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House of Representatives Passes Health Care Reform Legislation – What's Next?

SPECIAL EDITION: HOUSE PASSES HEALTH CARE REFORM

The United States House of Representatives has passed its version of health care reform legislation. What's next? This special edition of the Advocacy Advisory focuses on the latest news from Washington and examines what may happen in the near future.

Even as the Senate comes back for a brief session this week before Wednesday's Veterans Day holiday, the stage is largely set for the rest of the year's legislative agenda in the wake of House passage of a landmark healthcare overhaul bill late Saturday night. The House voted 220-215 to pass its version of health reform, but that milestone victory marks only the continuation of the bill's long journey from the House to the president's desk.

The measure now moves to the Senate, where Sen. Lindsey Graham, R-S.C., has already declared the House bill "dead on arrival." But Senate Majority Leader Reid's office signaled he will try to complete a healthcare overhaul bill this year, even if it means weekend work. "We will be in as much as necessary to get a bill done," Reid spokesman Jim Manley said. Reid indicated last week the overhaul's passage might slip into next year.

Senate Expected to be More Hostile Environment

Observers believe that if the Senate does pass a bill, it is likely to be drastically different from the one the House passed, setting up a contentious conference and forcing Democrats to rehash difficult fights. But after months of town hall meetings and careful political calculation, House Democrats will spend a recess week in their districts finding out just how their votes play back home. The liberal advocacy group Health Care for America Now planned to meet members at their home airports over the weekend congratulating members who voted their way. Even before the vote was cast Saturday night, Democrats and Republicans were provided by their leaders with recess packages with talking points. Republicans intend to depict the bill as a "freight train" of runaway spending, bloated bureaucracy, higher taxes and federal mandates. Democrats will hammer home a depiction of the bill as adding more stability and lowering medical costs for all Americans without adding to the deficit.

A last-minute deal forced Pelosi to allow Rep. Bart Stupak, D-Mich., a floor vote to add Hyde Amendment language to the overall bill, codifying restrictions on federal abortion funding in statute for the first time. Abortion rights groups are furious, and Democrats on both sides of the issue could get hammered at home: Those who voted with Stupak for betraying the party and those who voted against for failing to stand up to the pressure.

The Congressional Budget Office analysis of the Senate proposal might come this week. Once Reid gets the scores, he will cobble together the Senate's final overhaul bill based on the proposals that will produce the desired outcome of a cost under \$900 billion that does not add to the deficit. Reid has kept the content of those proposals secret except announcing he would include in the final bill a public option that will allow states to

opt out if they choose. Moderate senators are working on trying to change that. Many support a proposal from Sen. Olympia Snowe, R-Maine, to make participation in the public option dependent on a trigger mechanism measuring private insurers' ability to provide affordable coverage.

With the reform emphasis passing from the House to the Senate, President Obama has hit both a milestone and a speed bump, some observers note. House approval of the legislation Saturday— even if Democrats could move it no farther—was a signal accomplishment that has eluded presidents for decades. However, the close vote and the exertions it took to secure a majority were laden with warning signs as the issue moves to the Senate. Even though the House has a Democratic majority, the health care overhaul was a tougher sell than expected and the bill turned out to be more conservative in its price tag, more limited in the scope of its government-run insurance option, and tighter in its restrictions on abortion funding than many Democrats had hoped. Moreover, the narrow victory – 220 to 215 in a chamber where Democrats hold 258 seats – was unsettling for liberals because moderate Democrats have a louder voice in the Senate and Republicans have more delaying power.

In both the Senate and the House, centrist Democrats have tremendous leverage over the liberal majority of their party. The threat of losing their crucial votes is what drove House leaders to make big concessions on the terms of the public option that liberals did not like – and to allow new restrictions on abortion vigorously opposed by a majority of House Democrats. Even though that abortion amendment was approved, its opponents still swallowed hard before voting for final passage – a show of pragmatism that will likely be required among Senate Democrats as well.

It looks increasingly likely that a bill will not be ready for President Obama to sign until after the New Year. But Democratic leaders still cling to the goal of clearing the measure before the end of 2009. While Senate Majority Leader Reid is hoping to bring the issue before the Senate in a week or so, he has yet to put the finishing touches on the bill that will be the starting point of debate in that chamber – a blend of differing versions produced by two committees. Final details have to be determined and analyzed for their impact and cost, but it is clear that the Senate bill will have major areas of overlap with the House's: Both bills will expand Medicaid coverage for the needy, provide private-insurance premium subsidies for people of modest means, and set new rules to make it harder for insurance companies to deny coverage or charge higher rates to people based on their medical status or history. Both bills would require everyone to have health insurance, and set up a new insurance exchange to offer affordable policies for small businesses and individuals who do not get coverage from their employers. Both bills would include one government-run "public option" among the choices. However, Reid has said that his bill – in a concession to moderates – would allow states to "opt out" of offering the government plan. The Senate bill may or may not include the House' bill's requirement that employers provide coverage for their workers. In another major difference, the Senate bill will offset the cost primarily with a tax on companies that offer very expensive health insurance policies. The House's financing comes mostly from an income tax surcharge on upper income people. That disparity will be among the biggest issues to be ironed out when, after the Senate passes its version, negotiators in a House-Senate conference committee write the final bill.

Source: Congress Daily, Associated Press.

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