DC reimbursements to the average of what other states receive would save \$8 billion over ten years.***



At the House Budget Committee, we are asking these questions, among many others. The answers could help rein in this out-of-control spending and better target resources to those who need and deserve them most. If we don't act, we face the prospect of an existential financial crisis, one that will affect our standing in the world, our prosperity, and our children's future. For America, the inconceivable will become undeniable.

*We know where the money is. **We know that bending this health care cost curve is essential to repairing our fiscal foundation.** This is no longer a choice; it's a survival strategy for our nation's strength and growth."*

THE BOTTOM LINE

Spending on major federal health care programs is the primary driver of our nation's unsustainable **\$35 trillion national debt**. To restore fiscal sanity to our nation we must work to lower federal health care spending.

The House Budget Committee is leading the way to highlight the unsustainable growth and inefficiencies of federal health care spending, while evaluating policies to lower costs and improve patient access to quality care.

In order to lead the Committee's work on bending the health care cost curve, last August Chairman Arrington established the **Health Care Task Force**, led by Chair Michael C. Burgess, M.D. (R-TX) to serve as a policy incubator to develop new ways to improve patient outcomes and lower federal health spending.

MORE FROM THE HOUSE BUDGET COMMITTEE

Read Chairman Arrington's statement on the 2nd anniversary of the Inflation Reduction Act **[HERE](#)**.

Read how the financial markets declined last week **[HERE](#)**.

Read how the unemployment rate rose for the fourth consecutive month **[HERE](#)**.

