

We're here today to look at the Medicare Advantage program. While it is important to get an update on the cost contract and special needs plans in light of their legislative needs, I know my colleagues on the other side of the aisle want to use today's forum to further demagogue the Affordable Care Act. Repealing ObamaCare appears to be their singular answer to any health question. Unfortunately for them -- but fortunately for Medicare beneficiaries -- the facts are with us on Medicare Advantage.

Just this week, CMS announced Medicare Advantage offerings for 2013. Virtually all (99.6 percent) beneficiaries have private plan options. Premiums for Medicare Advantage plans are down post-ACA enactment. Enrollment in private plans has increased substantially and is expected to increase another 11 percent next year. It is a positive report.

That shouldn't surprise us. In addition to improving Medicare's benefits, health reform is implementing long-overdue delivery system reforms; reducing waste, fraud and abuse; and greatly reducing overpayments to Medicare Advantage plans. These changes have substantially extended Medicare solvency, and are reducing beneficiary cost-sharing and premiums, too.

Private plans play a robust role in Medicare today, with approximately 25 percent of Medicare beneficiaries choosing to enroll in a Medicare Advantage plan.

In my district, more than 40 percent of beneficiaries opt for MA plans. I strongly support continuing private plans as an *option* in Medicare. I just don't want to pay more for the privilege.

Nationally, nearly 75 percent of beneficiaries *choose* to remain in traditional Medicare. That is also a choice we need to respect and an option we need to protect.

Unfortunately, my colleagues on the other side of the aisle don't agree. They support the Ryan voucher plan which has nothing to do with expanding "choices" for beneficiaries and everything to do with limiting government expenses by cost-shifting to seniors and their families.

The hallmark of Medicare -- its guarantee of defined benefits earned through years of work and contributions to the program -- is under all-out assault in the Ryan voucher. The Republican plan changes Medicare from a defined benefit plan to a defined contribution plan, using a voucher as its vehicle.

Moving to this scheme doesn't "reform" anything. It doesn't lead to a smarter, more efficient system. It doesn't incentivize higher quality. It actually turns back the clock as Medicare's power to innovate and drive delivery and payment system changes would be undermined.

And don't be fooled by assertions that Medicare "remains an option." You still have to use the voucher to get there – a voucher that in many cases won't cover the cost. So it may be "on the menu," but not everyone will be able to afford it.

According to CBO, the original Ryan Medicare voucher would actually INCREASE *national* health spending because tens of millions of people move out of Medicare, and into more costly private plans. It is hard to imagine a more misguided proposal.

Today's hearing is proof positive that we can preserve choices in Medicare while wringing fat out of the system and improving benefits. There is no need to end Medicare as we know it in order to save it.

With that, I look forward to the testimony of our witnesses today.