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Reform In Rare Form

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Saturday, November 7th marked a monumental moment in history for both the healthcare industry and the United States. After years of heated debate regarding healthcare reform, the House of Representatives narrowly passed the "Affordable Healthcare for America Act" or H.R. 3962 with only eight seconds left in the voting period. The bill passed with a vote of 220-215, and the body of Representatives who signed the bill into existence included only one Republican [1], marking one of the most partisan pieces of legislation ever passed in either house. It also represents the largest surge in healthcare coverage since the creation of Medicare in 1965.

The narrow passage of the bill speaks to the controversy surrounding HR 3692. Representative Jim Cooper (D-Tenn) called his vote for the bill "one of the best votes I ever cast." However, this was not because of what the bill *was* but because of what the bill *represented*. Rep. Cooper said:

"The key is to keep the reform process alive. There are many things in the House bill I disagree with. But the Senate bill is the more likely final product due to the difficulty of getting 60 votes over there. If we had dropped the baton at this stage, it wouldn't have given the Senate a chance to improve the bill. It would have given the House what amounted to a one-chamber veto. The Senate could have powered through, but those folks are not noted for their courage. The House had to perform here. And I am thankful that in the nick of time the leadership realized how short they were on votes [2]."

On the other hand, Representative Paul Ryan (R- WI) stated that "This is perhaps the worst bill I have seen come to the floor in my 11 years in Congress" and Republic leader John Boehner echoed Ryan's sentiments when he stated that the requirement that individuals purchase insurance is "the most unconstitutional thing I've seen in my life [3]."

This bill has a tough road ahead and Representative Cooper made reference to this in his remarks. It will not be law until several steps, which many people see as impossible, happen. The Senate must pass its own version of the bill, while some key Senators are already referring to it as "dead on arrival." Essentially, the bill needs the support of every independent and democratic Senator, including moderates, in order to pass. The chances of that happening seem slim due to one of the most hotly debated provisions in the bill - the creation of a government run health insurance program. At this point, the Senate hasn't even scheduled time for floor debate [4]. If the Senate is able to eventually pass a version of the bill, then a Committee will merge the two proposals into a consensus version that requires final approval from the House, Senate and President Obama.

With all of the speculation on the process and its possible implications, how is the healthcare industry responding to the bill? The Blue Cross and Blue Shield Corporation released a statement, which stated: "Instead of using this once-in-a-generation opportunity to expand coverage, rein in costs, and improve healthcare quality, the bill creates a new government-run plan that jeopardizes affordability and access to coverage for the 160million people who receive their benefits through their employers today; makes health

coverage much more expensive, particularly for individuals and small employers; and represents a massive federal takeover of state regulatory functions [5].”

However, among those pleased with the new legislation are healthcare provider groups. The American Medical Association (AMA) released a statement proclaiming that the bill will “empower patient and physician decision making,” as well as “kick off substantial insurance market restructuring, prevention and wellness initiatives and liability reforms.” The Medical Group Management Association (MGMA) says that the bill addresses four of its

six core healthcare reform principles, which include: fixing the Medicare physician payment system, simplifying administrative transactions, enacting meaningful medical liability reform, expanding coverage, improving quality and safety, and finally, promoting the adoption of health information technology [6].

Regardless of the varying opinions swirling around this debate, everyone can agree on one thing; despite decades of failed reform efforts in the U.S., the passage of HR 3692 is historic because it has seen some success. One may cite the current downtrodden economic and political climate as a reason for why this bill was different. Perhaps it’s the momentum that President Obama brought into the office following his election. In any event, with the recession, war, a new political regime and a generation of baby boomers approaching Medicare eligibility, people are experiencing a perfect storm of events that may be impacting their perception.

The U.S. healthcare system must evolve to meet its population’s growing needs. Whether you are in favor of the proposed healthcare reforms or not, most people acknowledge that inaction is not an option. For all of the “hoopla” surrounding the events of last Saturday, let’s step back and note that whatever legislation emerges from this process, it will probably not take effect until 2013. We could even have another President in office by then. So for the time being, the responsible thing to do is to keep from making rash decisions based on “proposals” and to wait for direct guidance from the Federal Government, whenever that time comes.

Sources:

[1] <http://www.cnn.com/2009/POLITICS/11/09/health.care/index.html>

[2] http://voices.washingtonpost.com/ezra-klein/2009/11/rep_jim_cooper_house_health_ca.html

[3] <http://www.politico.com/news/stories/1109/29282.html>

[4] http://news.yahoo.com/s/ap/20091108/ap_on_bi_ge/us_health_care_overhaul

[5] http://www.fiercehealthcare.com/press-releases/house-bill-fails-deliver-affordable-healthcare-reform?utm_medium=nl&utm_source=internal

[6] http://www.fiercehealthcare.com/story/passage-health-reform-bill-house-dems-cheered-jeered/2009-11-09?utm_medium=nl&utm_source=internal