

**Opening Statement of the Honorable Fred Upton
Subcommittee on Oversight and Investigations
Hearing on “PPACA Implementation: Updates from CMS and GAO”
July 31, 2014**

(As Prepared for Delivery)

Yesterday we learned that the price tag for HealthCare.gov is approaching \$1 billion. We also learned that the administration’s poor management led to significant cost increases and an exchange that - now ten months after launch - is still not complete. We have held many hearings at this subcommittee and were told on numerous occasions by administration officials that implementation was on track, Americans could keep their health plans, premiums would not skyrocket, access to doctors would be secured, and employees would not suffer. These promises have fallen woefully short.

The second open enrollment period is now less than four months away. The administration has fallen silent on providing updates to the American people about the status of implementation - but we have not stopped asking questions. We are here today to discuss whether HHS has learned from its mistakes and is taking appropriate action.

The cost of the administration’s management failures is significant. Not only did this health care law cost millions of Americans their health care plans, access to their doctors, and increased health care premiums - but it is also costing them their hard-earned taxpayer dollars. According to GAO, the costs for the new website contractor have almost doubled in just 6 months - and that work is still not even finished.

Today, Andy Slavitt, the newly named Principal Deputy Administrator for CMS, will testify for the first time in his current position. I hope Mr. Slavitt can explain what HHS is doing to rein in these ballooning costs. I also hope he can honestly explain what American families can expect when open enrollment begins this November.

We’re looking for straight answers to basic questions about readiness for the next open enrollment period, the status of the HealthCare.gov build, and what consumers should expect. We want the facts about HealthCare.gov contracting, application inconsistencies, and what HHS is doing to ensure mistakes aren’t repeated, even more taxpayer money isn’t wasted, and all agency actions are lawful.

Mr. Slavitt and Mr. Woods - Thanks to you both for being here today. We look forward to hearing from you.

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