

NEWSSTAND

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

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Healthcare reform efforts inched forward last week, as the Senate Finance Committee completed its marathon markup in the early morning hours on Friday, following seven days of heated debate and late night sessions. Across Capitol Hill, minimal progress occurred in the House of Representatives, as the anticipated final draft of its version of healthcare reform legislation remained incomplete.

SENATE FINANCE COMMITTEE WRAPS UP HEALTHCARE MARKUP:

Following months of behind the scenes negotiations, Finance Chairman Max Baucus (D-MT) led his Committee through its often-contentious markup of healthcare reform legislation that spanned the course of two work weeks. During these marathon sessions, the Committee made its way through hundreds of amendments, as Chairman Baucus worked to produce a bill to be merged with legislation already approved by the Senate Health, Education, Labor and Pensions (HELP) Committee.

The markup had its agreeable moments, such as the 22-1 vote to accept a bipartisan amendment that would provide exemptions to the penalty for not having health insurance, should a taxpayer not be able to find affordable coverage. The amendment defined this affordability level as eight percent of a person's adjusted gross income, down from the 10 percent figure in the original Baucus proposal.

However, the markup's tone grew heated, tense and even argumentative during consideration of the more controversial topics, such as two amendments that would have added liberal Democrats' preferred government-run public insurance option to the bill, in lieu of the non-profit medical cooperatives that are currently in Finance Committee proposal. Supporters of these amendments, including Senators Jay Rockefeller (D-WV) and Chuck Schumer (D-NY), conceded that they were unlikely to pass, but offered them in order to lay the groundwork for the public option to be included in the final bill that reaches the Senate floor.

Indeed, the Rockefeller amendment failed by a vote of 15-8, with five committee Democrats joining all 10 committee Republicans in voting no. Those Democrats were Chairman Baucus, Tom Carper (DE), Kent Conrad (ND), Blanche Lincoln (AR) and Bill Nelson (FL). Later in the day, the Schumer amendment failed by a vote of 13-10, with Senators Carper and Nelson switching their votes due to the fact that Schumer proposal was slightly more moderate than the Rockefeller amendment.

Other instances of vigorous amendment debate occurred when the Committee waded into the always-heated issue of abortion, as well as other controversial Republican-offered amendments, all of which were ultimately struck down. Procedural matters were also the subject of partisan bickering, as Republicans complained that the process was moving too quickly and that Senators should not vote on legislation without first receiving cost estimates from the non-partisan Congressional Budget Office (CBO). Democrats, on the other hand, routinely accused the minority party of delay tactics.

The Finance Committee completed its consideration of amendments in the early morning hours on Friday, though Chairman Baucus has postponed a final vote on his bill until this week in order to give his Committee time to digest the forthcoming, revised cost estimates from the CBO. Upon its eventual approval, the completed Finance Committee measure will then be merged with the HELP Committee legislation before reaching the Senate floor for a vote.

HOUSE PROGRESS STALLS:

Despite reports that House leaders would unveil a consensus version of their healthcare legislation last week and send the final bill to the CBO for cost estimates, neither action occurred. While Speaker Nancy Pelosi (D-CA) and other House leaders continue to cite progress and express optimism that their bill – H.R. 3200 – is on track, the lack of a final agreement reaffirms just how difficult their task has been.

Speaker Pelosi continues to work with the three Committee Chairmen who approved different versions of H.R. 3200 over the summer, in an ongoing attempt to strike a balance that will satisfy the majority of her caucus. Major points of contention still exist between liberal and moderate Democrats, such as the size and scope of the public option provision and the proposed surtax on wealthier Americans to pay for the bill's coverage increases. House leaders must also contend with President Obama's request that legislation not exceed a \$900 billion price tag over 10 years – a goal that has not proven to be easily attainable.

In addition to intra-party negotiations among Democrats, inter-party discussions occurred last week, albeit on a very limited basis. By Thursday, Majority Leader Steny Hoyer (D-MD) and Minority Whip Eric Cantor (R-VA) appeared to agree to meet this week to discuss any common ground the two parties share on healthcare reform, despite the fact that H.R. 3200 has by and large received unanimous opposition from House Republicans. However, given that the public option is a non-starter for most Republicans and that this controversial provision will almost certainly remain in H.R. 3200, it does not appear that this upcoming meeting will result in any new bipartisan breakthroughs.

NEXT STEPS:

Should the CBO cost estimates of the amended Senate Finance Committee bill come in under \$900 billion, the Committee will then vote to approve the measure. Should the cost estimates come back higher than expected, Chairman Baucus will likely reconvene his Committee to further tweak the bill before a final vote takes place. Regardless of which scenario occurs, further action is expected this week.

Absent a completed Senate product, the House appears unlikely to make any big moves on healthcare reform this week. However, there still exists a slim chance that a final bill could be unveiled, given the ongoing negotiations occurring between House leaders and the skeptical members of their Democratic caucus.

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