

NEWSSTAND

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

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The House passed its \$1 trillion healthcare reform bill over the weekend, following a week-long flurry of behind the scenes activity by Democratic leaders, as they worked to line up the 218 votes necessary for passage. Across the Capitol, the Senate remained in a holding pattern, and many Senators have begun to acknowledge that a vote on healthcare reform may not occur in their chamber before the end of the year.

HOUSE APPROVES HEALTHCARE BILL:

By mid-week, floor debate on the House's massive healthcare reform bill (H.R. 3962) appeared set to begin on Saturday morning, though it was not yet clear whether Democratic leaders had the necessary 218 votes, due to lingering intra-party disagreements on hot button issues such as abortion and immigration.

Democrats now hold a 258 Member majority in the House, thanks to last week's special elections in California and New York. With every Republican expected to vote against H.R. 3962, House Speaker Nancy Pelosi (D-CA) could lose up to 40 Democrats and still pass the bill. But even with such a large margin, the process proved to be difficult.

On the abortion issue alone, up to 40 Democrats had pledged to vote against H.R. 3962 if stronger language was not added to restrict federal funding for health insurance plans that include abortion coverage. Regarding immigration, up to 20 members of the Congressional Hispanic Caucus had threatened to oppose the bill if proposed language to restrict the ability for illegal immigrants to purchase health insurance is added. Furthermore, Speaker Pelosi and her allies also had to contend with the concerns of vulnerable first term Members who for political reasons were hesitant to vote for a bill that greatly expands the federal government's role in healthcare.

Leaders spent the week working furiously to nail down votes, particularly among pro-life Democrats. A breakthrough came late Friday evening, when Speaker Pelosi allowed anti-abortion advocates to move forward with an amendment to H.R. 3962 that would explicitly prevent federal funds from being used for abortion under any insurance plan. This agreement set the wheels in motion for floor debate to formally begin on Saturday, following President Obama's last minute trip to Capitol Hill to make his final pitch for the bill.

After hours of general debate on Saturday, the House turned to the anti-abortion amendment, which passed by a vote of 240-194. In addition, the only other amendment permitted – the Republican substitute amendment – failed by a vote of 176-258. Released earlier in the week, the Republican alternative focused on bringing down the costs of healthcare, notably by limiting medical malpractice lawsuits, by expanding health savings accounts, and by rewarding states for increasing coverage. It was limited in its scope, and as such, was soundly defeated by Democrats.

The vote on final passage of H.R. 3962 occurred late Saturday evening, when the historic healthcare overhaul legislation was approved by a vote of 220-215, amid cheers and obvious elation among those who have spent

months working to enact the President's top domestic policy priority. 39 Democrats voted against the bill and one Republican voted for it.

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SENATE PATH REMAINS UNCERTAIN:

Following his late-October announcement that the Senate's final healthcare reform bill would include a public option with an opt out provision for states, Majority Leader Harry Reid (D-NV) spent the week continuing to build support for his legislation. As discussed in prior updates, he must amass 60 votes in order to overcome a procedural hurdle that will allow debate to begin on the bill, in addition to a separate 60 vote procedural measure that will eventually be needed in order to cut off debate and prevent a filibuster.

Finding these votes in the 60-Member Democratic caucus has not been easy, as moderate Democrats continue to express their reservations with Majority Leader Reid's proposal, which is intended to be a blend of the previously-passed Finance Committee and Health, Education, Labor and Pensions (HELP) Committee healthcare reform drafts. These skeptical Democrats are largely holding their final judgment on the bill until they are provided more details, including final cost estimates from the Congressional Budget Office (CBO), which have yet to be released.

The CBO delay, coupled with the crowded legislative agenda and upcoming holiday recesses, has cast doubt on the Senate's ability to vote on healthcare reform before the end of 2009. Should the vote slip into next year, Democratic leaders will have to contend with the fact that the looming 2010 midterm elections may further erode politically-vulnerable Democrats' willingness to vote in favor of a controversial healthcare reform bill. Such a scenario could lead to final passage of a watered down piece of legislation, and not the large-scale overhaul that many Democrats have envisioned.

NEXT STEPS:

Now that the House has passed H.R. 3962, House Members are left cooling their heels, waiting for the Senate to act later in the year or possibly not until early 2010 – a situation that many vulnerable House Democrats had hoped to avoid in the months leading up to next year's midterm elections. The pressure is now on Majority Leader Reid to act, as evidenced by President Obama's repeated statements over the weekend for the Senate to "bring this effort to the finish line."

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