

Opening Statement of Chairman Ron Johnson
Permanent Subcommittee on Investigations
November 6, 2025

As submitted to the record:

I want to welcome and thank everyone for attending today's hearing titled, "Assessing the Damage Done by Obamacare." Even before Obamacare was implemented, President Obama's repeated promise that if you liked your doctor and health plan you could keep them was labeled *PolitiFact's* 2013 Lie of the Year.¹ In a recent column, the *Washington Post* stated, "the real problem is that the Affordable Care Act was never actually affordable."²

Today's witnesses will provide the gory details of exactly how unaffordable and damaging the signature legislation of President Obama and the Democrat party has been. I've asked our three majority witnesses to each address a specific area where damage has occurred.

Our first witness, Joel White, will describe how further expansion of the third-party payer system under Obamacare has led to greater consolidation within all sectors of the health care industry, dramatically reducing competition and driving up costs.

Our second witness, Tarren Bragdon, will describe the damage done to Medicaid and to those whom Medicaid was originally designed to help.

Our third witness, Brian Blase, will detail how the insurance market for individuals was dismantled and replaced by the Rube Goldberg Obamacare marketplace exchanges that, contrary to President Obama's promise of lowering family premiums by \$2,500 per year, have caused premiums and deductibles to skyrocket.³

The witness for the minority, Shana Verstegen, is a fellow Wisconsinite who I have a great deal of sympathy for. She is a victim of Obamacare's skyrocketing premiums, and the limitations on small employers joining association plans, thereby forcing their employees onto the unaffordable exchanges. In Wisconsin, Obamacare exchange plans have increased at 3.3 times the rate of inflation since 2013, whereas employer sponsored insurance has risen at 1.6 times that rate.⁴ As a result, Ms. Verstegen's premium is more than \$5,000 higher because of Obamacare.

¹ Angie Drobinic Holan, Lie of the Year: 'If you like your health care plan, you can keep it', *PolitiFact* (Dec. 12, 2025), <https://www.politifact.com/article/2013/dec/12/lie-year-if-you-like-your-health-care-plan-keep-it/>.

² Editorial Board, *The Shutdown Conversation No One Wants*, *The Washington Post* (Oct. 5, 2025), <https://www.washingtonpost.com/opinions/2025/10/05/government-shutdown-aca-subsidies-debt/>.

³ *PolitiFact*, "Barack Obama Campaign Promise No. 521: Cut the Cost of a Typical Family's Health Insurance Premium by up to \$2,500 a Year," (Sept. 21, 2010), <http://www.politifact.com/truth-o-meter/promises/promise/521/cut-cost-typical-familys-health-insurance-premium-/>.

⁴ Tom Kertscher, *Have Obamacare premiums increased three times the rate of inflation?* (Oct. 28, 2025), <https://wisconsinwatch.org/2025/10/obamacare-premiums-affordable-care-act-inflation-health-wisconsin-johnson/>; KFF, *Employer Health Benefits 2014 Annual Survey*, <https://www.kff.org/wp-content/uploads/2014/09/8625-employer-health-benefits-2014-annual-survey6.pdf>; KFF, *2025 Employer Health Benefits Survey*, <https://www.kff.org/health-costs/2025-employer-health-benefits-survey/>.

Today's hearing will highlight Obamacare's failure to meet its objectives. The March 2010 CBO score used to pass Obamacare projected it would reduce deficits by \$143 billion over 10 years and reduce the number of uninsured by 32 million by 2019.⁵ In 2013, the year before Obamacare's implementation, 55 million Americans were enrolled in Medicaid. By 2019, that figure had increased by 17 million to 72 million, with Medicaid expansion accounting for 19 million of that total. That means enrollment in traditional Medicaid actually decreased by 2 million over that time period.

There were 12 million people enrolled in the individual market in 2013, and 14 million enrolled in Obamacare marketplace exchanges in 2019, for a net gain of 2 million. Add that to the 17 million added to Medicaid, and the net reduction of uninsured due to the implementation of Obamacare was 19 million by 2019 — 59% of the 32 million originally projected by CBO.

Comparing 2025 to 2013, there are now 22 million more people enrolled in Medicaid and 12 million more enrolled on the individual exchanges — indicating a 34 million increase in enrollment. What is unknown, however, is how many illegal immigrants are included in those enrollment figures and how many phantom policies have been written for people who don't know they were enrolled and, as a result, make no claims. One estimate for 2023 puts the number of noncitizens enrolled in Medicaid alone at roughly 4.6 million.⁶ Addressing phantom policies on the exchanges, Brian Blase will testify that "In 2025, improper enrollment in fully subsidized plans reached 6.4 million people, with associated improper federal spending exceeding \$27 billion."⁷

Obamacare is spread over multiple programs and agencies that have failed to adequately segregate its differentiated costs, so it's impossible to compare its actual impact on federal deficits versus CBO's March 2010 score, but I doubt many would argue that Obamacare has actually reduced the deficit. We can, however, look at various spending components to get some sense of how it has failed fiscally.

These two charts show state-by-state percent increases in premiums from 2013 to 2026 for a 40 year old enrolled in a silver benchmark plan. The first chart shows the average increase of all fifty states' percent increase is 169%, which is 4.3 times the rate of inflation over the same period—which increased 39%. The second chart shows the percent increase in employer sponsored insurance was 74%, 1.9 times the rate of inflation and less than half the increase of exchange plans.

⁵ Douglas Elmendorf, *Letter to the Honorable Nancy Pelosi*, Congressional Budget Office (Mar. 20, 2010), <https://www.cbo.gov/sites/default/files/111th-congress-2009-2010/costestimate/amendreconprop.pdf>.

⁶ Brian Blase and Ryan Long, *Immigration and Health Care in the One Big Beautiful Bill: How the New Law Reforms Eligibility for Medicaid, Medicare, and ACA Subsidies*, Paragon <https://paragoninstitute.org/medicaid/immigration-and-health-care-in-the-one-big-beautiful-bill-how-the-new-law-reforms-eligibility-for-medicare-and-aca-subsidies/>.

⁷ Testimony of Brian Blase, Permanent Subcomm. on Investigations, *Assessing the Damage Done by Obamacare* (Nov. 6, 2025).

Federal spending on Medicaid has skyrocketed from \$265 billion in FY2013 to \$669 billion projected in FY2025.⁸ The cost of subsidies on the individual exchanges is projected to be \$129 billion for FY2025, with the cost of the temporary pandemic enhanced subsidies accounting for \$20 billion of that total.⁹

The federal government takeover of the student loan program was supposed to help pay for Obamacare by reducing the deficit by \$19 billion.¹⁰ Instead, there has been an additional \$620 billion spent on debt cancellations and the Biden Administration's income-driven repayment program.¹¹

Unfortunately, instead of acknowledging all of the damage done by the faulty design of Obamacare and working in good faith with Republicans to repair it, Democrats simply want to spend hundreds of billions of dollars more in their attempt to continue to hide its failure. Extending the enhanced subsidies, the temporary subsidies Democrats designed to expire this year, would cost \$350 billion, plus an additional \$60 billion in debt servicing costs.¹²

Lowering healthcare costs and providing more American citizens with affordable insurance and covering individuals with pre-existing conditions are goals we all share. Unfortunately, Obamacare failed miserably at lowering costs and meeting enrollment goals. Accomplishing those goals could have been done by understanding and relying upon the benefits of consumerism and free market competition. By relying on those principles and returning free choice to Americans we can repair the damage done by Obamacare and transition to a healthcare system that actually works.

⁸ OMB, *Historical Tables – Table 8.5*, <https://obamawhitehouse.archives.gov/omb/budget/Historicals>; CBO, *Monthly Budget Review: September 2025* (Oct. 8, 2025), <https://www.cbo.gov/system/files/2025-10/60306-MBR.pdf>.

⁹ CBO, *Health Insurance and Its Federal Subsidies: CBO and JCT's June 2024 Baseline Projections* (Jun. 2024), <https://www.cbo.gov/system/files/2024-06/51298-2024-06-healthinsurance.pdf>; CBO, *Summary By Fiscal Year, Millions of Dollars Estimated Budgetary Effects of Public Law 117-169* (Sept. 7, 2022), https://www.cbo.gov/system/files/2022-09/PL117-169_9-7-22.pdf; Adam N. Michel, *Six Reasons to Not Extend the Enhanced Obamacare Subsidies*, Cato Institute (October 7, 2025), <https://www.cato.org/blog/six-reasons-not-extend-enhanced-obamacare-subsidies>.

¹⁰ Douglas Elmendorf, *Letter to the Honorable Nancy Pelosi*, Congressional Budget Office (Mar. 20, 2010), <https://www.cbo.gov/sites/default/files/111th-congress-2009-2010/costestimate/amendreconprop.pdf>.

¹¹ Committee for a Responsible Federal Budget, (Apr. 29, 2024), <https://www.crfb.org/blogs/total-cost-student-debt-cancellation>.

¹² Adam N. Michel, *Six Reasons to Not Extend the Enhanced Obamacare Subsidies*, Cato Institute (October 7, 2025), <https://www.cato.org/blog/six-reasons-not-extend-enhanced-obamacare-subsidies>.