



**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503**

September 10, 2013
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 2775 – No Subsidies Without Verification Act

(Rep. Black, R-TN, and 103 cosponsors)

The Administration strongly opposes House passage of H.R. 2775 because the goal of the bill is already being accomplished while the text of the bill would create delays that could cost millions of hard-working middle-class families the security of affordable health coverage and care they deserve. It is time for the Congress to stop fighting old political battles and join the President in an agenda focused on providing greater economic opportunity and security for middle class families and all those working to get into the middle-class.

The Affordable Care Act gives people greater control over their own health care and has already improved many aspects of the Nation's health care system. Beginning in October 2013, millions of low- and middle-income Americans will be eligible to receive tax credits to help them purchase insurance and cost-sharing reductions to help with out-of-pocket expenses for coverage effective January 1, 2014. Tens of millions of Americans who have previously been denied coverage due to a pre-existing medical condition will now be covered. The nearly one in two Americans under the age of 65 with pre-existing medical conditions will have the peace of mind that comes from knowing that they cannot be dropped from their health plan or denied coverage because of those conditions. House passage of H.R. 2775 would undermine this security by delaying tax credits and cost-sharing reductions that will otherwise be provided to millions of Americans.

H.R. 2775 is unnecessary because the Secretary of Health and Human Services has already put in place an effective and efficient system for verification of eligibility for premium tax credits and cost sharing reductions. Moreover, it would create vague standards for the Inspector General, whose office has never performed this type of prospective review, to “successfully and consistently” verify eligibility. As a result, this legislation’s unnecessary pre-certification requirement would impede opening the Marketplaces on October 1, 2013, driving up out-of-pocket health care costs for millions of Americans and reducing timely access to much-needed and long-denied affordable coverage.

If the President were presented with H.R. 2775, his senior advisers would recommend that he veto the bill.

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