



Bryan Cave Health Reform Update

March 26, 2010

Final Piece of Comprehensive Health Reform Package Cleared for President's Signature

Late on March 25, the House of Representatives gave final approval with a vote of 220 to 207 to the "Health and Education Reconciliation Act" (H.R. 4872), which will amend the new health reform legislation signed into law by President Obama on March 23. Among other changes to the "Patient Protection and Affordable Care Act" (P.L. 111-148), the reconciliation bill will remove from the new law some of the controversial provisions that benefited single states. The bill will increase premium subsidies for individuals purchasing coverage through new insurance exchanges and will reduce the effects of an excise tax on high-cost insurance plans. Also, the bill applies an increased Medicare payroll tax (3.8 percent) to investment income and wages and includes other revenue raising provisions as well. Passage of H.R. 4872 brings to a close more than a year of deeply partisan debate on health reform legislation. President Obama is expected to sign the reconciliation bill into law within the next several days. As in earlier votes on health reform legislation this week, House Republicans were again unified in their opposition to the reconciliation bill.

After rejecting more than 40 amendments and motions, the Senate passed the reconciliation bill earlier on March 25 but with two slight changes to the original House-passed version. This forced the House to act again on H.R. 4872. The modifications, which were prompted by a ruling from the Senate Parliamentarian that the provisions violated budget reconciliation rules and had to be removed from the bill, applied only to the student loan portion of the bill and not the health care provisions. Democratic Senators Blanche Lincoln (AR), Ben Nelson (NE), and Mark Pryor (AR) joined Republicans in voting against the bill. Senator Johnny Isakson (R-GA) did not vote due to illness. The final vote tally was 56 to 43.

While Democrats hailed passage of the health reform package as historic, and President Obama has embarked on a campaign-style trip to tout the attributes of the new law, Republicans vowed to make the issue the centerpiece of the upcoming November mid-term elections.

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