



Insight

Six Questions for HHS Secretary Nominee Sylvia Matthews Burwell

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Senate confirmation hearings begin this week for Sylvia Matthews Burwell—currently the Director of the Office of Management and Budget, and the President’s pick to run the Department of Health and Human Services (HHS). Burwell would replace outgoing HHS Secretary Kathleen Sebelius, who has held the office since April 2009. Ms. Burwell should move to make HHS a more transparent, accountable organization under her leadership.

As the Senate begins confirmation hearings, here are six questions that Senators should ask Ms. Burwell.

Medicare

Question 1: The President’s signature policy initiative, the Affordable Care Act (ACA), took a meat axe to funding for the popular Medicare Advantage (MA) program. To date, the ACA has reduced benefits for seniors enrolled in MA by roughly [\\$1,500 per beneficiary](#) on average, and used the savings to fund new subsidies through the health care exchanges. However, only about [20 percent](#) of the ACA mandated cuts to MA have been implemented so far. Would you support efforts to repeal these damaging cuts, which disproportionately impact [low-income seniors](#) who often cannot afford a Medigap plan? Or do you believe it is appropriate to cut benefits to seniors to fund a new entitlement program?

Question 2: In January, the Centers for Medicare and Medicaid Services (CMS) proposed significant changes to the Medicare Part D program. These changes—some of which are [flatly illegal](#) under statute—would gut the [competitive aspects](#) of the program that have been key to keeping the programs costs nearly [50 percent](#) under original projections. More than that, the proposed changes could cost the program almost [\\$10 billion](#) in the next ten years, and force as many as [14 million](#) seniors out of their existing plans. CMS under significant pressure from lawmakers and advocates recently reversed course and announced that they would not finalize these controversial proposals. However, Administrator Tavenner indicated that CMS does intend to push forward with these discredited policies at a later date. Will you commit today that as HHS Secretary you will not allow CMS to move forward with these policies, and will protect the successful and popular Part D program from meddling by career bureaucrats?

Question 3: Under the [Sustainable Growth Rate \(SGR\) rules](#), the Medicare physician fee schedule should see a 20.1 percent cut in 2014. What has become known as the “Doc Fix” has continuously delayed implementing these cuts. If Congress fails to find a solution to the rapidly rising cost of Medicare by 2015, the ACA gives members of the [Independent Payment Advisory Board](#)—or if the board is not yet confirmed, the Secretary of HHS—the power to force Medicare cuts that would place an increased burden on Medicare Advantage and Medicare Part D plans in the first five years. How would you, if given the power, attempt to find the savings required by the ACA and PAYGO, without sacrificing Medicare access and quality?

Affordable Care Act

Question 4: Despite what the administration has claimed, employers have clearly been responding to the incentives created by the ACA's definition of "full time employment" as 30 or more hours per week. Many employers are cutting hours or reducing the size of their workforce to avoid the employer mandate. Excepting the multitude of delays of the mandate, how should the negative effects of the ACA on the American workforce be addressed? If it became apparent that employers continued to be unwilling or unable to adhere to the mandate in December 2014, should we expect more delays?

Question 5: With the number of ACA delays and exemptions approaching 40, there is bound to be a great deal of confusion as to what parts of the law are being enforced and which parts will be delayed indefinitely. Going forward, how will you approach enforcement of other unpopular provisions of the law that are necessary to holding down costs?

Question 6: Americans between the ages of 18 and 34 are typically the healthiest individuals in the population [1] and therefore cost insurance companies the least. Yet under the ACA young men and women are seeing their insurance premiums double and even triple for little, if any added benefit. This, in combination with the new guaranteed issue rules, has created a situation where for many young people remaining uninsured is less risky and more financially reasonable than ever before. This is evidenced by the enrollment numbers showing young people are enrolling at lower than expected rates. What actions should we expect to see from you that would address the economic disincentives for young people to purchase health insurance under the ACA, and instead create an environment where young people are being incentivized to obtain health insurance?

[1] <http://kff.org/health-reform/perspective/the-numbers-behind-young-invincibles-and-the-affordable-care-act/>