

## BenefitEdge News Topics

- 1 [BAUCUS OUTLINES HEALTH PLAN](#)  
His calls for compromise rebuffed by Republicans, the Democratic chairman of the Senate Finance Committee unveiled sweeping legislation...
- 2 [SHEPHERDING A BILL WITH 564 AMENDMENTS](#)  
Senator Max Baucus hails from a long line of ranchers his great-grandfather is in the Cowboy Hall of Fame and this week the Montana Democrat...
- 3 [NANCY PELOSI SAYS HEALTHCARE REFORM WILL PASS WITHIN WEEKS](#)  
House Speaker Nancy Pelosi said Monday that health care reform legislation would pass the House within weeks and that it will include a public option...
- 4 [MORE FIGHTS AHEAD IN US CONGRESS OVER HEALTHCARE](#)  
Senate Democrats see plenty of room for improvement in a sweeping U.S. health care overhaul bill, starting with changes to a tax on high-cost medical...
- 5 [OBAMA BOOSTS HEALTH REFORM EFFORTS IN MEDIA BLITZ](#)  
President Obama sought to blanket the airwaves Sunday with an impassioned defense of his health reform effort during back-to-back broadcasts...
- 6 [INSURERS OPPOSE NEW CALIFORNIA WORKERS' COMP MANDATE](#)  
A California bill to prohibit a workers' compensation insurer from rescinding or modifying an authorization for medical services after the services...
- 7 [OBAMA ADMINISTRATION RELEASES DETAILS ON MEDICAL MALPRACTICE PILOT PROGRAM](#)  
The White House has announced details of the pilot program President Barack Obama announced to help curb medical malpractice lawsuit difficulties...
- 8 [NO-LIMIT HEALTHCARE SPENDING IN U.S. HITTING ITS LIMITS](#)  
As medical bills spiral upward, the refrain is ever more

common: Health care is costing an arm and a leg. But how much does that broken arm...

## 9 [DEMOCRATS IN SENATE REACH FOR 60 VOTES ON HEALTHCARE OVERHAUL](#)

The unveiling of a compromise health care proposal has Senate Democrats pondering a daunting mathematical challenge: how to keep all 59 Democrats...

### BAUCUS OUTLINES HEALTH PLAN

The Associated Press -

Sept. 17: Washington - His calls for compromise rebuffed by Republicans, the Democratic chairman of the Senate Finance Committee unveiled sweeping legislation Wednesday to remake the nation's costly health-care system largely along the lines outlined by President Barack Obama.

Sen. Max Baucus' proposal, months in the making, drew quick criticism from liberals who said his vision was too cramped and from Republicans who deemed it overly expansive. Yet whatever its fate, its mere release marked a critical turning point in Congress' long and tumultuous debate over Obama's top domestic priority.

The Finance Committee is to meet next week to vote on the plan, and after combining it with another panel's bill, Majority Leader Harry Reid intends to begin debate on the Senate floor late this month or in early October. Across the Capitol, Speaker Nancy Pelosi has been waiting to see Baucus' health-care prescription before advancing companion legislation toward a vote by the House.

"We cannot let this opportunity pass," Baucus, D-Mont., said as he outlined a \$856 billion plan designed to protect millions who have unreliable insurance or no coverage at all, while at the same time restraining the explosive growth of medical costs.

Congressional budget experts estimated the proposal would reduce the ranks of the uninsured by 29 million over a decade. The experts also predicted the plan would trim federal deficits by \$49 billion over the same period and suggested savings in the range of hundreds of billions of dollars might result for the decade that follows.

Many of the bill's major provisions would be delayed until 2013, after the next presidential election. But the impact of one of the key concessions Baucus made in a so-far-unsuccessful search for Republican support allowing cooperatives, rather than the federal government, to sell insurance in competition with private industry was judged harshly.

"They seem unlikely to establish a significant market presence in many areas of the country," wrote Douglas W. Elmendorf, head of the Congressional Budget Office. Supporters claim the co-ops would compete effectively with private companies and help hold down the cost of insurance, but CBO's assessment is likely to re-energize advocates of direct government competition.

White House press secretary Robert Gibbs called the overall legislation an "important building block" that "gets us closer to comprehensive health-care reform." Reid, too, described it as "another important piece to the puzzle" on the road to health-care legislation.

Pelosi said that while the bill would do less than House legislation to make coverage more affordable, its emergence "will move this historic debate forward." Senate Republican leader Mitch McConnell of Kentucky, who has labored to keep his rank and file united in opposition, called it a partisan proposal that "cuts Medicare by nearly a half-trillion dollars and puts massive new tax burdens on families and small businesses, to create yet another thousand-page, trillion-dollar government program. Only in Washington would anyone think that makes sense, especially in this economy."

Baucus' legislation reflected nearly a year of preparation by the 67-year-old Montanan, a partially successful attempt to gain support from outside interest groups, and months of painstaking private negotiations with two other Democrats and three Republicans on the Finance Committee.

Like other proposals in circulation, Baucus' plan would require insurance companies to sell coverage to all seeking it, without exclusions for pre-existing medical conditions or prohibitively expensive premiums.

The legislation would create so-called insurance exchanges in the states where companies could sell policies that meet criteria set by the government, with federal subsidies available for lower-income individuals and families who would otherwise be unable to afford coverage. Any policy offered for sale in the exchanges would have to cover preventive and primary care, as well as dental, prescription- drug, mental-health and vision services. In general, consumer copays on preventive coverage would be banned.

Additionally the plan envisions cutting a coverage gap in Medicare prescription drug program in half over a decade, although not as deeply as Obama called for in last week's prime-time speech.

To hold down costs, Baucus included only one year of a 10-year, \$230 billion increase in doctor fees under Medicare. The legislation calls for a new tax on high-cost insurance plans, a series of fees and taxes on insurance companies, the pharmaceutical industry and other health-care providers, and penalties assessed on people who refuse to purchase coverage or large companies that refuse to offer it to their employees.

Planned Medicare spending would be cut by roughly \$500 billion over a decade, with about one-quarter of that money coming from private plans sold as an alternative to traditional government coverage. The House bill calls for far deeper cuts in the alternative program, to the point that industry officials say it could disappear.

Among Baucus' critics were liberals in the House and labor leaders who have been among Obama's strongest supporters. Sen. Ron Wyden, D-Ore., who has long been involved in health- care issues, said the proposal doesn't go far enough to control costs or guarantee a greater choice among health plans for consumers.

[Back to top](#)

## SHEPHERDING A BILL WITH 564 AMENDMENTS

New York Times -

Sept. 21: Senator Max Baucus hails from a long line of ranchers his great-grandfather

is in the Cowboy Hall of Fame and this week the Montana Democrat will need all his herding skills.

After months of closed-door negotiations with a handful of senators on the Finance Committee, which Mr. Baucus leads, the full panel now gets to put its imprint on what could be landmark legislation to overhaul the health system.

Senators have offered 564 amendments, all posted on the committee Web site, and the Republican proposals generally reveal seemingly irreconcilable differences. While they would gut the bill, one Republican, Senator Olympia J. Snowe of Maine, wants important changes but appears ready to get behind it, provided Mr. Baucus can keep his fellow Democrats in line.

For Mr. Baucus, the challenge will be to stop his fellow Democrats they outnumber Republicans 13 to 10 from shifting the bill so hard to the left that they chase away Ms. Snowe, who could provide the crucial 60th vote needed to get the measure through the Senate.

Consider Ms. Snowe's most important amendment: to trigger the creation of a government-sponsored insurance plan in any state that fails to provide affordable insurance to 95 percent of residents. Mr. Baucus will have to fend off powerful Democrats, including Senators John D. Rockefeller IV of West Virginia and Charles E. Schumer of New York, who want to create the public plan from the outset.

The proceedings promise to be a wild ride for other reasons. Senator John Ensign, Republican of Nevada, wants to delete the word 'fee' everywhere it appears in the bill and replace it with the word 'tax,' a signal that Republicans intend to oppose the bill by framing it as a huge tax increase.

Senator Charles E. Grassley, Republican of Iowa, who along with Ms. Snowe engaged in months of intense negotiations with Mr. Baucus, would do away with a core component of the proposal -- a requirement that virtually all Americans obtain health insurance or pay a penalty if they fail to do so.

And Mr. Grassley would eliminate proposed fees on the health industry, including insurers, drug companies and device manufacturers. Instead, he would pay for a large chunk of the bill with economic stimulus money that has not yet been spent.

Other Republicans are proposing even more drastic changes. Senator Orrin G. Hatch of Utah would block a proposed expansion of Medicaid to all Americans earning less than 133 percent of the federal poverty line, an initiative seen as crucial to reducing the number of uninsured.

Democrats have an array of amendments that would make similarly radical changes, and that could potentially make it difficult for Ms. Snowe, or even some centrist Democrats, to support the bill.

Mr. Rockefeller, for instance, would strike out the proposed creation of private, nonprofit health insurance cooperatives, which are an alternative to the public option. He would alter the proposal to create state-based insurance marketplaces and instead form a single, national insurance exchange. In stark contrast with partisans on both sides, Ms. Snowe's amendments seek to keep the core proposal intact, while making various adjustments aimed at making sure people can afford the health coverage they would be compelled to buy and also making it easier for people who are offered coverage through their employers to seek alternatives.

In all, Ms. Snowe filed 21 amendments on her own, four more with Democrats, and one other with a Democrat and a Republican -- further evidence that she seems closer

to Democrats than her own party on the health care proposal.

For those watching the Finance Committee proceedings, which are scheduled to begin Tuesday, keep an eye out for amendments in these key areas:  
**AFFORDABILITY** Mr. Baucus, pressed by Democrats and Ms. Snowe, is expected to increase the government subsidies to help moderate-income individuals and families buy insurance, and make subsidies easier to obtain.

**TAXES** Several Democrats will push to expand the bill in part by capping tax deductions for high-income Americans at the 35 percent tax bracket, an idea that many Republicans oppose. Republicans, meanwhile, will be pushing to eliminate new taxes on various sectors of the health industry. And there will be all sorts of wrangling over the proposed new tax on the most expensive insurance plans, those costing more than \$8,000 for individuals and \$21,000 for families.

**MEDICARE AND MEDICAID** Republicans will fight proposed reductions in government spending on Medicare; Senator Bill Nelson, Democrat of Florida, will push to insulate some participants in plans, called Medicare Advantage, that are sold by private insurers to the elderly. Some Republicans will try to block a proposed expansion of Medicaid, the state-federal insurance program for the poor; while in other cases there will be fights over the potential added costs to states.

[Back to top](#)

## NANCY PELOSI SAYS HEALTHCARE REFORM WILL PASS WITHIN WEEKS

The Associated Press -

Sept. 22: Philadelphia - House Speaker Nancy Pelosi said Monday that health care reform legislation would pass the House within weeks and that it will include a public option.

"No bill can pass the House of Representatives without a public option in it," Pelosi, D-Calif., said at a press conference after a private tour of Thomas Jefferson University Hospital with a group of physicians and local Congressional Democrats.

"The status quo cannot continue," she said. "The system is unsustainable in terms of the escalating costs ... not only of health care, but also health insurance."

Pelosi's visit to one of Philadelphia's largest teaching hospitals came a day after President Barack Obama blanketed national news shows to garner public support of his health care plan.

Dr. Bernard Lopez, an emergency department physician at Jefferson, said a quarter of the 60,000 patients who come through the emergency room have substandard or no health insurance.

"Patients with little to no insurance can't see a primary care physician. ... They wait, they don't get care" until their health problem becomes dire, he said.

"The use of our emergency room for primary care puts a strain on us, puts a strain on the system."

Among those who spoke with Pelosi was Margie Salvante, a small-business owner who was unable to get her 11-year-old son, Brian, treatment for an eye movement

disorder that she said is completely correctable with therapy.

The condition makes it difficult for Brian to read, she said, a factor that affects his performance at school and may prevent him from reaching his potential.

[Back to top](#)

## MORE FIGHTS AHEAD IN US CONGRESS OVER HEALTHCARE

The Associated Press -

Sept. 20: Washington - Senate Democrats see plenty of room for improvement in a sweeping U.S. health care overhaul bill, starting with changes to a tax on high-cost medical insurance policies that could hit middle-class Americans hard.

Senate Finance Committee Chairman Max Baucus, a Democrat, unveiled his much-anticipated bill this week, and senators who have been waiting for months lined up to offer a bevy of contentious changes. One senator said the bill "needs more than just a few tweaks."

Democrats are concerned about affordability. Republicans almost uniformly oppose the measure and may be loath to hand President Barack Obama a victory on his biggest domestic priority, legislation to rein in skyrocketing health care costs and extend coverage to many of the 50 million uninsured.

The United States is the only industrialized democracy that lacks a comprehensive national health care system. Most Americans rely on health insurance partially subsidized by their employer, and they can lose their family's coverage if they lose their job.

After months when health care negotiations in the Senate were confined largely to Baucus meeting privately with five other Finance Committee senators to try to craft a bipartisan deal ultimately without success the dynamic was noticeably altered Thursday, a day after Baucus produced his long-awaited bill. Many more senators were in the mix, and many of them had something to say.

"I can find a handful of things that trouble me," said the Senate's No. 2 Democrat, Dick Durbin. He cited a new tax on high-value medical insurance plans.

The Baucus plan "needs more than just a few tweaks," said Sen. Maria Cantwell, a Democrat and member of the Finance Committee, saying she wanted stronger measures to control health care costs over the long term.

"Put it in perspective," Durbin added. "For months, the debate over health care in the Senate consisted of six people sitting in a room. Now it's been expanded.

"So we have a lot of people who need to become informed, express themselves, ask for changes if they can," Durbin said. Underscoring how every lawmaker is under intense scrutiny, the liberal blog [Firedoglake.com](http://Firedoglake.com) planned to begin TV ads in the state of Arkansas next week criticizing two of that state's Democratic members of Congress for not fully supporting the health care drive. The \$78,000 campaign a significant sum in that state was aimed at Sen. Blanche Lincoln, a member of the Finance committee, and Rep. Mike Ross, a leader of the House's moderate Democrats who have sought to keep the bill's price tag modest.

"Senator Blanche Lincoln and Congressman Mike Ross have stood with the health insurance industry and their allies," the commercial says, adding, "Stand with Democrats now, or we'll find someone who will."

That was happening in earnest Thursday as Baucus convened a full committee meeting on his bill. Senate Democrats met later, and Republicans from the Finance Committee gathered with Senate Minority Leader Mitch McConnell to go over strategy for next week, when Baucus will bring his bill up in committee for amendments there will be many and votes.

Democratic concerns focused on the new tax on generous insurance plans and on whether subsidies to help lower-income people buy newly required insurance are ample enough. Liberals also continued to question the absence from Baucus' proposal of a government-run insurance plan to compete with private industry. That is a feature of four other health bills in Congress but Baucus omitted it as one of numerous gestures meant to win support from Republicans and moderate Democrats. Baucus included nonprofit cooperatives instead.

His bill also would set up new purchasing exchanges in which individuals not otherwise covered could shop for insurance, and it would bar insurance company practices like denying coverage to people who already have health problems. permanent in the House Democrats' health legislation, which carries a much heftier price tag over \$1 trillion.

The release of the bill put new momentum behind Obama's push for a health care overhaul, and Democratic leaders in the House and Senate hope to move to floor action later in the year. Obama himself pumped up the plan at a rally at the University of Maryland on Thursday, and is set to appear on Sunday television talk shows to push for action.

"There's now agreement in Congress on about 80 percent of what needs to be done," Obama told the crowd. That last 20 percent could still be tough.

[Back to top](#)

## OBAMA BOOSTS HEALTH REFORM EFFORTS IN MEDIA BLITZ

Washington Post -

Sept. 20: Washington - President Obama sought to blanket the airwaves Sunday with an impassioned defense of his health reform effort during back-to-back broadcasts of taped interviews on five morning news programs.

In interviews conducted Friday in the Roosevelt Room of the White House, Obama acknowledged being "humbled" by the challenge of "breaking through" in the complicated and emotional battle over health-care reform.

"I think there have been times where I have said I've got to step up my game in terms of talking to the American people about issues like health care," he told George Stephanopoulos on ABC's "This Week."

"I've tried to keep it digestible, you know, it's very hard for people to get their their whole arms around it. And that's been a case where I have been humbled and I just keep on trying harder, because I, I really think it's the right thing to do for the country."

Beyond health care, Obama also said Sunday he will remain skeptical about the need for more U.S. troops in Afghanistan until he is satisfied that the military has the right strategy for winning the war there. And as previously reported by the networks on Friday, he dismissed former President Jimmy Carter's contention that critics are fueled primarily by racial hatred.

But the interviews were devoted primarily to the battle over his health care efforts. Hewing to virtually the same script in each, Obama voiced a desire for a more "civil" tone in the debate.

"We all have an obligation to try to conduct this conversation in a civil way. And to recognize that each of us are patriots," he told NBC's David Gregory on "Meet the Press."

Republicans shot back quickly, sending out an email to reporters titled "IF IT'S SUNDAY, IT'S MISLEADING THE PRESS." In it, the RNC offered their theory for the president's five-show Sunday blitz: "Desperate To Get Americans On His Side, Obama Continues To Push Falsehoods About His Government-Run Health Care Experiment," the release read.

After Obama's appearance on NBC, Republican Sen. Lindsey O. Graham (S.C.) said the issue is not one of rhetoric or style. "The president is selling something people aren't buying," Graham said. "He's been on everything but the Food Channel."

In the interviews, which also included CNN's "State of the Union," CBS's "Face the Nation" and the Spanish-language Univision, Obama portrayed himself as willing to take politically-difficult positions, citing his move to pursue alternative dispute resolutions in cases of medical malpractice.

"That's not popular in my party," he said on NBC. However, many physician leaders have complained that the administration's \$25 million grant program falls far short of the aggressive changes they seek, including a cap on legal awards to injured patients.

The president brushed off suggestions by some allies that the fight over his centerpiece domestic policy initiative has been tinged by racial attitudes. "What's driving passions right now is health care has become a proxy for a broader set of issues about how much government should be involved in our economy," he said on CBS. "I have no interest in increasing the size of government. I just want to make sure we've got a smart government."

On Tuesday, the Senate Finance Committee begins action on a bill drafted by panel chairman Sen. Max Baucus, D-Mont., and 564 amendments. Several Democratic lawmakers said they hope to change a provision in the Baucus bill that would impose a 35 percent tax on high-priced insurance policies provided through the workplace.

In the CNN interview, Obama downplayed the impact of the proposal and said he was talking with union leaders who fear their members could be hard hit since their health coverage tends to be among the most generous in the country.

"I do think that giving a disincentive to insurance companies to offer Cadillac plans that don't make people healthier is part of the way that we're going to bring down health care costs for everybody over the long term," he said.

Acknowledging a shift in his own thinking, Obama also defended plans to require that every American carry health insurance. He denied repeated assertions from Stephanopoulos that the mandate represents a tax on average Americans.

"You can't just make up that language and decide that that's called a tax increase," a clearly frustrated Obama said. "My critics say everything is a tax increase. My critics say that I'm taking over every sector of the economy. You know that ... I absolutely reject that notion."

Obama defended proposals to place new fees on the health-care industry and to reduce the government payment to insurers that operate Medicare managed care plans, saying that "they're making huge profits." And he said on CNN that illegal immigrants should not "be covered under this health care plan.

On Afghanistan, Obama said his top generals have completed another review of that strategy, and that he will not act on a further troop increase until he is satisfied that the review has produced a winnable approach.

"What I'm not also gonna do, though, is put the resource question before the strategy question," Obama said on "Meet the Press." "Until I'm satisfied that we've got the right strategy I'm not gonna be sending some young man or woman over there-beyond what we already have."

[Back to top](#)

## INSURERS OPPOSE NEW CALIFORNIA WORKERS' COMP MANDATE

BestWire Services -

Sept. 18: A California bill to prohibit a workers' compensation insurer from rescinding or modifying an authorization for medical services after the services are rendered is before Gov. Arnold Schwarzenegger.

Sponsored by Assemblywoman Bonnie Lowenthal, D-Long Beach, A.B. 361 would commit insurance companies to paying for all services it authorized a doctor to provide. It passed the state Assembly, 78-0 and the Senate 33-6.

Schwarzenegger has until Oct. 11 to rule on legislation passed during the just-completed session.

Insurers oppose the legislation, saying it would result in payments for unwarranted services. The bill would harm the ability of employers and workers' compensation carriers to manage medical claims, American Insurance Association Assistant Vice President, State Affairs Steve Suchil said in a statement.

"Carriers experience claims situations where injuries are not job related or where medical care is provided that is not appropriate. This bill would force authorization in those instances," he said.

California's Workers' Compensation Insurance Rating Bureau recently approved a rate filing with a 22.8% increase in the claims cost benchmark, to be effective Jan. 1, 2010. An evaluation of March 31, 2009, loss experience determined an increase in the claims cost benchmark of 16%, primarily due to increased medical costs. The WCIRB projects the impact of three Workers' Compensation Appeals Board decisions to merit an additional 5.8% increase.

The top five writers of workers' compensation in California in 2008, according to A.M. Best state/line data, were: State Compensation Insurance Fund of California, with 22.6% market share; American International Group Inc., with 7.6%; Liberty Mutual

Insurance Cos., with 6.7%; Travelers Group, with 6.3%; and Berkshire Hathaway Insurance Group, with 5.7%.

[Back to top](#)

## OBAMA ADMINISTRATION RELEASES DETAILS ON MEDICAL MALPRACTICE PILOT PROGRAM

BestWire Services -

Sept. 18: The White House has announced details of the pilot program President Barack Obama announced to help curb medical malpractice lawsuit difficulties for health care providers.

As he announced in a Sept. 9 speech, Obama has quickly acted on his promise to his political opponents to include a favorite Republican idea in the ongoing reform of the U.S. health care system. But the total spending on the idea is, at this point, set at only \$25 million enough for a limited number of local pilot programs to seek out ways to increase patient safety and also reduce liability premiums for medical professionals.

"I don't believe malpractice reform is a silver bullet, but I've talked to enough doctors to know that defensive medicine may be contributing to unnecessary costs," Obama said in the speech to a joint session of Congress.

The new program will pay for competitive grants of up to \$3 million each for states and health systems to implement "evidence-based patient safety and medical liability demonstrations," according to the Sept. 17 White House announcement. It also will pay for smaller, shorter-term grants of up to \$300,000 for states and health systems for planning such demonstrations.

The program's final component is a review of efforts that "improve health care quality and patient safety and decrease medical liability," set to be conducted and reported by the end of this year.

The U.S. Department of Health and Human Services will ask for applications for demonstrations that meet its main goals: putting patient safety first, reducing preventable injuries, improving doctor-patient communication, ensuring fast compensation for medical injuries, reducing frivolous lawsuits and reducing liability premiums. The grant announcement will be posted within 30 days, the White House said, and applicants will have two months to apply.

Those applications will be reviewed by the Agency for Healthcare Research and Quality using a peer-review and merit-evaluation system. AHRQ will select the recipients by early 2010.

[Back to top](#)

## NO-LIMIT HEALTHCARE SPENDING IN U.S. HITTING ITS LIMITS

The Sacramento Bee –

Sept. 18: As medical bills spiral upward, the refrain is ever more common: Health care is costing an arm and a leg. But how much does that broken arm or that shattered leg

cost?

Greg Davis, whose son Jonathan fractured his right leg during football practice, confesses to having little interest in finding out. "Until it hits my pocket, I'm really not concerned about it," said Davis, an MRI supervisor at UC Davis Medical Center. "As far as I'm concerned, my son's broken leg is costing \$65: the \$50 emergency room co-pay and the \$15 for an office visit. "Thank God for insurance," he added.

Partly motivated by an effort to contain costs, policymakers are considering a comprehensive overhaul of the country's health care system. But most Americans with quality insurance coverage may have little clue, or concern, about what goes into health care spending, which is expected to grow to \$2.5 trillion this year.

That's nearly double the \$1.4 trillion the government estimated was spent on health care in 2000 – which was already twice the \$714 billion recorded just 10 years earlier. By 2018, the nation's tab for health care is expected to surge to \$4.4 trillion, according to the National Coalition on Health Care.

As the health care reform movement goes into high gear, there is little question that escalating cost is the major factor driving the effort. But there is wide debate about whether health care legislation will reduce health care costs.

Glenn Melnick, an expert in health economics and finances at the University of Southern California, said the proposed plans contain vague notions of improving efficiency and increasing competition. But there's no guarantee that a government-run insurance plan or other overhaul proposals will bring costs down, he noted.

Much of the discussion over rising health care costs has centered on rising insurance premiums, with consumers and employers bemoaning their increasing financial burdens. A host of factors have contributed to the rising costs, including fear of malpractice lawsuits, expensive new technology and drugs, and high administrative costs for private insurers.

"The rate of health care premiums follows the increase in medical costs," said Patrick Johnston, president of the California Association of Health Plans. "Health premiums are just reflecting the underlying medical costs in our system. Until we address those, we can't achieve sustainable health care coverage in this country."

One authority, the federal Centers for Disease Control and Prevention, says the main reason for the rising cost of health care the culprit in 75 percent of all medical expenses is the general health decline of a U.S. population that increasingly suffers from chronic conditions such as diabetes, cancer and heart disease. Yet consumer ignorance of the true cost of care is also part of the problem, say many who have studied the issue.

"By and large, most people have no idea how much medical care costs, and they're not used to paying for it," said USC's Melnick. Jan Emerson of the California Hospital Association offered a similar view. "American consumers are used to getting whatever health care service they need, when they need it, and don't ask about the cost," Emerson said. "If we're really going to change the system, people are going to have to care."

Consumers demanding costly services, therapies or the latest name-brand drugs help push up expenses, said Dr. Dev GnanaDev, president of the California Medical Association. "Patients see ads, go to their doctors and demand they get what's advertised. A doctor might resist for a while and put them on cheaper generic drugs, for example, but you can't always succeed all the time. Patients sometimes hound you," GnanaDev said.

In recent years, consumers have become more aware of the rising cost of health care. Millions have lost their insurance, or have been required to pay higher premiums or deductibles. This trend has spurred calls for relief.

"Only in the last several years have they seen some of the cost being passed on to them," Melnick said. "It's been a bit of a sticker shock, because they've mostly been shielded from it."

As the ranks of the uninsured have grown they are now estimated at 46 million hospitals have responded by shifting expenses to those who are insured, increasing upward pressure on bills. So-called cost shifting has become routine, hospital officials say, in part because of meager government reimbursements for Medicare and Medi-Cal.

Consumers aren't solely to blame for demanding health care care beyond what is necessary, experts said. Doctors worried about malpractice lawsuits are a significant contributor to cost inflation. "Doctors are ordering tests to look at every possibility out there. When you have the potential to get sued, you want to make sure you rule out anything possible," GnanaDev said.

So-called defensive medicine adds billions of dollars to health care spending for precautionary CAT scans, MRIs and other potentially unnecessary procedures, but getting a firm estimate of the total is difficult, GnanaDev said.

Hospital care accounts for the largest share of the country's health spending, amounting to nearly a third of expenditures, according to the Kaiser Family Foundation. A fifth of spending goes to physicians.

Pharmaceuticals comprise 10 percent of all spending, but represent one of the fastest-growing segments of the health care economy, the Kaiser foundation reported.

For many consumers, though, the cost of health care still doesn't matter much, as long as they don't have to pay for it directly. Emergency rooms are in fact required by state law to make available the cost of the most common procedures. But in cases of emergency, few have the luxury of skimming through a menu of prices.

[Back to top](#)

## DEMOCRATS IN SENATE REACH FOR 60 VOTES ON HEALTHCARE OVERHAUL

New York Times -

Sept. 17: Washington - The unveiling of a compromise health care proposal has Senate Democrats pondering a daunting mathematical challenge: how to keep all 59 Democrats united and attract at least one Republican to pass an overhaul measure.

As many lawmakers on Wednesday got their first detailed look at a Finance Committee plan that was months in the making, senators immediately began exploring whether the plan when combined with elements of another, more liberal one could win enough senators to reach that magic procedural number of 60.

"We have to meld a couple of things together and see where we are," said Senator Christopher J. Dodd, Democrat of Connecticut. "I wouldn't say today with absolute certainty that you could get to 60, but it would be just as foolish to say you can't get

there either. This is the Senate.”

In trying to reach critical mass for legislative success, advocates of health care overhaul face an extremely delicate balancing act. With the death of Senator Edward M. Kennedy of Massachusetts, Democrats control 59 seats, meaning they need at least one Republican to join them if they are to proceed without employing a procedural shortcut that could cause havoc in the Senate.

And Senate Democrats have substantial differences of their own. More liberal members like Senator John D. Rockefeller IV of West Virginia and Senator Bernard Sanders, independent of Vermont, have been strong advocates of a public insurance option; many of the more centrist Democrats have come down just as strongly against one. Centrists are interested in holding costs down; progressives want to bring more Americans under the insurance umbrella, a push that drives costs up.

As a result, changes intended to bring the centrists and conservatives in line could drive away progressives, while any move to draw in the more liberal elements could end up alienating the centrists. There is little margin for error.

“I continue to believe that you start at the center and then move to collect additional support on both ends of the political spectrum,” said Senator Ron Wyden, an Oregon Democrat and health policy expert whose seat on the Finance Committee makes him a key player as that panel considers the new plan from Senator Max Baucus, the Montana Democrat who leads the committee.

Juggling the individual party demands can be dizzying. Another Finance Committee member, Senator Bill Nelson of Florida, is digging in against potential Medicare cuts. Senator Bob Casey of Pennsylvania wants to make sure the plan does enough for poor children, while Senator Evan Bayh of Indiana is worried about health costs for small businesses and middle-class families.

And Senator Ben Nelson of Nebraska, typically one of the hardest votes for Democratic leaders to corral, is looming as a particularly tough sell. “At the end of the day, I want to see everything before I commit to anything,” said Mr. Nelson, who added that he would have trouble backing a bill that did not have some Republican support.

Yet winning over just one Republican will take extraordinary effort, partly because of the intense pressure from colleagues to deny Democrats a legislative victory. Senator Olympia J. Snowe of Maine, the Republican viewed as the most likely to back the proposal, did not endorse the plan on Wednesday, though she is talking to Democrats.

Other Republicans considered potential allies under the right circumstances have their own reservations. Senator Susan Collins, another Maine moderate who has joined with Democrats in the past, has not seen enough emphasis on cutting health care costs over all.

Senator George V. Voinovich of Ohio, who is retiring and thus may face fewer political constraints, said he feared the expansion of coverage for the poor could bankrupt states. “To be candid, I don’t know how you pay for it,” he said.

Given the steep climb toward 60, Senate Democratic leaders have begun to make another argument to lawmakers. They are pressing colleagues to vote with the party on procedural matters related to health care legislation and against any filibuster a 60-vote issue even if they intend to oppose the measure in the end when simple majority rules.

Senators are usually reluctant to clear the way for a bill they might vote against since

they relinquish their most powerful leverage, but the message is evidently reaching some.

[Back to top](#)

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