

OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

March 4, 2014 (House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 4118 – SIMPLE Fairness Act

(Rep. Jenkins, R-Kansas, and 8 cosponsors)

The Administration strongly opposes House passage of H.R. 4118, the Suspending the Individual Mandate Penalty Equals Fairness Act, because the bill would increase health insurance premiums, decrease tax credits, increase the number of uninsured, and shift costs to businesses, workers, and health care providers. Rather than attempting once again to repeal the Affordable Care Act, which the House has tried to do approximately 50 times, 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. Every day, thousands of Americans are signing up for insurance, and four million have signed up so far. Because of the Affordable Care Act, Americans who have previously been denied coverage due to a pre-existing medical condition now have access to coverage. Additionally, the law helps millions of Americans stay on their parents' plans until age 26, and provides access to free preventive care like cancer screenings that catch illness early on.

H.R. 4118 would repeal the provision in the coming year that applies only to those Americans who can afford to purchase health insurance but decide not to do so. In fact, the Affordable Care Act already includes affordability and special-circumstances exceptions for Americans who cannot afford insurance. And the individual shared responsibility provision is essential to ensuring that the 129 million Americans with pre-existing conditions can get coverage without being charged more or losing coverage when they get sick. Repealing this part of the law would also result in higher premiums for those who remain insured, fewer premium tax credits for middle-income families, and increased cost-shifting of uncompensated care to health care providers, workers, and businesses.

If the President were presented with H.R. 4118, he would veto it.

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