



ADVANCING FAITH, FAMILY AND FREEDOM

January 5, 2015

Representative
U.S. House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the Family Research Council (FRC) and the hundreds of thousands of families we represent, I urge you to vote in favor of the *Restoring Americans' Healthcare Freedom Reconciliation Act* (H.R. 3762) as amended by the Senate. This bill eliminates a significant portion of federal funding for Planned Parenthood Federation of American (PPFA) as well as several key pillars of the Patient Protection and Affordable Care Act through the budget reconciliation process.

Americans are alarmed as they are made aware of what happens at abortion clinics, where life is only valued by the sum of body parts. PPFA, despite its nonprofit status, received over \$528 million in federal, state and local government grants and contracts in 2013-2014, and reported a total revenue of over \$1.3 billion. According to a March 2015 GAO report, PPFA received \$401.29 million in reimbursements from federal-state programs such as Medicaid, CHIP and Medicare in 2012. Of that \$400.45 million was provided to PPFA through Medicaid. For 2010-2012 those three programs funded PPFA a whopping \$1.186 billion, of which 99.9% came from Medicaid.

While prior efforts to defund PPFA had been blocked in the Senate, they were able to pass with 52 votes this monumental budget reconciliation bill which required only 51 votes. Sending a bill to the president's desk that essentially defunds a significant portion of PPFA's government revenue is now possible. Section 206 of H.R. 3762, will for one year restrict funding under several mandatory programs such as Medicaid to entities that provide abortion, other than for cases resulting from rape or incest or cases in which the life of the mother is at risk, and which receive over \$350 million. It will exclude such funding to entities such as PPFA. CBO estimates this provision would save an estimated \$235 million. Section 102 would allow funding in the amount of \$235 million to community health centers, which do not provide abortion. In essence, the amendment would defund a significant amount of federal funds PPFA receives, and also redirect funds to entities that do not perform abortion.

This bill would repeal key provisions of the Patient Protection Affordable Care Act, otherwise known as Obamacare. The bill would repeal the penalties tied to the individual mandate (Section 204) and the employer mandate (Section 205). Repealing the penalty for not purchasing health care under Obamacare allows individuals to refuse to purchase insurance where there are no or few pro-life alternatives. This is especially relevant for individuals who live in the 26 states (including the District of Columbia) that did not opt out of elective abortion coverage. Indeed, of states that allow abortion coverage, 2 states have no pro-life plans, and 8 states have plans of which 85% cover elective abortion. Under Obamacare, those purchasing plans with elective abortion must pay an abortion surcharge. Moreover, even taxpayers in states that opted out of abortion coverage are still subsidizing health plans in other states that include elective abortion, and under current law, individuals are penalized for not purchasing health care. The bill would remove this penalty, thereby allowing individuals to forgo purchasing health insurance if their conscience would be violated given their options.

Additionally, removing the employer mandate penalty allows employers to offer health care plans that are pro-life, but may not comply with all of the Obamacare mandates, or to refuse to offer health care plans that cover elective abortion without being penalized by the Federal government. Giving employers the option to forgo health care also allows them to escape the HHS mandate on drugs and devices that can cause abortion in violation against their conscience. While closely held businesses that object to the HHS mandate are protected under the Supreme Court ruling in the *Hobby Lobby* and *Conestoga Wood Inc.* case, non-profit entities such as the Little Sisters of the Poor and others are still subject to the HHS mandate. Employers should not be penalized if they do not comply with the employer mandate.

Moreover, Section 101 repeals the Prevention and Public Health Fund, which authorizes and directly appropriates funds not subject to the Hyde Amendment restrictions contained in the annual Labor, Health and Human Services Appropriations bill. Such funds could be used to directly pay for elective abortion since there is no restriction on the use of its funds for abortion. Repealing this provision helps restore the status quo on not funding elective abortion.

Further, Section 202 repeals the premium subsidies to purchase health care plans, even if such plans include elective abortion. The premium subsidies are advanceable refundable credits, meaning they are essentially direct payments for premiums of insurance, and Obamacare under Section 1303 allows such payments for plans that include elective abortion. This policy violated the long-standing prohibition of the Hyde Amendment which restricts not only direct funding for elective abortion but funding for health care plans that include elective abortion. Repealing these subsidies, which the bill does beginning in 2017, will help restore the status quo on federal funding for elective abortion.

FRC supports passage of H.R. 3762 as amended by the Senate. Even though it is likely the President will veto this legislation, an essential precedent has now been set under Senate rules for a future pro-life President to defund a massive portion of federal subsidies to abortion providers such as Planned Parenthood and to repeal key portions of Obamacare. FRC will score in favor of this bill.

Sincerely,



David Christensen
Vice President of Government Affairs