

Chairman Arrington Offers Amendment at the House Rules Committee to Fully Offset the Cost of National Security Supplemental and Restore Fiscal Responsibility

WASHINGTON, D.C. – Yesterday, House Budget Committee Chairman Jodey Arrington (R-TX) <u>offered an amendment</u> at the House Rules Committee <u>hearing on H.R. 8034, 8035, 8036, and 8038</u> to the *21*st *Century Peace Through Strength Act.* His amendment would have fully offset the cost of these bills, contributed at least \$50 billion to deficit reduction, and helped restore fiscal responsibility. Ultimately, the amendment was not advanced by the Rules Committee for consideration on the House Floor due to House Rules. Chairman Arrington released the following statement after introducing his amendment:

"At a time when our national debt is approaching \$35 trillion, we are adding almost \$8 billion to the debt every day, and we pay 62 cents on every dollar just to service the debt, we must lead Congress toward a path of fiscal responsibility. This trajectory is unsustainable and is arguably the biggest threat facing our nation.

That's why I introduced an amendment to the foreign aid package that would offset the costs of the bills being considered this week. It would do so by equalizing Medicare payments for services that can be safely delivered in a physician's office, reducing spending and lowering health care costs for millions of seniors.

The amendment is common sense. The policy is bipartisan. Implementing this policy would not only pay for these security bills but would contribute at least \$50 billion to deficit reduction. It's a win for patients. It's a win for deficit reduction. It's a win for the American people.



Not paying for our spending is not only irresponsible, it's irrational. We cannot continue to thrust the costs of things we think are important onto the backs of our kids and grandkids."



Watch Chairman Arrington's remarks at the House Rules Committee here.

BACKGROUND

In a significant step toward fiscal responsibility and lowering health care costs, Chairman Arrington's amendment would have fully offset the cost of the national security supplemental, with an additional contribution of at least \$50 billion towards federal deficit reduction.

The proposed amendment would have had the added benefit of <u>reducing out-of-pocket health care costs for millions of seniors</u>. Under the current system, Medicare's higher payments for services delivered in hospital outpatient departments lead to higher out-of-pocket expenses for seniors. Furthermore, this difference in payment for the same services has created a financial



incentive for hospital systems to acquire freestanding physician offices, fueling consolidation that reduces competition, drives up costs for patients, and limits choices for patients.

This policy reform aligns with prior <u>recommendations</u> from the nonpartisan Medicare Payment Advisory Commission (MedPAC) and was included in the budgets of both <u>President Obama</u> and <u>President Trump</u>.

This policy was also included in the <u>Committee-advanced</u> House Republican Fiscal Year 2025 "Reverse the Curse" <u>Budget Resolution</u> to generate savings in order to balance the Federal budget in 10 years.

Additionally, this amendment is similar to a policy included in the House Republican <u>Lower Costs</u>, <u>More Transparency (H.R. 5378/Sec. 203)</u> that passed the House last December that equalized Medicare payments for physicianadministered medicines.

While the amendment was not advanced for consideration on the House Floor by the Rules Committee, the House Budget Committee continues to Sound the Alarm about the dire fiscal path our nation is on.

You can read the text of the Arrington amendment <u>HERE</u>.

