

## House Committee on Education and the Workforce

*Examining the Policies and Priorities of the U.S. Department of Health and Human Services*

June 6, 2018

10:00 AM, 2175 Rayburn

### Purpose

The purpose of today's hearing is to allow members of the committee to provide oversight of the Department of Health and Human Services (HHS). Members of the committee will have the opportunity to hear from the director of HHS, Alex Azar.

### Members Present

Chairwoman Foxx, Ranking Member Scott, Representatives Sablan, Barletta, Davis, Byrne, Courtney, Lewis, Fudge, Banks, Bonamici, Wilson, Takano, Walberg, Adams, Ferguson, Norcross, Smucker, Blunt Rochester, Stefanik, DeSaulnier, Thompson, Krishnamoorthi, Guthrie, Espaillat, Grothman, Estes, Roe, Allen, and Handel.

### Witnesses

**The Honorable Alex M. Azar, II**

Secretary

U.S. Department of Health and Human Services

### Opening Statements

**Chairwoman Foxx** stated that the Education and Workforce committee has a long history of providing oversight of the federal agencies that fall under its jurisdiction; today's hearing will be another example of the committee carrying out this important task. A number of Representatives on the committee have not received responses to their written inquiries over the past several months; Chairwoman Foxx asked Secretary Azar to please offer these committee members an update on their written inquiries.

**Ranking Member Scott** stated that this is the first time that a representative from HHS has been before this committee during the Trump administration. The mission of HHS is to promote and protect the health and the well-being of all Americans; despite this mission, the current administration seems set on fulfilling an agenda, rather than protecting all Americans. HHS' proposed budget will make it impossible to ensure that we are providing for the Americans who are most in need. It is disappointing that members will only have three minutes for questioning today, as there are many questions that this administration needs to respond.

### Testimony

**Secretary Azar** stated that HHS' mission is to provide for the health and well-being of the American people, and the president's budget clearly recognizes and provides for the importance of this mission. There are four areas that are specifically supported by this budget. Fighting the opioid crisis, lowering the costs of health insurance plans, reigning in prescription drug costs, and transforming our healthcare system into one that rewards the value of care. The budget proposes a historic transfer of funding and authority from the federal government back to the states, and it allows for further reform to the Medicaid programs at the state level. This budget supports childcare and head start programs, and will make investments and reforms that make these programs work better for children and their families.

## Questions and Answers

**Chairwoman Foxx** asked Secretary Azar to discuss how HHS is working to combat the opioid crisis. **Secretary Azar** stated that the opioid crisis is a problem that we can all work together on a bipartisan budget. The \$3.5 billion requested in the 2019 budget will fund research in an NIH-private partnership; this funding will be geared towards developing non-opioid pain relief treatments. **Chairwoman Foxx** asked Secretary Azar to discuss how one year extensions of criminal background checks for childcare workers is helping children, and how states are working to reach compliance with these criminal background checks. **Secretary Azar** stated that he and others within HHS are pushing for states to meet their compliance date by September of this year.

**Ranking Member Scott** asked Secretary Azar if he was aware that the elimination of the individual mandate would increase the individual costs of healthcare. **Secretary Azar** disputed the claim. **Ranking Member Scott** asked Secretary Azar if so-called junk plans would increase costs for everyone else in the healthcare market. **Secretary Azar** stated his opposition to such individual price increases. **Ranking Member Scott** asked if individual religious beliefs should be allowed to take priority over other civil rights. **Secretary Azar** stated that he and others within HHS enforce all civil rights laws that have been passed by Congress.

**Rep. Sablan** asked Secretary Azar to discuss whether or not all districts in America, including those in overseas territories, will have the ability to be counted in Medicaid and healthcare statistics. **Secretary Azar** stated that he would be happy to work with the Representative to ensure that all Americans have the ability to be counted. Secretary Azar stated that he would work with the Representative's office in order to help with legislative issues facing the Northern Mariana Islands.

**Rep. Barletta** asked Secretary Azar to discuss HHS's response to pharmacy DIR fees, and how such fees negatively impact small town pharmacies. **Secretary Azar** stated that this is an important issue, and stated that it is important to ensure that pharmacy networks are supported, and told the agency is examining the issue.

**Rep. Davis** asked Secretary Azar to discuss HHS' efforts to undue the so called Mexico City policy. **Secretary Azar** stated that this is being undertaken by HHS in order to ensure that no federal funds are being used to fund abortion services abroad. **Rep. Davis** asked how such a plan is aimed at reducing the number of abortions. **Secretary Azar** stated that the agency is working to eliminate any federal funding that goes towards groups providing abortions or abortion referrals.

**Rep. Byrne** asked Secretary Azar to discuss the ongoing decline in the number of rural hospitals across the country, and particularly in his home state of Alabama. **Secretary Azar** stated that this issue needs to be addressed on a bipartisan issue, and said that he would be looking to work with the congress in order to develop a legislative issue.

**Rep. Courtney** asked if HHS would federally mandate silver loading, which would raise the costs of healthcare plans. **Secretary Azar** stated that "the issue you are raising is if the impact

of silver loading will be put across bronze and gold plans, not just silver plans. The issue to mandate any changes would require regulation and that would not be possible to do before the 2019 plan year. It is not an easy question if one should force or encourage silver loading onto bronze and gold plans, because that impacts bronze and gold beneficiaries.” **Rep. Courtney** asked again if the Department is going to issue a new rule or policy on silver loading prior to the rate setting deadline. **Secretary Azar** stated that they are unable to regulate in time for any changes to silver loading.

**Rep. Lewis** asked Secretary Azar to discuss childcare programs in his state that are fraudulently accepting federal funding while not following the standards set forth by HHS. **Secretary Azar** stated that HHS is working with the state of Minnesota in order to address this fraudulent activity.

**Rep. Fudge** asked Secretary Azar to discuss how his agency can remain committed to its mission, given the fact that he and the Trump administration have attempted to eliminate the Affordable Care Act. **Rep. Fudge** asked for answers to her questions to be provided in writing, and yielded the remainder of her time to the Ranking Member.

**Ranking Member Scott** asked Secretary Azar to discuss whether or not strongly held beliefs allow a religiously affiliated organization to discriminate on the basis of race, religion, or sexual orientation. **Secretary Azar** stated that federal antidiscrimination statutes would be upheld.

**Rep. Banks** stated that he supported the administration’s changes to Title X regulation, which will help to prevent the use of federal funds for abortion. **Rep. Banks** asked Secretary Azar if there is room for the states to become more involved in establishing early childhood education programs. **Secretary Azar** stated that he would welcome conversations with states in order to establish more effective education programs.

**Rep. Bonamici** asked Secretary Azar to discuss the administration’s policy of separating children from their migrant parents at the border, given that these children are the responsibility of HHS. **Secretary Azar** stated that these children are not separated from asylum seekers; he explained that these children are only separated from parents who have illegally crossed the border. The administration does not want to separate children from families, and aims to provide for any child that is separated from a parent in the best way possible.

**Rep. Wilson** asked Secretary Azar to discuss laws limiting the number of opioid pills that can be prescribed to an individual, and how such laws could reduce the scourge of the opioid crisis. **Secretary Azar** stated that the administration is committed to reducing the number of opioids being prescribed, and explained that HHS is closely monitoring whether or not such limits are effective on the state level.

**Rep. Takano** asked Secretary Azar to discuss the President’s claims that he would not cut Medicaid or Medicare, and whether or not he had kept his word. **Secretary Azar** stated that the programs grow overall under the current plan. While the programs may not grow as quickly as some may want, they are indeed growing under the Trump administration.

**Rep. Walberg** asked Secretary Azar to speak on the DOL's proposed rule that would expand access to association health plans, and asked whether the finalized rule would allow for greater access to coverage options for small business employees and and you talk about how HHS is working to increase coverage options. **Secretary Azar** stated that he believes that the DOL association health plan rule will greatly increase affordable options for individuals. HHS is closely working with DOL's rule. HHS has a proposal to extend STLDI plans as an option for individuals. The President wants to ensure individuals have access to affordable health insurance as the ACA is not providing affordable options to individuals.

**Rep. Adams** asked about the issues that work requirements would pose for those who are suffering from substance abuse disorder. **Secretary Azar** stated that individuals with substance use disorder would not be subject to these community engagement requirements.

**Rep. Ferguson** asked Secretary Azar to discuss whether or not there is an opportunity for educators to identify behavioral abnormalities or issues that could be a tipoff towards violent behavior. **Secretary Azar** stated that there has been a program implemented by SAMHSA and that has been made available on their website; this program helps teachers identify behavioral issues in students.

**Rep. Norcross** asked Secretary Azar to discuss the fact that medical students in the United States are not being trained adequately in the realm of addiction treatment. **Secretary Azar** stated that this is an extremely important issue, and stated that he would be eager to work with the representative in order to develop solutions to this issue. **Rep. Norcross** yielded his time to Rep. Bonamici.

**Rep. Bonamici** asked if a child's use of CHIP should count against their parent's immigration application. **Secretary Azar** stated that he was not aware of any rules that would impact such children and families.

**Rep. Smucker** asked Secretary Azar to discuss the administration's support for welfare reform, in particular, the work requirements. **Secretary Azar** stated that TANF was an important start on fixing the system, but explained that the states have allowed individuals to "game the system" in order to avoid such work requirements. Secretary Azar stated that he and others within the administration are working to ensure better compliance with work requirements.

**Rep. Blunt Rochester** asked Secretary Azar if he could share immediate steps that are being taken by HHS in order to stabilize the healthcare marketplace in the ACA. **Secretary Azar** stated the ACA, the law of the land. However, he noted that the ACA has not offered individuals options – and some areas only have one or two plans. That results in increased premiums and does not encourage health insurance companies to lower costs. He stated that HHS is making other options available to individuals.

**Ranking Member Scott** asked if Secretary Azar if he is aware that plans are unavailable to individuals as a result of uncertainty being created by the administration. **Secretary Azar** stated that he is not aware of the issue and he does not believe that is accurate. He also believes that many plans are making a lot of money off of the Obamacare Marketplace.

**Rep. Stefanik** asked what is being done in order to provide for the needs of rural citizens. **Secretary Azar** stated that HHS is supporting the expansion of telehealth technology; it is important for HHS to examine how telehealth will be covered, and how it will be regulated.

**Rep. DeSaulnier** asked Secretary Azar to discuss the prohibition of electric shock therapy, and whether he would support the elimination altogether of the practice. **Secretary Azar** stated that he was not aware of a proposed rule change on the issue, but stated that he would be willing to examine the issue.

**Rep. Thompson** asked Secretary Azar if he supported efforts to reauthorize the Family Violence Prevention Act. **Secretary Azar** stated that he strongly supported such efforts.

**Rep. Krishnamoorthi** asked to respond to the fact that primary care physicians are having to spend more time filling out health reports than they are with their patients. **Secretary Azar** stated that he strongly supports efforts that will help physicians spend more time with their patients. HHS strongly supports streamlining the health records requirements that exist.

**Rep. Guthrie** asked Secretary Azar to discuss HHS' efforts to address neonatal abstinence syndrome. **Secretary Azar** stated that we need to identify the best treatment programs for these children. In certain states, the percentage of children being born with NAS is shocking; HHS is dedicated to addressing these issues.

**Rep. Espaillat** asked Secretary Azar to discuss whether or not HHS is sharing applicant sponsor information with ICE. **Secretary Azar** stated that HHS works with DHS in order to take care of unaccompanied children. This information takes place in order to ensure that children are being placed in safe homes. **Rep. Espaillat** asked if an undocumented child's use of CHIP should count against a parent's application process. **Secretary Azar** stated that he would need to examine the issue further.

**Rep. Grothman** asked Secretary Azar to discuss the fact that people on Medicaid are more likely to die of an overdose, than those who are not on Medicaid. He also asked if the expansion of Medicaid made the opioid crisis worse. **Secretary Azar** stated that the ready availability of cheap and generic legal opioid prescriptions made this an epidemic; it would be hard to pin this on Medicaid expansion. **Rep. Grothman** asked Secretary Azar to comment on the fact that we prescribe drugs at a much higher rate than other countries. **Secretary Azar** stated that the ability of doctors to prescribe drugs has greatly improved their ability to treat illness. It is essential that we tackle the issue of prescription pricing in order to continue the administration's goal of increasing affordability.

**Rep. Estes** asked Secretary Azar to discuss how the changes to Title X and the "protect the life" rule would impact spending and practices within Title X. **Secretary Azar** stated that changes made to Title X allow for the development of better programs for those who are victims of trafficking and abuse, and ensure that there is a broader range of services for those who are seeking family planning counseling.

**Ranking Member Scott** stated that he would like to have a response given to him in writing stating whether or not a federally funded adoption center would be exempt from civil rights laws on the basis of religious objection.

**Chairwoman Foxx** stated that she wished questions from the committee would be geared towards informing the members of the committee, and not towards attacking the administration or the secretary. Chairwoman Foxx again reiterated her support for reforming TANF, and stated that there needs to be reform to the Affordable Care Act.