

Opening Statement of Senator Herb Kohl  
Special Committee on Aging Hearing  
From Medicaid to Retiree Benefits; How Seniors Impact America's Health Care Costs  
July 13, 2006

Thank you, Mr. Chairman, and I welcome all of our witnesses. Today's hearing will kick-off a series of Committee meetings to examine Medicaid, its challenges, and bipartisan proposals for reform. I congratulate the Chairman for undertaking this ambitious agenda.

Medicaid is the largest health care program in the United States, covering more than 60 million people. While Medicaid is traditionally viewed as a program for low-income families and their children, 70 percent of spending is on the elderly and disabled.

There is no question that the current trends in Medicaid growth and spending are not sustainable for the federal or state governments. We all agree we have to cut costs; the question is how without endangering the most vulnerable in our society.

In my state of Wisconsin, Medicaid provides quality services to a broader population than is required by law. Our Governor has worked to avoid limiting enrollment and services, seeking instead to buy prescription drugs at better prices and rely on home and community based care options as an alternative to costly long-term care institutions. Arizona is engaged in a similar battle to cut Medicaid spending without cutting Medicaid care, and I look forward to hearing from Governor Napolitano about their success.

We will also hear from Richard Wagoner about GM and the private sector's struggle with rising health care costs. These threaten GM's fiscal solvency just as certainly as they affect that of the nation.

Again, I thank you, Mr. Chairman, for holding this first hearing on the topic and I look forward to working with you on this issue.