

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Obama administration effectively pilfered \$7 billion from taxpayers.

Jul. 09, 2016

Even as President Obama begins to plan for life after the presidency, the controversy over the Affordable Care Act (ACA), the far-reaching healthcare legislation known as “Obamacare,” simply won’t go away.

In the latest developments, House Republicans are accusing the administration and president of circumventing the U.S. Constitution by providing insurers with payments under the healthcare law’s cost-sharing program without having legal authority to do so. The House Ways & Means Committee has released a 150-page report claiming the Obama administration effectively pilfered \$7 billion from taxpayers.

According to reports from conservative-leaning sources, including the Washington Times and Americans for Tax Reform, the White House recognized that it needed to request more money to fuel the cost-sharing program, but then decided to take matters into its own hands. The program reimburses insurers that help out lower-income Americans. Obama’s detractors say that he feared that the request would be turned down and the program would be forced to go belly-up.

“Our Founding Fathers entrusted Congress with the power of the purse, not the White House,” said Ways and Means Committee Chairman Kevin Brady (R-TX). Brady headed the 17-month probe along with Energy and Commerce Chairman Fred Upton (R-MI).

The GOP report says the Obama administration initially asked for \$4 billion for the cost-sharing program in fiscal year 2014, but then withdrew its request in a phone call to Senate appropriators. “It is reasonable to assume that the sequestration report

factored into the Administration's decision to find a separate source of funding for

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

to insurers without constitutional authority, but stayed the decision pending an appeal. On July 6, the administration filed a notice to challenge the initial decision.

Democrats have characterized the GOP probe as a “witch hunt” during hearings on the dispute. Obamacare supporters pointed out that the program helps insurers 6 million poor Americans.

“Clearly there is no end to the lengths Republicans will go to undermine the Affordable Care Act,” said Ways and Means ranking member Sander Levin (D-MI) and Energy and Commerce ranking member Frank Pallone (D-NJ). “Their notion that the administration obstructed yet another partisan Congressional ‘investigation’ is absurd, especially after the administration has provided more than a dozen government officials for hours of interviews.”

In this election year, virtually anything goes, so it's not surprising if concerted efforts to repeal Obamacare are renewed. Expect both sides to dig in.

Accounting • Benefits • Legislation

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved