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Floor Statement of U.S. Senator Chuck Grassley of Iowa
Ranking Member of the Committee on Finance
Medicaid Moratoriums Bill Moving in the House
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Today the House Energy & Commerce Committee is taking up consideration of HR5613. This bill seeks to place a moratorium on seven Medicaid regulations until the next Administration. I know some people have concerns with the CMS Medicaid regulations.

Let me be clear: I'm not here to argue the regulations are perfect. I have issues with some of them I'd like to see addressed. However, the regulations do address areas where there are real problems in Medicaid.

Mr. President, Medicaid is a federal-state partnership that provides a crucial health care safety net for some very vulnerable populations – low-income seniors, the disabled, pregnant women, and children. They depend on Medicaid, and it does generally serve them well.

Medicaid is also a program with a checkered history of financial challenges. That's the gentle way of putting it. A more severe way of putting it would be that Medicaid has a history of states abusively pushing the limits of what should be allowed to maximize federal dollars sent to them.

I'm not going to devote time in my remarks today to issues of fraud and abuse in Medicaid. I'll probably be back to do more on that later. Instead, I want to focus on a very simple concept: Medicaid program integrity depends on CMS and the states and providers and ultimately, beneficiaries having a clear understanding of the rules of the road. When states don't have clear guidance, they could be inappropriately spending taxpayer dollars. Improper payments and wasteful spending only increase the financial pressure on the safety net.

Mr. President, the Medicaid regulations HR5613 attempts to halt are efforts by CMS to provide clearer rules of the road in critical areas where there have been well documented problems. During the recent debate on the budget resolution, I entered into the record a CRS memo that showed some of the issues that exist under current law. I'm not going to go into them in detail today, but when CMS doesn't know how a state is billing for a service and states don't have clear guidance for how they should bill, neither Medicaid beneficiaries nor the taxpayers are well served.

We should be talking about fixing the regulations so they better address real problems in Medicaid, but instead the House is trying to kick the can to next year.

So what does that mean for the taxpayer? HR5613 spends \$1.7 billion to place moratoriums on the regulations. This is only to delay the regulations until the end of March of next year. I know supporters hope that the next administration will completely cancel the regulations. What would it cost if we tried to completely prevent these regulations from ever taking effect? Not \$1.7 billion that's for sure. It would actually cost the taxpayers almost \$20 billion over the next five years and almost \$50 billion over the next ten years.

It is an absolute farce for anyone to argue that all of those dollars are being appropriately spent and that Congress ought to just walk away from these issues. But that's what HR5613 does. Now I know supporters of that bill will say they just need more time. They say they haven't had enough time to study the regulations and respond.

That argument is starting to strain credibility. The public provider rule was proposed well over a year ago. The rehabilitation services rule was proposed nine months ago. Supporters of the bill have had plenty of time, if they wanted to make new policy. But it is obvious by their actions, their only real interest is making the regulations go away. This is unfortunate Mr. President, because finding solutions is what we should be doing. When we start talking about the integrity of the Medicaid program, clarity is what is most needed between CMS and the states. If you don't like the rules, fine. But there are ten of billions of taxpayer dollars involved. Roll up your sleeves and get to work solving the problems the regulations try to solve.

Mr. President, that's what we should be doing for the taxpayers. Putting moratoriums on all of the Medicaid regulations issues by CMS is not the right answer.