

U.S. Senator Maria Cantwell

Senate Finance Committee Hearing on Xavier Becerra Nomination to be Secretary of Health and Human Services

February 24, 2021

CANTWELL: Thank you Mr. Chairman. Attorney General Becerra, I'm so excited and proud of your nomination because of the diversity and breadth of experience, and basically just following many of the decisions you've made over your career, so I very much appreciate seeing you here today as President Biden's nominee.

Following up on Senator Grassley's drug questions because this is topical at the moment, we had a chance to discuss drug shortage issues, the fact that the price of insulin is just too darn high - do you think there is more that the FDA and the FTC should do in this area?

BECERRA: Absolutely. We cannot afford to see drug shortages continue, we have to plan ahead, we have to work on the supply chain, we have to make sure that we don't encounter a situation where Americans, on one part of the country have the medication they need and in other parts they don't.

CANTWELL: Well there's no reason to see the spikes that we've seen in insulin, is that correct? That there are policies that we could be putting in place?

BECERRA: Well, in some cases, what we're finding is that these are artificially created, yes.

CANTWELL: Thank you for saying that. Senator Grassley just left the room, he and I have done some work on this in his role in Judiciary, but I plan to do a lot on this issue as it relates to the Federal Trade Commission and its oversight.

Turning now to the broader issues of affordability of healthcare, we also had the chance to talk about the Basic Health Plan, something that was part of the Affordable Care Act to take care of people above the Medicaid rate but at a very cost effective way to bundle people who don't have access to insurance and make it a more interesting market, but it still leaves states in control of helping to negotiate on those programs.

The end result of that has been 800,000 people in the state of New York buying insurance at basically \$500 in an annual premium and saving more than \$1,000 in what we would save for those individuals on the silver plan. So, is this concept something that we should continue to look at as a way to both leverage and bundle up people who aren't quite as interesting to the market, right above that Medicaid rate?

BECERRA: Certainly senator, I think Minnesota as well has also done this and it's another innovation. It's another way, especially for states that are willing to put skin in the game to make this happen, to try to get to the point where we're providing more coverage, better coverage at lower costs.

CANTWELL: I think my colleagues who are talking about already, "we don't want this, we don't want that," we've combined the best in the concept of allowing a state to still be in charge of that end product, but to allow people to propose from the private provider some sort of discounted rate, which I definitely think that we need to be getting more out of the providers on discount. This is not to say that you can't have other public options, I just think this one has been working and has been successful on that front.

Also, the issue on N-95 masks and frauds have come up in the state of Washington. I want to know that you'll do everything you can. I personally believe that we need a task force at this point in time between

the FDA, Border and Customs, and DOJ and others to look at this issue. Again, we've given the FTC broad authority now to fine immediately on anybody that takes advantage of the COVID pandemic to manipulate or to overcharge. We have health care workers and we're asking them to go into these situations and then they're finding out that big, vast amounts of their supply of these masks don't meet the standards. We need to be aggressive here with the FDA on a task force to make sure we're looking into this.

BECERRA: I couldn't agree more, senator. I think the HHS would be more than willing to work. As you know, our jurisdiction comes more on the side of certifying what it takes to have a mask that works. We will work with our partners, and by the way, state, and local, and Tribal territorial partners are important too because they're the ones that are on the ground. I've had to, as the AG of California, work to go after some of the fraud, the gauging that's has gone on with some of these products during pandemics and disasters. We're willing to work with you. I've had that experience as a prosecutor doing this and now, if I'm fortunate enough to be confirmed as Secretary of HHS, we will partner with all those different agencies that you mentioned to try to get to this.

CANTWELL: Thank you. Thank you, Mr. Chairman.