



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

November 20, 2009
(Senate)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3590 — Patient Protection and Affordable Care Act
(Substitute sponsored by Sen. Reid, D-Nevada, and 3 cosponsors)

The Administration strongly supports Senate passage of the Patient Protection and Affordable Care Act (the proposed substitute to H.R. 3590), which represents a critical milestone in the effort to reform our health care system. This legislation meets the President's criteria for health insurance reform: it provides stability and security to those with insurance; offers access to quality, affordable health care for those who do not have insurance; cuts costs for families, small businesses and the Government; and does so without adding a dime to the deficit.

This legislation is the product of unprecedented cooperation and countless hours of hard work by Members of the Senate who share the President's conviction that the Nation cannot wait another year for health insurance reform. They have forged a strong consensus that represents an historic step forward.

The Senate legislation includes critical reforms to the insurance industry, so that Americans will no longer have to worry that they will be denied coverage, or that their coverage will be dropped or watered down when they need it most. It covers virtually all Americans and ensures that all Americans with health insurance are protected against high, out-of-pocket spending. The Administration is pleased that the bill includes a public health insurance option offered in an Exchange. As the President has said throughout this process, a public option that competes with private insurers is one of the best ways to provide the choice and competition that are so badly needed in today's market.

The Senate bill also includes important health care delivery system and insurance reforms and cost-containment initiatives, and it would extend the solvency of Medicare's hospital insurance trust fund. The Administration is also pleased that the bill creates an Independent Medicare Advisory Board. The bill's Medicare and Medicaid policies promote integrated care, quality care, and primary care. It invests in research on the most effective treatments, prevention, and the health care workforce. It also makes critical improvements for Medicare beneficiaries including beginning to address the coverage gap in the Medicare drug benefit known as the donut hole. In addition, it provides new options for long-term care. The bill includes important program integrity protections that will safeguard Medicare and Medicaid from fraud, waste, and abuse. Moreover, the Senate bill is not only fully paid for, but also reduces the deficit by \$130 billion in the first decade and by more than half a trillion dollars in the next decade.

This bill provides the necessary health reforms that the Administration seeks – affordable, quality care within reach for the tens of millions of Americans who do not have it today, and stability and security for the hundreds of millions who do. The Administration appreciates the hard work of the Senate on this bill, which contributes to transforming the health care system. The Administration looks forward to continuing to work with the Congress to enact health insurance reform and urges quick action on this landmark bill.

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