

In health plan debate

US Senate Democrats block efforts to bar Medicare cuts

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8 December 2009

The Senate began debate last week on health care legislation that would cut hundreds of billions of dollars from federal programs, while boosting the profits of the health care industry. Democratic supporters of the bill defeated an attempt by Republicans to block major cutbacks in government payments to agencies that provide care to homebound Medicare beneficiaries.

In a week of debate, including an unusual weekend session, Senators discussed and voted on numerous amendments to the “Patient Protection and Affordable Care Act.” President Barack Obama made a rare Sunday visit to the Capitol to push for passage of the bill.

The health care bill reconciles versions from two Senate committees. If passed it must then be meshed with legislation passed by the House early last month. Senate Majority Leader Harry Reid, Democrat of Nevada, needs the votes of all 58 Democrats and the two Senate independents to win approval of the bill. These votes are anything but assured at this point, with key Senators saying they will withhold support for the bill on the reactionary basis of opposition to its inclusion of a “public option,” its failure to sufficiently restrict the right to abortion, as well as issues related to costs.

Obama held a closed-door meeting with Senate Democrats on Sunday. Senator Max Baucus, Democrat of Montana, quoted the president as saying the health care bill was “the most important social legislation since Social Security.”

In reality, the legislation is deeply regressive and proposes cuts of more than \$400 billion from the government-run Medicare program for the elderly and disabled. It bears no relation to a universal health care system, and would leave an estimated 25 million people without insurance coverage. It mandates individuals and

families to obtain coverage or pay a penalty, and imposes a tax on higher-priced insurance premiums held by unionized and other workers. (See “US Senate begins debate on health care overhaul”)

In a 53 to 41 vote Saturday, Senators rejected a Republican-backed effort to block cutbacks in payments to home health care agencies providing care to seniors. The Senate bill proposes to cut government spending on home health care by \$43 billion over the next 10 years; the House bill would cut \$53 billion. Home care currently accounts for 3.7 percent of the Medicare budget, but would be slashed by 9.4 percent according to the Senate bill.

In comments quoted by the *New York Times*, Senator Baucus contended that these cuts would not adversely affect the Medicare recipients who depend upon these home health care services to manage heart conditions, diabetes, dementia and other chronic conditions. “We are reducing overpayments,” he said. “We are rooting out fraud. We are getting the waste out.” As with all the Medicare cuts included in Obama’s health care overhaul, the claim is cynically advanced that axing billions of dollars in payments for vitally needed care will actually improve patient treatment by eliminating “unnecessary” tests, procedures and services.

As an example of the impact of these cuts, the *Times* cites the Aroostook County home care agency in Maine, which estimates it would lose \$237,000 in the first year of the Senate bill and \$313,000 under the House bill. Lisa Harvey-McPherson, who supervises the agency, said that as a result of the cutbacks, “We would have to consider shrinking the area we service or discontinuing some services.” She added, “Our staff are scared, but it’s our patients who will pay the price if Congress makes the cuts in home care.”

In an effort to scuttle the legislation, Senator John McCain, Republican of Arizona, introduced an amendment that would have restored the entire \$440 billion in Medicare cuts, including to home health care, hospitals, hospices and other health providers. The amendment was defeated 58 to 42, with two Democrats joining Republicans to support the measure. If adopted, the amendment would have eliminated about half the funding for the health care bill, and would have gone against Obama's central demand that any health care legislation be "deficit neutral."

The Republicans have seized upon cost-cutting components of the health care legislation, seeking to capitalize on growing fears within the US population that Obama's health care restructuring will lead to denial of services and reduction in treatments and care for ordinary Americans. That the Republicans can put on this phony show as the defenders of Medicare is testament to the thoroughly retrograde nature of the legislation. It points as well to the close ties of the Obama administration and Congressional Democrats to the private health insurers and pharmaceuticals, and their commitment to defend the industry's profits.

One of the major stumbling blocks to garnering the 60 votes to pass the bill is the so-called "public option." In the Senate's watered-down version of this measure, a government-run public option would be included on the exchange where individuals and families could purchase insurance, but states would be allowed to "opt out" and not provide it to residents. A number of Democrats and several Republicans being courted for their votes have indicated they will oppose the bill if the public option is included in the final version.

Majority Leader Reid has assembled a group of 10 Senators to try to come up with a compromise. The latest permutation of the public option being floated would bear no resemblance to a government plan. It would be modeled after the Federal Employees Health Benefits Program (FEHBP), which is administered by the Office of Personnel Management (OPM). Health coverage would be provided by private insurers under the management of OPM, which would have control over spending.

Last Thursday, the Senate voted 61 to 39, with three Republicans joining 56 Democrats and the two independents to vote in favor of an amendment that would require insurers to provide mammograms and other preventative services to women free of charge. Screenings included in the amendment, put forward by Senator Barbara Mikulski, Democrat of Maryland, would have an

estimated price tag of about \$1 billion over 10 years.

Democratic Senators Russ Feingold of Wisconsin and Ben Nelson of Nebraska opposed the measure on cost grounds. Feingold commented in a statement, "We should make sure health plans cover women's preventive care and screenings, but we should also find a way to pay for it, rather than adding that cost to the already mountainous public debt."

On Monday, an amendment put forward by Nelson would prohibit private plans that participate in the government insurance exchange and receive government subsidies from covering abortions, except in the cases of rape, incest, or to save the life of the mother. The amendment would bar coverage of the procedure legalized by the US Supreme Court's 1973 Roe v. Wade decision even if the premiums were paid entirely with the patient's own funds.

A vote on the anti-abortion amendment is expected as early as today. While it is not expected to pass, Nelson has indicated he may vote against the entire Senate bill if it is not included. Harry Reid and the Obama administration are working to secure the votes of several Republicans to ensure the 60 votes needed.

Top on the list is Olympia Snowe, the only Republican who has supported the Democrats' plan. She opposes the public option, although she has described the latest proposal of an OPM-administered plan as "a very novel and innovative idea." On Sunday, Snowe was called to the White House for a meeting with Obama in an effort to shore up her support.

It is clear that if the bill is to pass, the Obama administration and Senate Democratic leaders will need to wheel and deal with select Republicans and wavering Democrats on a range of issues, including the public option and abortion coverage. In his self-described "pep talk" on Sunday with Senate Democrats, however, Obama kept silent on the specifics of the plan, indicating his willingness to support just about anything that emerges from the Senate debate.



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