

Opening Statement of Chairman Ron Johnson
Permanent Subcommittee on Investigations
December 10, 2025

I want to welcome and thank everyone for attending today's hearing titled, "Defining our healthcare problem, and principles we should follow to solve it." Thirty years in manufacturing taught me that the first step in solving any problem is admitting you have one. Unfortunately, when it comes to Obamacare, our Democrat colleagues are in a complete state of denial that their signature piece of legislation is a miserable failure. That denial was in full display at our last hearing when Ranking Member Blumenthal stated, "I don't know of anyone who has been harmed by Obamacare."¹

It was an incredible statement considering his own witness, a mom from Madison, Wisconsin, was a victim of Obamacare. Her family lost their employer sponsored insurance in 2016 because of Obamacare.² They purchased a higher-tier plan for \$1,000 a month in 2019.³ When they couldn't afford that, they switched to a less expensive lower-tier plan with a \$14,000 out-of-pocket maximum.⁴ (Prior to Obamacare, this plan would have been called a catastrophic coverage plan and those plans were dirt cheap). Medical bills not covered by their lower-tier plan then forced them to borrow \$18,000 through a Home Equity Line of Credit.⁵ I would hardly consider that family's experience a smashing success.

Our first two witnesses are also victims of Obamacare whose stories will hopefully help open the eyes of our Ranking Member and his Democrat colleagues who refuse to acknowledge reality. Christopher Briggs' story of his daughter with leukemia exposes President Obama's repeated assurance that if you liked your health plan you can keep it as the big whopping lie that it was. Nick Stehle's story of his severely autistic son will demonstrate how Medicaid expansion has harmed disabled children.

Our third witness, Joel White, will detail the financial magnitude of the consolidation that has occurred throughout the healthcare industry since the implementation of Obamacare and how that has weakened competition and led to higher prices. He will describe the root causes related to government regulation of the market that disempowers consumers from choosing the coverage and care that best meets their needs, including price controls and premium manipulation. Finally, he will discuss the principle of increasing competition through consumerism and by reversing the consolidation that has occurred.

Our fourth witness, Tarren Bragdon, will discuss the massive fraud recently uncovered in Minnesota and an eye-opening GAO report, as well as, define the problems created by Medicaid expansion. He will focus on the nine to one match that has limited access of traditional Medicaid recipients to health services, created and perpetuated multiple financing scams, and incentivized states and healthcare providers to structure their budgets relying on those scams. He will discuss

¹ Assessing the Damage Done by Obamacare: U.S. Senate Permanent Subcommittee on Investigations, 119th Congress (2025).

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ *Id.*

the principles of work requirements, equal funding treatment, and the need for effective controls to ensure only eligible citizens receive benefits.

This hearing will demonstrate the key principle that must guide successful healthcare reform is re-injecting consumerism and free market competition into healthcare. Obamacare took us in the opposite direction and failed to reduce healthcare costs as a result. Data show patients pay approximately 10 cents of every dollar spent on healthcare.⁶ No one, other than the accountants and clerks, knows what healthcare services and products cost—not the doctors, the nurses, or the patients. The U.S. spent 17.2% of GDP on healthcare in 2024 versus the other top 10 OECD countries averaging 11.3%.⁷ A 2019 JAMA paper estimated that at least 25% of U.S. healthcare spending is administrative waste, errors, overcharging, and fraud.⁸ That would not be possible in a consumer driven, competitive market.

The failure of Obamacare demonstrates that the federal government is probably the worst consumer of all. Instead of lowering costs and improving quality and service, Obamacare simply throws trillions of dollars at a failed system, hoping to mask its failure. The Democrats' state of denial will make it impossible to repair the damage done by Obamacare and transition to a system that works on a bipartisan basis. So Republicans will have to figure out a way to do it on our own. The purpose of this hearing is to lay out the next steps that need to be taken in the problem-solving process: Accurately defining the problem, and establishing the principles that should guide the development of solutions.

Having competed in the private sector for more than thirty years, I can testify that free market competition guarantees three basic things: The best possible quality, the highest level of customer service, and the lowest cost and price. Isn't that what we want in healthcare? If we do, free market competition is the primary principle we must strive for and adhere to.

⁶ National Health Expenditure Fact Sheet, Centers for Medicare and Medicaid Services (June 24, 2025). <https://www.cms.gov/data-research/statistics-trends-and-reports/national-health-expenditure-data/nhe-fact-sheet>.

⁷ OECD Data Explorer, *Health Expenditure and Financing*, [https://data-explorer.oecd.org/vis?fs\[0\]=Topic%2C1%7CHealth%23HEA%23%7CHealth%20expenditure%20and%20financing%23HEA_EXP%23&pg=0&fc=Topic&bp=true&snb=4&vw=tb&df\[ds\]=dsDisseminateFinalDMZ&df\[id\]=DSD_SHA%40DF_SHA&df\[ag\]=OECD.ELS.HD&df\[vs\]=1.0&dq=.A.EXP_HEALTH.PT_B1GQ.T..T..T...&pd=2015%2C&to\[TIME_PERIOD\]=false](https://data-explorer.oecd.org/vis?fs[0]=Topic%2C1%7CHealth%23HEA%23%7CHealth%20expenditure%20and%20financing%23HEA_EXP%23&pg=0&fc=Topic&bp=true&snb=4&vw=tb&df[ds]=dsDisseminateFinalDMZ&df[id]=DSD_SHA%40DF_SHA&df[ag]=OECD.ELS.HD&df[vs]=1.0&dq=.A.EXP_HEALTH.PT_B1GQ.T..T..T...&pd=2015%2C&to[TIME_PERIOD]=false).

⁸ William Shrank, Teresa Rogstad, Natasha Parekh, *Waste in the US Health Care System – Estimated Costs and Potential for Savings*, JAMA (Oct. 7, 2019). https://jamanetwork.com/journals/jama/article-abstract/2752664?guestAccessKey=bf8f9802-be69-4224-a67f-42bf2c53e027&utm_source=For_The_Media&utm_medium=referral&utm_campaign=ftm_links&utm_content=tf1&utm_term=100719.