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

January 06, 2011
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H. R. 2 – Repealing the Affordable Care Act

(Rep. Cantor, R–VA, and 162 cosponsors)

The Administration strongly opposes House passage of H.R. 2 because it would explode the deficit, raise costs for the American people and businesses, deny an estimated 32 million people health insurance, and take us back to the days when insurers could deny, limit or drop coverage for any American.

In a preliminary analysis of H.R. 2, the Congressional Budget Office found that repealing the law would increase the deficit by $230 billion in the first decade and roughly one-half of one percent of GDP, or over a trillion dollars, in the second decade; increase the number of uninsured Americans by 32 million; impose higher premiums on large firms; and cause consumers who buy coverage in the individual market to pay more out of pocket for fewer benefits. Medicare's insolvency would be accelerated by repeal – the Medicare actuaries previously stated that the Affordable Care Act extended solvency by 12 years. Repealing the Affordable Care Act would not only increase deficits in the coming decade, but would also significantly worsen the long-term fiscal burdens on American businesses and families.

When the Affordable Care Act provisions are fully in effect, insurance companies will no longer be able to discriminate against any American with a preexisting condition, charge women higher rates, or charge drastically higher premiums for older Americans. H.R. 2 would eliminate the important patient protections, coverage expansions, affordability provisions, and fiscal savings in the Affordable Care Act. If the President were presented with H.R. 2, he would veto it.

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