



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

June 26, 2008
(Senate)

STATEMENT OF ADMINISTRATION POLICY

H.R. 6331 – Medicare Act of 2008

(Rep. Rangel (D) NY and Rep. Dingell (D) MI)

The Administration strongly opposes H.R. 6331, the Medicare Improvements for Patients and Providers Act of 2008. This legislation unnecessarily expands the Medicare program and irresponsibly imperils the long-term fiscal soundness of Medicare and Medicaid, through which millions of Americans receive their healthcare services. The bill pays for these spending increases, in part, with inappropriate reductions in Medicare Advantage (MA) payments. The bill would fundamentally change the private fee for service program and consequently reduce access, benefits, and choices for many of the approximately 2.25 million beneficiaries who have chosen to enroll in private fee-for-service plans, many of whom live in rural areas. H.R. 6331 includes policies that are not included in or are inconsistent with the President's Budget, increases Trust Fund spending, and includes budget gimmicks. The Administration has repeatedly communicated that legislative proposals that result in loss of beneficiary access to additional benefits or choices in the MA program are unacceptable. Further, the Administration objects to any policy that undermines efforts to promote fiscal solvency in the Medicare or Medicaid programs or disturbs, undermines, or overturns the many successes of the Medicare prescription drug benefit. Because this legislation fails to address the Administration's significant concerns, as expressed in the June 12, 2008, Senate Statement of Administration Policy on S. 3101, if H.R. 6331 were presented to the President in its current form, his senior advisors would recommend that he veto the bill.

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