

# SIIA Legislative Update Healthcare Reform

**August 3, 2009**

***Information Disclaimer Note:** Congressional developments regarding health care reform are fluid and SIIA lobbyists are continually meeting with Members of Congress, key staff members and other industry stakeholders, which generate ongoing intelligence. In order to keep our members informed in “real time”, we will report relevant information as we become aware of it. Given that the political process is inherently unpredictable, information communicated in previous reports may be superseded in subsequent reports. Should you have any questions in between reports, please contact SIIA’s Washington, DC office directly at 202/463-8161.*

## **Final House Committee Passes Healthcare Reform Bill**

After a tumultuous 2 weeks of negotiations between moderate House Democrats and liberal House Democrats, a deal was finally struck between the two that allowed the healthcare reform bill to pass out of the House Energy and Commerce Committee – the last House Committee of jurisdiction over healthcare reform to pass their bill.

The deal, which among other areas, would require the government-run plan to be self-sustaining and increases the small business exemption for the employer mandate. The deal that was brokered can be described as fragile at best. Negotiations are expected to continue through the August recess with the goal of having an agreement by Labor Day that can garner the support of enough Members of the Democrat caucus to pass the bill out of the House in the fall.

## **Senate Finance Committee Will Not Move Healthcare Reform Before Summer Recess**

Chairman of the Senate Finance Committee, Max Baucus (MT-D), announced late Friday that his Committee will not formally consider a healthcare reform bill until after Labor Day. Negotiations between the bi-partisan group of six Senators will continue with a deadline to have an agreement by September 15. SIIA’s Government Relations Staff has learned that expected provisions of the agreement likely include, a “co-op” insurance option in the Exchange – with no government-run plan, also, no employer mandate, but a requirement for employers to make additional contributions to the coverage of their low-income workers. After the deadline, Chairman Baucus has stated that he will move forward without bi-partisan support. SIIA will report as soon as more firm details are obtained.

## **House Republicans Introduce Healthcare Reform Bill**

Late last week, a caucus of House Republicans released details of their healthcare reform package developed to compete with the Democrat plan. The Republican bill includes a provision to extend the healthcare tax deduction for coverage purchased on the individual market. For

employer plans, it allows for auto-enrollment, but does allow employees to opt out of their employer's plan and purchase coverage on the individual market. It also includes a provision to create Association Health Plans as well as high-risk pools. It contains provisions to enact medical liability reform as well as numerous provisions dealing with quality improvement and cost-containment.

### **SIIA Urges the Self-Insurance Industry to Make our Message Heard**

SIIA urges all those in the self-insurance industry interested in preserving the way we do business and the benefits we provide to 75 million Americans covered by self-insured plans, to use the resources provided in SIIA's Grassroots Toolkit and contact their Members of Congress to voice our message.

The threat to the self-insurance industry and the employer-based system under which we operate in has never been more significant. Now is the time to voice our powerful and unified voice to politicians in Washington that we will not stand for any proposals that would cause significant damage to our industry and to those lives we cover.

SIIA's Grassroots Toolkit can be found at [www.siiia.org/grassroots](http://www.siiia.org/grassroots). If you have any questions, or would like any further information, please contact SIIA's Government Relations office.

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