

## ***Alabama Appleseed Health Reform Update July 17, 2009***

Congress has made progress this week on healthcare reform. Health reform bills have been voted out of three congressional committees and are expected to pass out of two more committees by the end of next week. Senator Baucus (D-MT), Chairman of the Senate Finance Committee, is still pressing for a bipartisan bill from his committee but has failed to fulfill President Obama's wish to produce a bill by the end of this week. Additionally, in a move that has the potential to slow the healthcare reform process, the chief analyst at the Congressional Budget Office (CBO) has reported that current health reform bills actually bend the cost curve in the wrong direction.

### ***Senate HELP Bill Voted Out of Committee***

On Wednesday (July 15<sup>th</sup>), the Senate Health, Education, Labor, and Pensions (HELP) Committee voted 13-10 to pass the *Affordable Health Choices Act*. The bill, which has been in mark-up sessions for the past month, has seen more than 160 amendments urged by Republicans. However, when it came time to vote, the amendments were not enough to persuade any Republican committee members to vote in favor of passing the bill out of committee. Senator Dodd, acting Chairman of the HELP Committee in Senator Kennedy's absence, stated that though the bill did not receive bipartisan votes, the bill itself was the product of a comprehensive bipartisan effort. Democratic Senators were relieved and pleased with final product noting that moving the comprehensive reform bill out of committee for consideration by the full Senate was "historic." It should be noted that the HELP Committee also passed health reform legislation during the Clinton administration that was ultimately defeated on the Senate floor. The next phase of action for members of the HELP Committee will be to meld together the *Affordable Health Choices Act* with a bill that has yet to be passed by Senate Finance Committee.

### ***House Bill Passes out of Ways and Means Committee & Education and Labor Committee; Awaits Passage in Energy and Commerce Committee***

This morning (Friday, July 17), the House Ways and Means Committee voted 23-18 in favor of passing out of committee its portion of the historic House healthcare reform bill titled, *America's Affordable Health Choices Act of 2009*, or simply, *H.R. 3200*. The Ways and Means Committee was the first of the three House committees with jurisdiction to finish consideration of the 1,000 page health overhaul and cast their votes this morning after staying up all night to complete the bill and prepare for the vote. Also this morning (Friday, July 17<sup>th</sup>), the House Committee on Education and Labor became the second House committee to pass a favorable vote of its section of *H.R. 3200* with a vote of 26-22. The legislation includes five Republican amendments that were adopted. Chairman of the House Committee on Education and Labor, George Miller (D-CA), said of the vote:

*Health care reform is moving forward. This legislation will reduce costs that are crushing workers, families and businesses alike and it will ensure that patients – not insurance companies – hold the power to make decisions about their care. These reforms will save jobs, create millions of new careers, improve the health of our workforce and help rebuild our nation's middle class. Today's vote is a monumental step forward in our journey to finally fix our broken health care system.*

<http://edlabor.house.gov/newsroom/2009/07/ed-labor-approves-historic-hea.shtml>

The House Committee on Energy and Commerce is still working toward a committee vote as pressure increases to pass legislation by the end of August. A vote in favor of the bill could prove to be more challenging in the Energy and Commerce Committee as some conservative Democrats have threatened to block the bill's passage if certain amendments are not made. Rep. Mike Ross (D-Ark.) stated that he and his colleagues will offer a series of amendments. Rep. Ross also warned, "If it's not amended, we cannot support the current bill, and it would only take seven Democrats to stop the bill in committee."

### ***AMA Supports House Bill***

Notably, the American Medical Association (AMA), the nation's largest association of physicians and medical students, has announced its support for the House health reform bill. The bill, which includes a government-run insurance option, an employer and individual mandate, and reforms to Medicaid and Medicare, is expected to stand for a full House vote by the end of August unless efforts by some lawmakers to slow the process are successful. Kaiser Health News reports on a letter written by AMA CEO, Michael D. Maves:

*"The AMA looks forward to further constructive dialogue during the committee mark-up process. We pledge to work with the House committees and leadership to build support for passage of health reform legislation to expand access to high quality, affordable health care for all Americans...The AMA is a crucial constituency in the debate because nearly every dollar of health-care spending starts with a doctor's order..."*

<http://www.kaiserhealthnews.org/Daily-Reports/2009/July/17/Interest-Groups.aspx>

The AMA is one of six key industry groups including the likes of PhRMA and America's Health Insurance Plans (AHIP) that pledged support of President Obama's principles for comprehensive health reform last May.

### ***CBO Director Projects Cost Curve to Bend the Wrong Way***

Chief budget analyst for Congress and director of the Congressional Budget Office, Douglas Elmendorf, has thrown a curve to those seeking quick passage of comprehensive healthcare reform by commenting Thursday (July 16<sup>th</sup>) about cost containment

shortcomings of the healthcare reform proposals so far analyzed by his office. President Obama has made it clear that “bending the cost curve” of health care spending is a major priority in health reform and will help insure that soaring costs don’t lead to an unsustainable system. Obama and congressional leaders have sought to find and eliminate inefficiencies in the system as a means of cutting costs, as well as reached deals with the hospital and pharmaceutical industries to save billions over the next decade. Elmendorf predicts, however, that despite these cost saving measures, the Senate HELP Committee bill and the House Tri-Committee bill currently fall short of reducing overall federal health costs. Elmendorf addressed lawmakers Thursday stating:

*“The curve is being raised...In the legislation that has been reported, we do not see the sort of fundamental changes that would be necessary to reduce the trajectory of federal health spending by a significant amount and, on the contrary, the legislation significantly expands the federal responsibility for health care costs...”*

<http://www.kaiserhealthnews.org/Daily-Reports/2009/July/17/CBO.aspx>

Elmendorf’s statements have recharged Republicans and fiscally conservative Democrats in their efforts to thwart or slow the reform process. Republicans say that Elmendorf’s predictions reinforce what they have been debating for weeks, to no avail. Richard Durbin, the Senate’s number two Democrat fired back saying that Elmendorf has “taken unrealistic positions” and failed to address or factor-in cost saving measures such as preventive care.

<http://www.kaiserhealthnews.org/Daily-Reports/2009/July/17/CBO.aspx>