



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

May 7, 2019
(House Rules)

STATEMENT OF ADMINISTRATION POLICY
H.R. 986 – Protecting Americans with Preexisting Conditions Act of 2019
(Rep. Kuster, D-NH, and 19 cosponsors)

The Administration strongly opposes House passage of H.R. 986. This legislation would nullify Administration guidance on section 1332 of the Patient Protection and Affordable Care Act (PPACA). This guidance, issued on October 24, 2018, by the Department of Health and Human Services and the Department of the Treasury, expanded State flexibility, encouraging States to pursue section 1332 waivers to move their insurance markets away from PPACA’s one-size-fits-all rules and regulations and increase choice and competition within their insurance markets.

The President has repeatedly made clear that this Administration will protect people with pre-existing conditions. The 2018 guidance in no way alters the guardrails in place for those with pre-existing conditions, and it would not allow the Administration to waive the requirements in place around pre-existing conditions. The title of this legislation gives the misleading impression that it will enhance healthcare protections for Americans with pre-existing conditions. Members should not be confused. This bill would not extend any additional protections for people with pre-existing conditions. Rather, it would harm the ability of States to improve coverage for people both with and without pre-existing conditions.

Coverage in the individual market has become increasingly unaffordable for unsubsidized consumers, including those with pre-existing conditions. The 2018 guidance freed States to develop health coverage that best meets the needs of their residents, to better enable all Americans to have the opportunity to gain high-value and affordable health coverage regardless of income, geography, age, gender, or health status. It empowers States to develop innovative approaches that transcend the inflexible Federal approach, increase consumer control, and expand choice and competition in their markets. The guidance issued by the previous administration in 2015 substantially and unnecessarily limited the types of proposals that could be approved for section 1332 waivers, effectively limiting States’ ability to innovate and impairing their ability to meet all the challenges they face in providing quality health coverage to their residents.

H.R. 986 would reverse State efforts to develop innovative waiver proposals and limit the Administration’s ability to provide guidance to States about the flexibilities available under the law. It would move the healthcare market in the wrong direction. The legislation threatens access to healthcare for our Nation’s citizens and runs counter to the President’s healthcare vision of expanding affordable coverage, improving care for people with pre-existing conditions, and enhancing competition.

If H.R. 986 were presented to the President, his advisors would recommend that he veto it.

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