

Alabama Appleseed Health Reform Update
October 30, 2009

Big News from Senate and House

Both Senate Majority Leader Harry Reid and Speaker of the House Nancy Pelosi made important health reform news this week, with Reid declaring that the combined Senate bill will include a public option and Pelosi unveiling the combined House reform bill which includes a compromise public option provision.

As previously discussed, all three committee bills in the House offered some form of a public option. The Senate HELP Committee bill did as well, but the Senate Finance Committee bill did not. Last week, however, Reid signaled his determination to include a public option in the combined Senate bill. Then, earlier this week, Reid announced that he would in fact include such a measure in the combined Senate bill. The version of the option Reid chose to include is one in which states could choose not to allow its citizens to participate – also known as an “opt-out” public option.

In other words, upon passage of such a bill, the default or beginning status would be that all states would allow their citizens to have the choice of a government option. However, each state would be able to remove itself from participation – opting out – thus, removing the option for its citizens. It is currently unclear who within each state – the legislature, governor or both – would make the decision of whether its citizens would be allowed to participate. Significantly, a key member of the Senate, Olympia Snowe (R-Maine) has said that she will not support an opt-out public option, preferring instead a “trigger” option. Under a trigger option, the default position would be that no public option is available, but if certain market conditions occur – such as the failure of the private industry to expand coverage to enough people – then the option would be “triggered.” Also significantly, Senator Joe Lieberman, an independent who caucuses with Democrats, announced this week that he is against the measure and would join with Republicans to block a final vote if the provision is not changed.

A similar, public-option-focused, discussion is occurring in the House. While for months it has seemed that the House would be the chamber most likely to take the lead on including a “robust public option,” as of last week, House Speaker Nancy Pelosi did not appear to have enough votes to do so. Thus, on Thursday of this week, Pelosi unveiled a combined House bill containing what is viewed as a compromise version of the public option provision. In the bill,

the option offered is one in which the rates paid to providers and hospitals would be negotiated by the Secretary of Health and Human Services, much the same way private insurance companies negotiate pay rates. In contrast, what is viewed as a “robust” option, such as had been hoped-for by many progressives in Congress, would have pay rates tied to Medicare rates. Those rates would presumably be lower than negotiated rates helping the public option to offer lower insurance premiums and exerting downward pressure on the rates charged by private companies. Rep. Emanuel Cleaver (D-Mo.), a House member quoted by the New York Times, summed-up the sentiment by many House progressives: “The current language is far weaker than I would have preferred, and I think that is also true of the Progressive Caucus ... [b]ut because I did not come up here to participate in gridlock and acrimony, I have told the leadership that I would be willing to compromise” (NYT Online, 10/30).

Debate on the combined House bill is expected to start late this coming week with plenty of further discussion on the public option, as well as the appropriate level of subsidies to help individuals and families purchase coverage, and measures to control long-term healthcare costs. On the Senate side, Reid’s combined bill could be unveiled early in the week with floor debate potentially beginning a few days later.

Dr. Benjamin Confirmed as Surgeon General

In other notable healthcare news, on Thursday evening, the Senate voted to confirm Dr. Regina Benjamin as Surgeon General. Dr. Benjamin, who was nominated earlier this year by President Obama, is the founder of the Bayou La Batre Rural Health Clinic, in Bayou La Batre, Alabama, and a graduate of the University of Alabama at Birmingham’s School of Medicine. Dr. Benjamin has dedicated much of her medical career to providing care for 2500 residents of the fishing village on Alabama’s Gulf Coast and notably rebuilt the clinic twice, first after it was destroyed by Hurricane Georges and then again after the clinic burned. She is also the former president of the Medical Association of the State of Alabama, the 1997 recipient of the Kaiser Family Foundation’s Nelson Mandela Award for Health and Human Rights and has served as Associate Dean for Rural Health at the University of South Alabama.

What You Can Do to Help Promote Healthcare Reform

As Congress continues to work on the critical issue of healthcare reform, Representatives and Senators are interested in hearing from their constituents. Even if you do not go into detail on the issues involved, it is still important to let your Congressmen know that you support healthcare reform. To find how you can contact your Congressmen, you may visit: <http://www.congressmerge.com/>.