



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

June 29, 2020
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 1425 – Patient Protection and Affordable Care Enhancement Act

(Rep. Craig, D-MN, and 61 cosponsors)

The Administration strongly opposes House passage of H.R. 1425. This bill attempts to exploit the coronavirus pandemic to resuscitate tired, partisan proposals that would send hundreds of billions of dollars to insurance companies in order to paper over serious flaws in Obamacare. Furthermore, H.R. 1425 would pay for this bailout by imposing price controls that undermine the American innovation the entire globe is depending on to deliver the vaccines and therapeutics needed to respond to the coronavirus.

Since the beginning of this crisis, the Administration has taken a whole-of-America approach to fight the coronavirus. This includes a productive partnership with both houses of Congress to respond to the healthcare needs of our citizens. The Administration has delivered millions of pieces of personal protective equipment to frontline healthcare responders, surged hospital capacity, and dramatically scaled up diagnostic and surveillance testing capabilities. The Administration also launched Operation Warp Speed to collaborate with the private sector to develop a coronavirus vaccine, therapeutics, and diagnostics. Additionally, the Administration is working to reimburse providers for coronavirus testing and treatment of uninsured Americans so they do not have to worry about the financial implications of obtaining these services.

All this was done while putting the country in the strongest possible position to rebound from the most significant economic challenge since the Great Depression. Working with Congress, the Administration has delivered financial relief directly to over 160 million Americans, over 4.5 million businesses and their employees, and over one million healthcare providers.

Instead of building on these vital, bipartisan efforts, H.R. 1425 reads as if the coronavirus never emerged. It repurposes failed proposals from years past that would literally pay insurance companies more to hide the true cost of Obamacare from consumers. Even the additional billions of taxpayer funding is not enough to prop up Obamacare on its own, thus H.R. 1425 goes out of its way to systematically eliminate any competition by prohibiting more affordable coverage options and the consideration of alternative approaches by States. At the same time, the bill lacks any provision to ensure the Federal Government adheres to the long-held consensus to not fund abortion services or abortion coverage.

To create a façade of “paying” for the revival of last decade’s most partisan project, Obamacare, H.R. 1425 invokes another partisan misadventure reflected in provisions of H.R. 3. In its Statement of Administration Policy on H.R. 3, the Administration explained that these provisions

would impose price controls under the guise of “negotiation” that would ultimately “harm seniors and all who need lifesaving medicines.” In perhaps an indication of the intentions of H.R. 1425, it does not even attempt to include those provisions of H.R. 3 that had previously garnered bipartisan support, such as establishing a cap on out-of-pocket expenses for all beneficiaries in Medicare Part D and other improvements to that program for seniors.

While any time is an inopportune time to dramatically undermine the development of innovative medicines, H.R. 1425 is even more imprudent given the current focus on developing vaccines and therapeutics rapidly to help America and the world combat the coronavirus. To take such an action simply to double down on the same expensive, inefficient, and bureaucratic approach to health coverage that the American people endured for the past decade makes it even more misguided and counter to the most urgent needs of the country.

If H.R. 1425 were presented to the President, his advisors would recommend that he veto the bill.

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