

DC Update July 20, 2009

This week the U.S. House of Representatives will take up the Labor, Health and Human Services and Education (L-HHS-Ed) and Transportation, Housing and Urban Development (HUD) appropriations bills. In the Senate, the Judiciary Committee will hold a vote on the nomination of Sonia Sotomayor to be a Supreme Court Justice. Health reform debate continues in the House and an anticipated release of the Senate Finance Committee's bill. Though concerns about the costs of reform have heightened among Democrats and Republicans, one Senate committee and two House committees passed reform legislation out of the committees. In addition, six Senators sent a letter to Senate leadership urging additional time to "achieve bipartisan support". The bipartisan group of Senators included Democrats Ben Nelson (NE), Mary Landrieu (LA), Ron Wyden (OR); Republicans Olympia Snowe (ME), Susan Collins (ME) and Independent Joseph Lieberman (CT).

Check further DC Updates and email alerts as work on health reform and appropriations bills moves forward.

Health Reform

Last week the House Ways and Means and Education and Labor Committees cleared their health reform legislation H.R. 3200, the *America's Affordable Health Choices Act of 2009*. Energy and Commerce will continue to debate the bill this week and fiscally conservative Democrats, the Blue Dog Coalition, have indicated they may not vote with their party if cost concerns are not addressed. Blue Dogs in the other two committees did vote against moving the legislation out of their respective committees.

Also adding to the cost debate, the Congressional Budget Office (CBO) sent a letter to Chairman Charles Rangel (D-NY) of the U.S. House of Representatives Ways and Means Committee with an analysis of H.R. 3200. The assessment is based on the legislation as introduced without committee action or amendments.

To see the letter and specific details, please check the following link:

<http://www.cbo.gov/ftpdocs/104xx/doc10464/hr3200.pdf>

On July 15, the Health, Education, Labor and Pensions (HELP) Committee passed their reform bill the *Affordable Health Choices Act*. A few provisions of the bill include a public plan option, elimination of exclusion of coverage due to pre-existing conditions and a voluntary insurance program for purchasing community living assistance services

and supports (CLASS). This program is intended for adults who have or develop functional impairments to finance cash benefits through a voluntary payroll deductions with an opt out enrollment option. This will also reduce incentives for individuals to spend down to Medicaid. The Congressional Budget Office (CBO) estimates the cost of the legislation will be \$615 billion over 10 years.

Senate Finance has yet to release a bill, however Chairman Max Baucus (D-MT) has been working with committee members to prepare a bipartisan bill. Both the Administration and Congress have stated they plan to vote on health reform legislation before the August recess.

Medicaid provisions have not yet been debated in either chamber. The two committees of jurisdiction, House Energy and Commerce and Senate Finance have not marked up or released, respectively, their legislation. Recently the Administration negotiated with some hospital groups to strike a deal on reducing disproportionate share hospital (DSH) payments over ten years. The Senate Finance legislation will likely have the proposal included in their legislation. It is also expected that both chambers will include expansion of Medicaid to help cover many of the uninsured population.

Should you have any questions, please contact Maeghan Gilmore, mgilmore@nacbfd.org.