

## NEWSSTAND

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

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

Debate on healthcare reform legislation continued on the Senate floor last week, while behind the scenes a tentative agreement was reached among Democrats on the controversial public insurance option. As a result, further consideration of the Senate healthcare reform bill is temporarily on hold, as Democratic leaders await cost estimates on the new public option compromise.

### **AMENDMENT TO PLACE TIGHTER RESTRICTIONS ON ABORTION REJECTED:**

Early in the week, the Senate began debate on an amendment offered by Senator Ben Nelson (D-NE) to prevent insurance plans receiving federal subsidies from covering abortions, except in cases of rape, incest or when the life of the mother is in danger. The language – which has infuriated abortion rights supporters – mirrors an amendment included in the House’s recently passed House healthcare reform bill.

On Wednesday, the Senate rejected, or tabled, the Nelson amendment by a vote of 54-45, with Senate Majority Leader Harry Reid (D-NV) stating that the language currently in the healthcare reform bill (H.R. 3590) goes far enough in ensuring that federal funds are not used for abortions. The vote result now leaves Democratic leaders in a tricky situation, given that Senator Nelson has repeatedly stated that it will be very difficult for him to vote in favor of a healthcare reform bill that does not contain the abortion funding restrictions he offered.

Without Senator Nelson’s vote, Majority Leader Reid would be one vote shy of the 60 votes necessary to approve H.R. 3590, making it necessary for him to either find a Republican Senator to support the bill or come up with compromise language that will appease Senator Nelson without losing support from Democrats who staunchly support abortion rights.

### **TENTATIVE COMPROMISE REACHED ON PUBLIC OPTION:**

Off the Senate floor, a group of Democrats had been meeting regularly in an attempt to bridge the divide between the liberal and moderate factions of their caucus over the inclusion of a government-run public health insurance option in H.R. 3590. After days of closed door meetings, a tentative compromise was reached on Tuesday by the group of five liberals and five moderates.

While exact details remain scarce, it appears the agreement will replace the controversial public option with a plan that will consist of a system of national insurance options run by private entities yet administered by the Office of Personnel Management – the government agency that

already administers benefits for federal employees. In exchange for ceding ground on the public option, liberals reportedly insisted on an expansion of the Medicare program by allowing those between the ages of 55 and 64 to buy into the federal program that is currently only open to those 65 and older.

Initial reports indicated that both liberal and moderate Senators were comfortable with the developing agreement and that Senate leaders were on their way to securing the 60 votes necessary to complete work on the bill. However, as the week progressed, increasing reports of concern and skepticism emerged, particularly given that specifics were unclear and cost estimates were not yet available.

### **DEBATE DELAYED AS DEMOCRATS AWAIT COST ESTIMATES:**

Upon reaching the tentative public option compromise, Majority Leader Reid immediately sent the new proposal to the Congressional Budget Office (CBO) for cost estimates. This step is necessary in order to ensure that the new plan does not inflate H.R. 3590's overall price tag – currently estimated at \$847 billion over 10 years. It is also necessary in order to shore up support for the legislation, as many moderate Democrats will not voice their approval until cost estimates are received.

The cost estimates – otherwise known as the bill's score – take time to produce, and as a result, the healthcare reform debate ground to a halt on the Senate floor by the end of the week. The Senate instead turned to outstanding appropriations work over the weekend, as Democrats awaited feedback from the CBO in order to resume consideration of H.R. 3590.

### **NEXT STEPS:**

The CBO score is expected this week, at which time more details will likely emerge on the specifics of the public option compromise. Should the cost estimates be favorable and should 60 Senators voice their support for the measure, Majority Leader Reid could then set the wheels in motion for a vote to end debate (preventing a Republican-led filibuster) and ultimately pass the legislation.

Whether or not this will happen remains to be seen, particularly given the concerns that several moderate Democrats have expressed over the Medicare expansion portion of the public option compromise. In addition, several industry groups – including those representing hospitals and doctors – have expressed similar skepticism and opposition.

Should the compromise language be met with continued resistance once more details emerge, Democratic leaders will face increasingly long odds in being able to muster the 60 votes necessary in order to pass a healthcare reform bill before the end of the 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)