



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

February 2, 2015
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 596 – Repealing the Affordable Care Act

(Rep. Byrne, R-AL, and 48 cosponsors)

The Administration strongly opposes House passage of H.R. 596. The House has now attempted to repeal or undermine the Affordable Care Act more than 50 times. H.R. 596 would take away critical benefits and health care coverage from hard-working middle class families. In addition to taking away Americans' health care security, the bill would increase the deficit, remove policies that have helped slow health care cost growth and improve the quality of care patients receive, and detract from the work the Congress could be doing to further job creation and economic growth.

The Affordable Care Act is not only working, it is fully integrated into an improved American health care system. Discrimination based on pre-existing conditions is a thing of the past. And under the Affordable Care Act, we've seen the slowest growth in health care prices in nearly 50 years, benefiting all Americans.

Repealing the Affordable Care Act would mean that Health Insurance Marketplaces where millions of Americans now compare private insurance plans and get tax credits to purchase them would shut down. Tax credits for small business owners who cover their employees would be taken away. States would lose substantial Federal assistance under Medicaid to provide coverage for the neediest Americans. According to the most recent projections by the Congressional Budget Office (CBO), 27 million Americans are expected to gain coverage due to the law. Repeal will likely result in most of these individuals remaining uninsured or losing their insurance altogether. An estimated 10 million Americans gained coverage during 2014, and repealing the law would erase most of these coverage gains and strip these Americans of the security and peace of mind they now have.

Further, repealing the health care law would have implications far beyond Americans who have or will gain insurance.

More than 250 million Americans with insurance – private insurance, Medicare, and Medicaid – would lose the benefits and protections they receive under the health care law. Insurance companies would no longer have to cover as dependents millions of young adults who have been able to stay on or sign up on their parents' plans. Lifetime limits and restrictive annual limits on coverage could be reimposed. Women could be charged more than men and up to 129 million Americans with pre-existing conditions would be at risk of not being able to access or afford health coverage. Policies that promote efficiency and accountability in health care and health insurance would be erased.

Reforms that strengthen Medicare's long-term finances also would be repealed. Seniors also would lose the more generous prescription drug coverage provided under the health care law, as well as free preventive care, and Medicare's Hospital Insurance Trust Fund would become

insolvent years earlier. Moreover, by repealing these reforms to Medicare and other reforms that encourage doctors and hospitals to provide efficient, high-quality care, the legislation would drive up costs and worsen patient care throughout our health care system.

CBO has previously estimated that repealing the health care law would add more than \$100 billion to the deficit over the ten years ending in 2022, and more than \$1 trillion in the following decade. This not only hurts the Government: it hurts State and local economies, job creation, and the Nation's long-term prosperity.

The last thing the Congress should do is refight old political battles and take a massive step backward by repealing basic protections that provide security for the middle class. Right now, the Congress needs to work together to focus on the economy, helping middle-class families, and creating jobs.

If the President were presented with H.R. 596, he would veto it.

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