

# The 111th Congress The Health Care Agenda

DON LAVANTY

While any final action on health care changes or attempts at major reform will have to pass through the Halls of the 111<sup>th</sup> Congress, the Obama Administration will play a large role in urging the shape and scope of the health care debate.

During the campaign and initial days of the new Administration, a call was made for legislative action that would provide health insurance payment to the uninsured or underinsured. While debating the economic stimulus package, the Administration urged both the House and Senate to keep an eye on the access issues many segments of the middle class have regarding health insurance. The State Children's Health Insurance Program (SCHIP) legislation, passed by Congress early in the Administration, focused on providing payment for health care services to children of parents who had no health insurance, including immigrant children. Furthermore, the stimulus package addressed payment for health insurance coverage for individuals who have lost their jobs. A provision was adopted to extend their unemployment benefits and assist in paying for COBRA (Consolidated Omnibus Budget Reconciliation Act) or other health insurance coverage. The stimulus funding allocated to the states specified payments for the various state Medicaid programs. In addition, some attention was given to the health care workforce, as funding was directed toward training laid-off workers to seek careers in allied health. Finally, the President set up a task force in the White House to lead the movement on health care initiatives and reform.

With each of these actions passed by the Congress at the request of the President, the Congressional Committees of jurisdiction expressed concern regarding the cost of extending health care payments to these various uninsured classes.

*Washington Beat is intended to provide a timely synopsis of activity in the nation's capitol of importance to clinical laboratory practitioners. This section is coordinated by Paula Garrott and Judy Davis, Co-chairs of the ASCLS Government Affairs Committee; and Don Lavanty, ASCLS Legislative Counsel. Direct all inquiries to ASCLS, (301) 657-2768 ext. 3022, (301) 657-2909 (fax); or mail to ASCLS, 6701 Democracy Boulevard, Suite 300, Bethesda MD 20817, attn: Washington Beat.*

While the Committees agreed to the extension of the coverage, much debate centered on how to pay for the coverage. As part of the stimulus package that provides the expansions in payment, two structural reforms were insisted upon by the chairs of the House committees having jurisdiction over health care -- Mr. Waxman (D-CA), chairman of the House Energy and Commerce Committee (who, with the backing of the Democratic leadership in the House of Representatives, rested the chairmanship away from long time chair, Mr. John Dingell (D-MI)), and Mr. Stark (D-CA), chairman of the Health Subcommittee of the House Ways and Means Committee. Both chairmen insisted that changes be made in the Medicare and Medicaid programs to defer some of the costs of extending coverage. The two changes included are

- a health information technology program designed to induce the health care industry to adopt electronic medical records, technology similar to that which has resulted in significant savings in other sectors and
- establishing the "Comparative Effectiveness" of the various treatments that are covered and paid for under Medicare.

According to some budget sources, these two programs, information technology and Comparative Effectiveness, will produce meaningful savings.

Thus, what is unfolding with the new Democratic Administration and solidly Democratic Congress is that health care reform will center on how we get payment for services to the children, uninsured, underinsured, the unemployed, and the returning veterans. At the same time, however, Congressional health care leaders will move to reduce the overall costs of delivering these services.

The Congressional Health Leadership is comprised of Members who have been a part of the federal health care effort for many years. In the House of Representatives, the Chair of the House Ways and Means Committee is Mr. Rangel (D-NY). Mr. Rangel, because of the many hospitals in New York, has championed Graduate Medical Education and always attempts to insure funding to hospitals for medical residency and fellowship programs. Mr. Stark (D-CA), as chair of the Health Subcommittee, is committed to resolving the

## WASHINGTON BEAT

sustainable growth rate (SGR) problem by developing a new payment classification for physician services. He also wants each medical provider to be accountable for its individual charges in order to determine where costs and utilization are excessive and, therefore, need reduction.

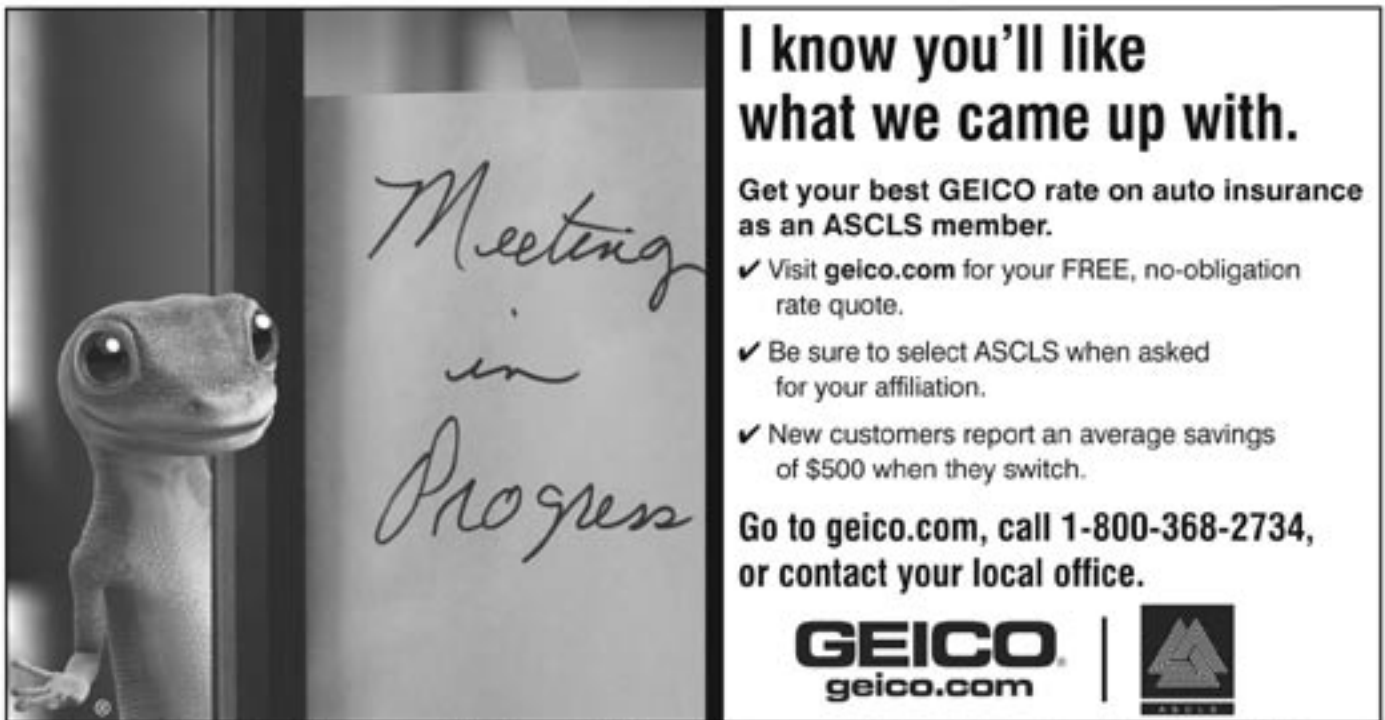
Reductions would then be made in those areas to pay for the increase in cost to provide access to the various groups. Mr. Waxman (D-CA) has long been a major leader in providing expanded coverage and payment for Medicaid programs, so many of the dollars saved may be diverted to those areas.

On the Senate side, Senator Baucus (D-MT) and Senator Grassley (R-IA) of the Senate Finance Committee, have been attempting to develop a comprehensive Medicare, Medicaid, and federal health care program strategy to make those programs more cost effective, more efficient and more quality oriented so that access to health care payment can be universally achieved. They have also insisted however, in all health changes, that special consideration must be given to "rural areas". The other Senate Committee on health care is

the Health, Education, Labor and Pensions (HELP) Committee, chaired by Senator Kennedy (D-MA), a long time advocate of universal health care.

For those of us in the clinical laboratory community, we appear to be heading toward a major attempt (attempt should be stressed) to revamp our health care system so that every segment of our society would have a program available for payment of their health care costs. In one sense, that will be very significant for laboratory professionals in that there will likely be an even greater demand for testing. On the other hand, we will still face the problem of our manpower shortages, our restructured and reduced reimbursement, and limited support for our educational institutions which we must work to change.

As the 111<sup>th</sup> Congress continues to unfold and sets a legislative directional course, we can expect that in every venue of the Congress and Administration, the health care debate will be ongoing and a major part of our domestic agenda.




**I know you'll like what we came up with.**

**Get your best GEICO rate on auto insurance as an ASCLS member.**

- ✓ Visit [geico.com](http://geico.com) for your FREE, no-obligation rate quote.
- ✓ Be sure to select ASCLS when asked for your affiliation.
- ✓ New customers report an average savings of \$500 when they switch.

**Go to [geico.com](http://geico.com), call 1-800-368-2734, or contact your local office.**

**GEICO**  
geico.com



Some discounts, coverages, payment plans, and features are not available in all states or in all GEICO companies. Discount amount varies in some states. Discount is not available in all states or in all GEICO companies. One group discount applicable per policy. In New York a premium reduction is available. ASCLS is compensated for allowing GEICO to offer this auto insurance program to ASCLS members. Average savings amount based on national GEICO New Policyholder survey data through August 2008. GEICO auto insurance is not available in Mass. Government Employees Insurance Co. • GEICO General Insurance Co. • GEICO Indemnity Co. • GEICO Casualty Co. These companies are subsidiaries of Berkshire Hathaway Inc. GEICO, Washington, DC 20076. GEICO Gecko image © 1999 - 2008. © 2008 GEICO