

## NEWSSTAND

### Healthcare Update: Last Week in D.C.: The Healthcare Reform Debate

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[Leslie J. Levinson](#), [Edward Eynon](#)

Healthcare reform efforts were marked with uncertainty and skepticism in the Senate last week, as Democratic leaders continued their scramble to reach a consensus on the controversial bill before Christmas. Those efforts continued behind the scenes into the weekend, and a compromise was finally unveiled on Saturday.

#### **60-VOTE COMPROMISE ACHIEVED:**

Despite the removal of language to create a government-run public health insurance option to compete with private insurers, Senate Majority Leader Harry Reid (D-NV) struggled throughout the week to nail down the votes needed to pass his healthcare reform bill – H.R. 3590. While most Democrats appeared to be on board – albeit reluctantly in the case of staunch public option supporters – the Majority Leader still did not have commitments from all 60 members of his caucus – the magic number necessary to prevent a Republican-led filibuster and ultimately pass the bill.

The Majority Leader kept vote counts close to his vest, but reports indicated that the final holdout was moderate Ben Nelson (D-NE). Since the defeat of his strong anti-abortion amendment earlier in the month, Senator Nelson had vowed to oppose H.R. 3590 unless language was added to explicitly prohibit the use of federal dollars to pay for abortions. Early last week, Senator Nelson rejected compromise abortion language that was written to allay his concerns, sending negotiators back to the drawing board on the sensitive issue.

In addition to abortion, Senator Nelson had also expressed strong concerns with several other provisions of H.R. 3590, including an expansion of the Medicaid program and the tax increases that would pay for the overall expansion of health insurance coverage in the bill.

Democratic leaders spent much of the week in closed door negotiations with Senator Nelson, and by late Friday night, the moderate Senator's concerns were alleviated and he shook hands with Majority Leader Reid – a pivotal moment that sealed his support and set healthcare reform on a path toward final passage before Christmas.

#### **THE RACE TO THE FINISH LINE:**

On Saturday morning, Majority Leader Reid officially unveiled the final changes to H.R. 3590 in the form of a manager's amendment that is used for such purposes. In addition to tighter abortion funding restrictions, the amendment also includes a new system of private health insurance plans

to be administered by the Office of Personnel Management (the alternative to the public option), increased Medicaid funding and enhanced tax credits for small businesses.

Having secured the necessary 60 votes, the Majority Leader then moved to file cloture – or, to limit debate – on his manager’s amendment, his original bill, and the underlying House bill that has served as the vehicle for the Senate’s healthcare reform efforts. Now that cloture has been filed, the clock is counting down to a number of procedural votes (each needing the support of all 60 Democrats) that must occur before a vote on final passage of H.R. 3590.

The first procedural vote – on the manager’s amendment – took place at 1:00 a.m. today, when it passed by the expected count of 60-40. The complex procedural process will continue this week, and should Republicans employ every procedural tactic at their disposal as they voice their opposition to H.R. 3590, the final vote on the measure could occur as late as 7:00 or 8:00 p.m. on Christmas Eve.

**NEXT STEPS:**

Should Senate Democrats successfully navigate the procedural steps that stand between them and passage of their healthcare reform bill by Christmas, the stage will then be set for conference proceedings with the House when the two Chambers return to session in January. Reconciling the differences between the two bills – notably those surrounding the public insurance option, tax increases, and the issue of federal funding for abortion – will likely prove to be the next complicated step in Democrats’ goal of delivering a final bill to President Obama’s desk early in the new year.

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Les Levinson, Partner, Chair, Healthcare Practice 212.912.2772

[llevinson@eapdlaw.com](mailto:llevinson@eapdlaw.com)

Teddy Eynon, Partner, Public Policy &  
Government Relations

202.478.7379

[teynon@eapdlaw.com](mailto:teynon@eapdlaw.com)