

**Testimony of U.S. Rep. John F. Tierney (MA-06)
Before the House Education and Labor Committee,
Subcommittee on Health, Employment, Labor, and Pensions**

May 22, 2007

Good afternoon. I would like to thank Chairman Andrews for inviting me to speak before the Subcommittee today.

When first elected, in 1996, I advocated for Universal Health Care, preferring the “single payer” concept. I still support that concept. However, a number of people sharing the belief in covering all citizens with quality comprehensive care have proposed other means which they believe would best reach that end. With this impasse, a number of people have been committed to exploring all possible avenues to address the ever-increasing number of Americans without health insurance and to expand access to quality, affordable health insurance for all of those in need.

Realizing this impending impasse, I have authored and supported legislation designed to allow states federal resources to develop and implement creative proposals to improve their constituencies’ access to health insurance as well as utilize the lessons learned from such state-based initiatives to inform the growing national debate on how to proceed with any potential reform of our country’s health care system as a whole.

Obviously, I wasn’t alone in having this idea, or similar notions, and now I’ve had the pleasure to join with other members – Congresswoman Baldwin and Congressman Price – and use the considerable intellect of others knowledgeable in health care policy: Stuart Butler, Henry Aaron, representatives of the National Governors Association to name several, in drafting the Health Partnership Through Creative Federalism Act.

This critical piece of legislation would create a commission comprised of federal, state, and local stakeholders to solicit and review state – and also potentially multi-state or sub-state – plans to expand health insurance coverage for their residents. The commission would recommend a range of plans to Congress for approval and, if approved, these states would then receive grants through the Department of Health and Human Services to implement the plans for five years and periodically report on results.

I think that the diversity incorporated into both the commission composition and the plan selection process, combined with the bill’s reporting requirements that will help ensure consistent accountability and assessment of the approved plans, make this measure well-suited to lower the number of uninsured Americans and expand access to quality, cost-efficient coverage.

Mr. Chairman, I understand that one of your specific aims in holding today’s hearing is to examine the Employee Retirement Income Security Act (ERISA), its potential impact on the ability of states to implement initiatives to expand health insurance coverage, and whether some form of ERISA waivers may be appropriate in this regard.

This is indeed a timely point of interest given the recent legal challenge to Maryland's "Fair Share Health Care Fund Act" based on ERISA preemption and the growing momentum in many states to engage in similar efforts. In that vein, I want to note that our bill specifically allows for state plans approved by Congress under the Act to seek "exceptions to otherwise applicable federal statutes, regulations, and policies," such as and including ERISA.

Going back to the broader principles of the bill, quite frankly, this legislation is, in my view, long overdue. Absent federal action on the issue, many states have taken, or are beginning to take, action of their own accord to address their uninsured populations and expand access to care. Indeed, my own state of Massachusetts has been a pioneer in this regard, having enacted legislation last year to achieve near-universal coverage of the Bay State's residents through a combination of approaches.

Among other things, the Massachusetts plan includes expansion of Medicaid and State Children's Health Insurance Program – or SCHIP – eligibility, individual premium subsidization, merging of the state's non-group and small-group health insurance markets, and creation of a public entity – the Commonwealth Health Insurance Connector – to help "connect," if you will, individuals and small businesses with affordable, quality health insurance plans. These innovative approaches may have benefited greatly from this legislation. As more and more states look to follow Massachusetts's lead, now is the time to show them that they've got the federal government's support.

Employers continue to offer coverage, hopefully, but those who do not are assessed a per-employee sum which is paid into the system funding subsidies for individuals qualifying on an income basis. The goal is to have nearly all residents with insurance by July 2007.

I say that the Massachusetts plan achieves "near-universal" coverage because there are an estimated 60,000 Massachusetts residents, many of whom are self-employed, who are projected to continue to be unable to afford health insurance under the Commonwealth's plan. I am now actively working with local stakeholders – including entities like the Freelancers Union and the Creative Economy Association of the North Shore – in conjunction with state officials, to generate additional approaches that will expand access to coverage to these 60,000 individuals.

My point here is that efforts to expand access to health insurance seem to be occurring *everywhere*, and Congress must step up to the plate.

We have a responsibility to the American people to work with state and local governments to facilitate access to quality, affordable health care, and the Health Partnership Through Creative Federalism Act is a crucial step toward this end.

Again, thank you, Mr. Chairman, for having me here today.