



**Opening Statement of Rep. Bob Good (R-VA), Chairman
Subcommittee on Health, Employment, Labor, and Pensions
Hearing: “ERISA's 50th Anniversary: The Value of Employer-Sponsored Health
Benefits”
September 10, 2024**

(As prepared for delivery)

Over the last six weeks, I heard a lot from my constituents about the issues that impact their everyday lives. High gas prices, housing and utility costs, food inflation, and fears of an economic downturn all top the list and give working Americans a real concern about their economic insecurity. With costs for everything rising under the policies of the Biden-Harris administration, it’s important for Congress to look at ways to lower costs for American families.

With constituent concerns top of mind, we meet today to discuss the bedrock law that helps provide economic security, stability, and protection to a majority of the people we serve, because it protects employee benefits. Specifically, we will discuss the value of employer-sponsored health care benefits under the *Employee Retirement Income Security Act of 1974* (ERISA).

In the 50 years that ERISA has been the law of the land, it has helped incentivize employers to offer health care benefits that cover over 153 million Americans—roughly half the population. ERISA works because of its preemption clause. As a conservative, you won’t often hear me say I support federal preemption of state law. But in this instance, ERISA’s effect is to alleviate the burden of government on employers, which actually helps workers. Without ERISA preemption of state law, the patchwork of state regulations would hamper a business’s ability to offer uniform coverage options. Imagine being relocated within the same company to a different state and having to navigate an entire new system of health care regulations. Thanks to ERISA, we can avoid that disaster. Employers can simply

comply with the protections outlined in ERISA, and provide health care to employees around the country.

According to a Society for Human Resource Management survey, 90 percent of workers consider health care to be an extremely or very important employee benefit. Another survey by Protecting Americans Coverage Together found that 93 percent of Americans are satisfied with their employer-sponsored coverage.

With stats like that, it seems hard to believe that there are politicians who want to dismantle ERISA in favor of government-run health care. But private health insurance is at risk due to the push of the Left for Medicare-for-All.

The Biden-Harris administration wants to make private health care unaffordable and unattainable, so that Americans think they have no choice but to support government-run plans. They have saddled employer-sponsored health care with more regulations and have removed viable coverage options like Association Health Plans and short-term, limited-duration plans. The Democrats' misnamed "*Inflation Reduction Act*" shifted billions of Medicare dollars to fund failing Obamacare plans.

Now, Democrats plan to extend expanded premium tax credits beyond 2025 at a cost of \$335 billion. I don't think they understand that using tax dollars to pay for certain Americans' monthly health care costs is robbing Peter to pay Paul, and actually makes health care less affordable for everyone. It costs the government over \$1,000 more per patient per year to place someone on an Obamacare plan, than on an employer-sponsored insurance plan.

Beyond Obamacare, the proposals from this administration and Democrat nominee Kamala Harris are somehow even more radical. Vice President Harris has explicitly endorsed Medicare-for-All, a plan which calls for the elimination of private health insurance. This would prevent over half of America from keeping the plans they have now and overwhelmingly prefer. A single-payer system would mark the end of ERISA as we know it—and cost taxpayers an estimated \$32 trillion.

Worse, her plan provides taxpayer funded health care for illegal immigrants. If the government has any legitimate responsibility in health care, it should at least be to the benefit of its own citizens.

Before I close, I want to take a moment to play a video from the Washington Post that highlights just how real this threat to ERISA is.

She says: “Under my plan of Medicare-for-All, private insurance companies will be able to provide coverage if they play by our rules.” Although she tries to moderate and disguise her position by acting like private insurance companies can keep functioning as normal, does anyone really think they will get better health care when they are playing by Kamala Harris’s rules?

The Democrat plan is to make private health care unaffordable, and ultimately non-existent. One way to do this is to provide artificially and temporarily lower cost government-provided health care to drive private providers out of the market. But everything the government does ultimately costs more, especially with the initial hidden cost of the exploding debt that causes higher taxes and higher inflation.

At a time when many Americans are living paycheck to paycheck, and personal savings rates are near historic lows, rising health care costs driven by government interventions are unmanageable. Permitting ERISA plans room to expand and innovate is the solution.

Now, it is time for Congress to work to strengthen ERISA and employer-sponsored health benefits for the next fifty years and beyond.