

**Opening Statement of Ranking Member Thomas R. Carper**  
*“IRS Challenges in Implementing the Affordable Care Act”*  
April 15, 2015

*As prepared for delivery:*

Today’s hearing is focused on the Internal Revenue Service’s role in implementing the Affordable Care Act. It is important that we put this topic in the proper context. This past March marked the fifth anniversary of the Affordable Care Act. Because of it, thousands of Delawareans and millions of Americans have access to quality, affordable health care. For many, this is the first time they have been able to get health insurance.

Every Thursday when the Senate is in session, a group of us Senators get together for Bible study with the Senate Chaplain. He’ll sometimes remind us of Matthew 25 and the moral obligation we have to the least of these among us: ‘When I was hungry did you feed me, when I was naked did you clothe me, when I was thirsty did you give me something to drink, and when I was sick and imprisoned did you come to visit me?’

It doesn’t say anything about ‘when I didn’t have any health care coverage or couldn’t afford coverage, did you do anything about it?’ But I think the message is the same. We have a moral obligation to the least of these in our society. And not just to people who are homeless or people who don’t have anything to eat, but also to people who work hard but, before the enactment of the Affordable Care Act, didn’t have access to decent health care.

The responsibility we have to look out for ‘the least of these’ drives much of my work in Congress. But as I strive to serve the least of these, I also believe that we have an obligation to do so in a fiscally responsible way. And to do that, we must ensure that government works well and taxpayer dollars are being used effectively and efficiently.

The good news is that Congress and the Administration, and our partners in state governments and the private sector, have made a lot of progress in the effort to provide all Americans with access to affordable health care. Before the Affordable Care Act, 40 million Americans were uninsured. This placed a significant burden on both our nation’s health care system, as well as the health, well-being, and financial security of millions of Americans. Since the enactment of the Affordable Care Act, the number of uninsured Americans in our country has been reduced by 16.4 million Americans. This represents a 35 percent drop in the number of uninsured Americans since the beginning of the first open enrollment in October 2013.

Over 11 million Americans have enrolled in coverage through the health insurance Marketplace. Ten million more Americans now have coverage through Medicaid and the Children’s Health Insurance Program. And young adults are now able to remain on their parents’ health insurance plans up to age 26, giving them access to health insurance as they pursue their education and begin their careers.

The Affordable Care Act is also helping to reform our nation’s insurance market and control the growth of premiums, saving Americans money. The Affordable Care Act prohibits individuals

from being denied coverage because of preexisting conditions, prohibits lifetime limits on care, prohibits women from being charged more for insurance because they are pregnant or may become pregnant, requires minimum levels of coverage, and requires coverage of preventative services without a copay.

Our job today is to determine what we can do to improve the implementation of the Affordable Care Act, and the IRS has a major part to play. The IRS has been successful so far in its responsibilities under the law by helping Americans afford quality health insurance coverage through tax credits in the insurance Marketplace. That's a remarkable accomplishment, especially when you consider how much Congress is requiring the IRS to do, and the fact that Congress has repeatedly enacted deep and damaging cuts to the agency's budget.

For the past five years, funding for the IRS has been reduced by \$1.2 billion, to its lowest level since 2008. When inflation is taken into account, the current funding level is comparable to that of 1998, even though the number of individual and business tax filers has increased by more than 30 million since then.

As Commissioner Koskinen will soon testify, those cuts have had real consequences. In 2014, taxpayers calling the IRS were waiting twice as long for an IRS response than they did in 2009. In addition, recent media reports have highlighted the long lines at IRS offices, and the frustration of IRS employees and taxpayers at call centers. This is all due to the IRS' increased workload and its shrinking resources.

The president's budget request of \$12.9 billion for the IRS for fiscal year 2016 would restore funding to the 2010 levels. It would increase resources for customer service and other critical needs that help taxpayers, and give the agency the flexibility it needs to rededicate itself to taxpayer service. It is clear that if we don't help the IRS do this, and instead we continue to underfund the agency, we're simply setting Commissioner Koskinen and his team up to fail. That would be irresponsible.

I agree that the IRS should continue its efforts to reduce costs and improve its efficiency as an agency, and I applaud Commissioner Koskinen for efforts to date that have saved \$47 million through better management of federal real estate and rent costs. However, Congress must help, not hinder, that improvement. Simply put, we must provide the agency with the resources and flexibility it needs to do its job and do it well.

By all accounts, the IRS has stepped up and met the new challenge of implementing a key aspect of the Affordable Care Act, despite Congress failing to provide adequate funding. That's important because as we all know, health care is an issue that touches us all personally. It affects each and every one of us, as well as our families.

I believe the Affordable Care Act has improved our nation's health care, but no law is perfect, nor is its implementation. One of my key principles is, 'If it's not perfect, make it better.' I know Commissioner Koskinen and his team are working to address the IRS' many responsibilities, including those required by the Affordable Care Act, and I look forward to hearing more about how we can build on the progress that is already being made.

