

U.S. Senator Tammy Baldwin Opening Statement at HSGAC Subcommittee Hearing on Wasteful Spending

Washington, D.C – U.S. Senator Tammy Baldwin, Ranking Member of the U.S. Senate HSGAC Subcommittee on Federal Spending Oversight and Emergency Management, delivered the following opening remarks at the subcommittee hearing, [Wasteful Spending in the Federal Government: An Outside Perspective](#):

“Good Afternoon everyone.

Good afternoon Chairman Paul, it’s great to join you for our inaugural subcommittee hearing. And, I very much look forward to working with you on this issue and others under our subcommittee’s jurisdiction as we move forward.

I actually want to take a few moments to outline a couple of issues for today’s hearing, as well as moving forward. And will go on, if you’ll indulge be for a few minutes here, because this is our inaugural meeting and I’m very excited to kick things off. First of all, in my home state of Wisconsin people are working harder than ever and taking home less. And hard working families and businesses in Wisconsin are struggling to get ahead.

I know that’s the case many places in the United States. And Congress has a choice to recognize this and work together to create a stronger economy and growth and security for our people.

Now, I’m a Wisconsin progressive and I know well the legacy of Senator Bill Proxmire. He took on wasteful government spending, and I know that he didn’t take on this fight and pass out Golden Fleece awards because he was opposed government. He did it because our progressive values hold to the belief that every dollar of waste was a dollar that wasn’t being invested in growing the hardworking middle class in the United States.

And, as I have traveled the state of Wisconsin, people ask nothing more than a fair shot – a fair shot at getting ahead. They expect us to cut wasteful government spending and tax expenditures that favor those at the top. They also expect smart investments that grow the economy and create shared prosperity. In short, they want us to reduce spending without shortchanging their future.

In Wisconsin we have a work ethic that is second-to-none. We pinch our pennies and we expect, and our people expect us, to do the same with taxpayer dollars.

And in my view, that is what today’s hearing is all about.

Now, I want to just mention a couple of things that I know we are going to focus on today and I trust we will continue to focus on in the future.

First of all, the GAO reports every two years on areas within the federal government that are vulnerable to waste, fraud, and abuse and mismanagement. Since the 1990’s the GAO has

identified more than 50 areas that are at high risk. However, steady progress has been made in these areas, and 23 areas have been removed from the list all together.

- For example, the Food and Drug Administration has significantly improved its oversight of medical device recalls;
- The Defense Department has shown some strides, and is making progress, in the management and oversight of its contracting approaches; and
- and NASA has significantly strengthened its acquisition management functions.

Yet in spite of this progress, many, many, challenges remain. Earlier this year, the GAO added new areas, two new areas, to its high-risk list, including VA health administration. The GAO determined that VA facilities have failed to provide timely health care and in some cases, have harmed veterans. And we need to be doing better for our Nation's veterans.

Another area that I know we'll discuss today with this expert panel, and that is ripe for Congressional review is improper payments.

In Fiscal Year 2014, government-wide improper payments reached approximately \$248 billion, and that's an increase of \$19 billion from the prior Fiscal Year.

GAO has found that agencies continue to struggle with reducing the number of improper payments and lack the internal controls to determine the full extent of the improper payments.

This is an area that I think we can all agree that more work needs to be done.

Want to move on from areas where GAO believes we can achieve savings and onto an area that I personally feel passionately about want further explore.

A critical part of improving economic security is guaranteeing that everyone has access to high-quality and affordable health care. And the Affordable Care Act has already made a strong investment in the health security of our middle class, and families across this country. More than 10 million Americans are signed up for affordable health insurance provided by the new law. In Wisconsin it's more than 180,000 who have quality health plans and 90 percent of them are benefiting from premium tax credits to help pay for this coverage. The law is also strengthening our investments in Medicare and reducing costs for our nation's seniors. About 9.4 million seniors in Medicare have each saved an average of \$1,598 on prescription drugs in the "donut hole."

I'm committed to making sure that America's new health law works for Wisconsin and across the country and for fixing what doesn't work. And that means putting partisanship aside to implement the law and finding commonsense areas in which to improve the law.

To that end, I believe that there are significant savings that can be achieved within our health care system without compromising quality of care or slashing benefits that seniors have earned. There are a number of nonpartisan and bipartisan think tanks and other groups that have issued recommendations to Congress about delivery system reform in the health care arena. Some

arguing that we could realize up to a trillion dollars of savings without affecting health care outcomes, by enacting smart and targeted health care delivery reforms.

These are truly impressive savings that would strengthen our nation's health care system without shifting costs to seniors or to states.

Chairman Paul, I would hope that as we begin a dialogue about finding solutions to federal spending, waste, fraud and abuse that we can also begin this dialogue about how to produce health care cost savings.

I am confident that if both parties in Washington do what the people do every day in the state of Wisconsin, and in all of our states, - which is putting progress ahead of politics – that we can root out wasteful spending and improve on the delivery of our Nation's priorities for all Americans.

So, again thank you Chairman Paul for providing us the opportunity to discuss these important issues and for our witnesses in being here today to take part in this discussion.

And my hope is that when we leave here today, we'll have areas in which we can address so that we can deliver our Nation's priorities in the most efficient and effective way possible.”

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