

Congresswoman Tammy Baldwin (WI-02)
Testimony at the Education & Labor HELP Subcommittee
May 22, 2007

Thank you Chairman Andrews, Ranking Member Klein and Subcommittee members, and thank you for inviting me to testify before you today.

As members of this subcommittee are undoubtedly aware, 46 million Americans are uninsured. Millions more are underinsured. The Commonwealth Fund recently released a study estimating that there are 16 million Americans who are underinsured—meaning their insurance did not adequately protect them against catastrophic health care expenses. That means that 62 million Americans either have no health insurance, have only sporadic coverage, or have insurance coverage that leaves them exposed to high health care costs. 62 million is nearly 21% of all Americans. One in five.

Meanwhile, Congress has taken no significant steps to provide health care to these uninsured and underinsured Americans. And this lack of progress is not for want of ideas.

We all know the various proposals that have been floating around Congress for years, and even decades.

Believe it or not, we've been talking about this issue at the federal level for more than sixty years. The first bill calling for national health care, was introduced in the House by Rep. John Dingell Sr. in 1943 (and his son has been introducing that same bill every year since).

And every session, a number of bills are introduced purporting to increase access or create a national system. About twenty-four bills to expand health care coverage have already been introduced this session. Roughly 62 were introduced in the 109th Congress.

Clearly, on the subject of health care for all, we're not at a loss for words or ideas, but we still haven't figured out how to get the job done. And that is simply unacceptable.

But where we are seeing the job get done is at the state level. Innovative proposals in states such as Massachusetts, Vermont, Maine, Oregon, California, and my home state of Wisconsin demonstrate a clear desire on the part of the states to reach an agreement and move forward.

Yet when one studies these proposals, it's clear that states are constrained by federal laws and regulations. There's a reason why the state proposals are often very similar, and that's because the states are all operating under the same set of constraints that we have imposed upon them.

Recognizing this and feeling that we could not afford additional years of inaction at the federal level, I joined my colleagues Dr. Price and Mr. Tierney in crafting H.R. 506, the “Health Partnership through Creative Federalism Act.”

Our bill is noteworthy because it allows the federal government to be a helpful partner to states which are already taking the lead and making reforms.

The federal government should be helping the states as they try new approaches, not hindering them. But, this bill does not throw a bunch of money at the problem of the uninsured. We’re looking for systemic change and encouraging innovation.

Our bill authorizes grants to individual states, or groups or portions of states, to enact the strategy best suited for them. Under our plan, states have a lot of freedom to think creatively and independently.

The bill is quite simple. Congress would authorize grants to individual states, groups of states, or portions of states to carry out any of a broad range of strategies to increase health care coverage. States desiring to participate in a health care expansion and improvement program would submit an application to a bipartisan “State Health Innovation Commission.”

The Commission would consider applications that include a variety of approaches, such as tax credits, expansion of Medicaid or SCHIP, creation of pooling arrangements like the FEHBP, single payer systems, health savings accounts, or a combination of these or other options.

Some of these state applications might involve waivers of various federal law or regulation. Some states might ask that certain provisions of ERISA be waived. Some might ask for more flexibility in their state’s Medicaid program. We don’t know exactly what the states might propose, but we want to allow them the opportunity to think creatively and to seek temporary waivers of the federal laws which currently constrain them.

After reviewing the state proposals, the Commission would submit to Congress a slate of recommended state applications that represent a variety of approaches.

States receiving grants would be required to report on their progress. At the end of a five-year period, the Commission would be required to report to Congress whether the states are meeting the goals of the Act and recommend future action Congress should take regarding overall reform.

And I’m happy to report to you that this is an approach that continues to gather bipartisan support. As of today, the bill has 66 cosponsors and the cosponsors are almost evenly split between Democrats and Republicans: 36 Democrats and 30 Republicans.

Our Health Partnership Through Creative Federalism is a major step in the right direction. This is an idea whose time has come; it is bold; it is bipartisan; and it is budget-friendly. It provides states with an opportunity to innovate without the current constraints of federal laws and regulations.

Again, Mr. Chairman, thank you for the opportunity to testify today and thank you for taking up this important topic.