



October 9, 2009

FEDERAL HEALTH CARE REFORM UPDATE

Senate

On Thursday, the Congressional Budget Office (CBO) released its cost analysis of the Senate Finance Committee's health reform bill, which estimates that the legislation would cost \$829 billion and reduce the budget deficit by \$81 billion over a decade beginning next year. This score makes the Senate Finance Committee's bill the only one of five separate proposals from the House and Senate committees to achieve President Obama's goal of expanding access to health coverage without increasing the national deficit.

Late last week, the Senate Finance Committee approved Sen. Jay Rockefeller's (D-W.Va.) amendment C21, as modified, into their health reform bill. This amendment will preserve the Children's Health Insurance Program (CHIP), meaning those children covered by CHIP will remain segregated from the proposed Insurance Exchange. The amendment also adds new federal funding to state matching rates, and prevents potential disruptions in coverage that would take place should children be forced to transfer out of CHIP and into the Exchange.

The Senate Finance Committee is scheduled to vote on its legislation on Tuesday of next week, after which Sen. Harry Reid (D-Nev.) will begin merging the Finance bill with the Senate Health, Education, Labor and Pensions (HELP) Committee's bill. The HELP bill passed before August recess earlier this summer. Sen. Reid hopes to complete the merging process by October 17 and deliver the package to the Senate floor shortly thereafter.

House

Yesterday, Speaker Nancy Pelosi (D-Calif.) asked the CBO to price out the House of Representatives tri-committee health reform bill, which includes a government-sponsored insurance plan, or "public option." Speaker Pelosi asked the CBO to price out three different variations of the idea, one of which includes payments to physicians and other health care providers at 5 percent above Medicare rates. The other two versions of the public plan would have rates negotiated between the government and providers.

After the Speaker receives the CBO's cost analysis, Democratic leaders and the House Rules Committee will complete the job of assembling a bill for floor consideration. House leadership has already ruled out bringing a bill to the floor next week, so the week of October 19 would be the earliest time a vote is likely to occur.

WHAT CAN YOU DO?

While we've seen unprecedented progress to date in health reform legislation, we still have a long way to go. By the end of October, we are likely to have draft health reform bills from both Chambers of Congress, and during this historic time, we need your voices now more than ever to be sure health reform legislation includes provisions to address children's unique health needs.

Health reform legislation changes by the day as the five bills currently floating through Congress are melded, amended and "scored" by the CBO. We will continue to keep you apprised in the days ahead as we learn more about what the bills look like and how they affect children and pediatricians.

Thank you all for the hard work you've done to date by advocating to your members of Congress in their district offices and on Capitol Hill for children's health needs not to become a casualty of compromise. Your work truly has made a difference, and policymakers on Capitol Hill are relying on your expertise as they garner support for policies that will benefit children and pediatricians.

ADDITIONAL RESOURCES

- The Kaiser Family Foundation has a [health reform gateway page](#), which serves as a hub of helpful information around health reform. Some of its resources include: an interactive calculator projecting what people might pay in premiums and how much financial help they might receive from the government through an insurance exchange; an online tool that compares current health reform proposals from the House and Senate; Kaiser Family Foundation's up-to-date research, analysis and polling on health reform issues; and timely news summaries from Kaiser Health News.
- First Focus recently collaborated with Lake Research Partners to release compelling public opinion [research](#) and subsequent messaging around health care reform for children. The findings demonstrate widespread public support for providing health care coverage to all children in America, and are often cited in Academy talking points and messages.

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The Department of Federal Affairs is here to support you, and we are more than willing to answer any questions you may have. Please contact Erin Howard (ehoward@aap.org) or Bob Hall (rhall@aap.org) if you have any questions.