



For Immediate Release
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**Floor Statement of Senator Max Baucus (D-Mont.)
Regarding the Health Care Reform Improvements Bill**
(as prepared for delivery)

Mr. President, this morning, President Obama signed comprehensive health care reform into law. Many of us have dreamed of that day, for years.

And now, it is fact. Now, it is law. Now, it is history.

This morning, President Obama signed a law that will guarantee meaningful insurance reform, like coverage for people with pre-existing conditions. This morning, President Obama signed a law that will ensure that average people without insurance will get health insurance choices, just like members of Congress. And this morning, President Obama signed a law that will control the growth of health care costs in years to come.

Today, we have before us a bill to improve the new law. We do not have before us the whole health care reform bill. We do not have to reopen every argument that we had over the last two years. We do not have to say everything that we said about health care, one more time.

Rather, we have before us a bill that will do a few good things.

We have before us a bill that will improve affordability by increasing tax credits to help pay for insurance premiums. We have before us a bill that will help with out-of-pocket costs for lower- and middle-income families.

We have before us a bill that will increase aid to states to help them shoulder the costs of covering Americans under Medicaid. We have before us a bill that will give additional help to states that took extra steps to cover the uninsured before reform took place. Together, these improvements will level the playing field among states under health reform. We have before us a bill that will make sure that no state is singled out for special treatment.

We have before us a bill that will completely close the donut hole — the coverage gap for Medicare prescription drug coverage — by the end of the budget window. We have before us a bill that will start with a \$250 increase in federal assistance toward coverage in the donut hole, right away in 2010.

We have before us a bill that will fight fraud, waste, and abuse in Medicare and Medicaid.

That's the bill that we have before us today. This is not the whole health care reform bill. This is a set of common-sense improvements to the new law.

Now, I do not expect opponents of the bill to talk about these common-sense improvements. Frankly, it's pretty difficult to understand why Senators would want to oppose these common-sense improvements.

Rather, if this debate is anything like the debate so far, opponents of this bill will try to change the subject. When people look at what health reform really does, they're more likely to support it. So I expect that opponents of this bill will try to distract observers from what's really going on.

Rather than talk about the common-sense improvements in this bill, opponents will talk about the process. Over the two years that we have been working on health care reform, there have been many on the other side who have sought to make the debate about the process.

They have sought to emphasize how messy the legislative process is. And, of course, criticizing how Congress works is a lot easier than improving health care for the American people.

Many opponents of health care reform are obsessed with process and procedure. I'm much more focused on the people whom health care reform will help.

I'm focused on people like Pat and her late husband Dan from Lincoln County, in the northwest corner of Montana.

Pat and Dan used to have a ranch in southwest Lincoln County. Dan was the fourth generation of his family to run the ranch. He grew up on the ranch. And he worked hard every day of his life.

In 2000, the doctors told Dan that he had Hodgkin's Lymphoma. But Pat and Dan did not have health insurance. Dan never took a handout, and Pat and Dan thought that they could handle their bills on their own. That was the way that they had always lived.

But then the medical bills starting piling up. Swallowing his pride, Dan made what he called the hardest decision of his life. He filed for Medicaid. The state told them that the only way that they could be eligible for Medicaid was to put a lien on their ranch. As Dan's medical bills spiraled out of control, Pat and Dan were forced to sell their land.

Pat said that the cancer ravaged her husband's body. But selling their ranch to pay for medical costs broke his spirit.

That's why we needed to enact health care reform.

Most bankruptcies in America these days are related to medical costs.

No one in America should have to sell everything that they have, no one should have to go bankrupt, just to pay medical bills.

But I am not going to let the opponents' charges about the process go unanswered. The idea that health care reform has been some sort of a rush job is a myth. It's a myth that deserves busting.

The facts are that the Finance Committee and the HELP Committee each went through a full and transparent process to consider health care reform legislation. This has been the fullest and most transparent process for any major piece of legislation in memory.

From the start, I wanted to develop a bipartisan consensus package. I wanted a bill that would have broad support across the political spectrum.

There has been a long tradition in the Republican Party in favor of comprehensive health care reform. That tradition stretches back to Theodore Roosevelt, to Richard Nixon, to Bob Dole, and to John Chafee. I believe that what we set out to do, and what we have done, fits comfortably within the tradition of what those Republican leaders sought to do.

We began almost two years ago. On May 6, 2008, we held our first hearing in our series on health reform. The Finance Committee held 11 hearings in the series in 2008 alone.

We held those hearings to help Senators to come to a common understanding of the health care crisis. We sought in the middle of the last Congress to lay the groundwork for passing a bill in this Congress.

On June 16, 2008, nearly two years ago, Senator Grassley and I convened a bipartisan health reform summit at the Library of Congress. We called it "Prepare for Launch: Health Care Reform Summit 2008." Senator Grassley and I brought some of the best minds in the country together to discuss health care reform. Senators from both sides of the aisle engaged in an open and constructive discussion.

Then, right after the 2008 election, on November 12, 2008, this Senator released an 89-page blueprint for health care reform. We named it, "Call to Action: Health Reform 2009." It was a comprehensive framework for a health care reform bill. We posted that blueprint on the Internet for all to read.

The ideas in that white paper reflected the broad consensus of thinking among health care experts. The ideas in that white paper remain the foundations of the health care reform that became law this morning. The ideas behind our health care reform legislation have been available for all Senators and the public to consider for more than 16 months.

The Washington Post called our white paper “striking in both its timing and scope.” The Washington Post said, “Rarely, if ever, has a lawmaker with his clout moved so early — eight days after the election of a new president — to press for such an enormous undertaking.”

Then, in April and May of last year, Senator Grassley and I released three bipartisan health care reform policy papers on the three major areas of reform: delivery system reform, insurance coverage, and options for financing reform. Once again, we made these papers public and posted them on the Finance Committee’s website.

Senator Grassley and I convened three open, televised bipartisan roundtable discussions with experts on those subjects. And we held several day-long meetings of Finance Committee Senators to discuss the topics of those policy papers.

On April 30, 2009, the New York Times reported, “In setting forth detailed ‘policy options’ and inviting public comment, Mr. Baucus and Mr. Grassley set a precedent for openness.”

On May 18, 2009, the newspaper Politico reported on our efforts to build consensus. Politico said that my “frequent progress reports to reporters always include some discussion of keeping peace in the delicate alliance of Republicans, Democrats, industry, labor, physicians and consumer advocates.”

I met with my colleagues. Since November 2008, I had more than 142 meetings — both one-on-one and in groups — to discuss health care reform with Senators on both sides of the aisle. In all, those meetings added up to more than 150 hours of discussions.

I tried to work out a bipartisan package in the Finance Committee. I started, as I always do, with the Ranking Republican Member of the Finance Committee, my good friend Chuck Grassley. And since the Finance Committee and the HELP Committee share jurisdiction over health care, Senator Grassley and I agreed that we wanted to include the Ranking Republican Member of the HELP Committee, Mike Enzi, and our colleague Jeff Bingaman, who is also a Member of both of those two Committees. As well, we reached out to the Chairman of the Budget Committee, Senator Kent Conrad, and the Ranking Republican Member of the Small Business Committee, Senator Olympia Snowe, both of whom are also Members of the Finance Committee. Both Senators Conrad and Snowe have a long history of working across the aisle to reach consensus.

This group of six Senators — three Democrats and three Republicans — worked hard to forge consensus. We rolled up our sleeves. We plowed through the issues. We met 31 times, for 63 hours, over the course of four months.

Many said that we met too long. Many said that I should have broken off my discussions with my colleagues. But I wanted to go the extra mile. I wanted to bend over backwards. I wanted to do everything that I could to reach a bipartisan consensus.

That group of six Senators came very close to an agreement. We did not in the end reach an agreement among all six of us. But I took the product of those bipartisan discussions, our areas of tentative agreement, and made them the starting point for our committee markup.

We converted that product into a committee mark. And I made that mark public and posted it online at the Finance Committee's website on September 16, 2009. That was a full six days before the markup and four days longer than Committee rules require.

For the first time in history, on September 19, the Finance Committee posted online every amendment submitted to the clerk. We posted the full text of all 564 amendments. Members of the Committee and the public had three days to review the amendments and prepare for the markup.

Our Finance Committee markup stretched over eight days. We worked well past 10 p.m. on most of those days. The markup was the longest that the Finance Committee has conducted on any bill in 22 years.

Prior to the markup, I accepted 122 amendments as part of a modified Chairman's mark. Twenty six of the amendments incorporated into the mark came from Republican colleagues.

During the markup, the Committee considered 135 amendments. The Committee accepted 41 amendments and rejected 55 amendments.

On October 2, 2009, a full 11 days prior to the Committee vote on the bill, I posted online the mark as amended.

And on October 13, 2009, the Finance Committee ordered the bill reported with a bipartisan vote of 14 to 9.

The Majority Leader then melded the Finance Committee and HELP Committee work products into a single bill. The Majority Leader moved to proceed to the bill on November 19 of last year. We had a full and open debate of the bill on the Senate floor. And on December 24 of last year, Christmas Eve, more than a month later, the Senate finally passed the health care bill.

Now, I have taken some time to detail the long legislative history of this effort. I did so because I believe that any fair observer of this legislative history would draw three conclusions.

One: We tried mightily to work with our Republican colleagues to reach a broad consensus bill. We went the extra mile. We bent over backwards. And for a variety of reasons, our Republican colleagues simply did not want to be part of this effort.

Two: Nobody rushed this bill. This has been a full and deliberate process. There's no way that health care reform was "rammed" through the Congress.

And three: We have conducted a process more open than that for any major piece of legislation in the modern Senate.

But opponents of the bill have tried to raise as many charges as they can. They have tried to throw as much mud at this effort as they can, hoping that something sticks.

Their latest attack has been to criticize the use of the budget reconciliation process for the bill before us today. Some have charged that using reconciliation is somehow unusual. They argue that using budget reconciliation for health care is somehow unheard of. And they argue that we never use reconciliation for major matters.

Nothing could be further from the truth.

Is reconciliation unusual?

The answer is, "No."

Budget reconciliation is a pretty common process, here in Congress. Since Congress began using the budget reconciliation process in 1980, some 30 years ago, Congress has passed some 23 reconciliation bills. Thus, most years have seen reconciliation bills. It's the exceptional year in which Congress does not pass a reconciliation bill.

Now what about health care? Is health care something unusual for reconciliation?

Once again, the answer is, "No."

The nonpartisan Congressional Research Service did a survey of the 22 reconciliation bills that made it through Congress to the President's desk. Of those 22 reconciliation bills, CRS identified 12 of them with titles or other major legislative components pertaining to the Medicare or Medicaid programs.

In other words, most reconciliation bills have addressed health care. Once again, it is the exceptional case where a reconciliation bill does not contain health care matters.

Now what about major health care legislation? Is major health care legislation in reconciliation unusual?

Once again, the answer is, “No.”

CRS counted the number of pages in the law books on health care that the reconciliation process has put there. It was not a small number.

CRS found that bills enacted using the reconciliation process contributed some 1,366 pages on health care to the Statutes-at-Large. CRS found that the average reconciliation bill with health care in it contributed some 124 pages to the Statutes-at-Large. Pages in Statutes-at-Large have more words than bills do, so these pages reflect far more pages in bill text.

Let’s consider some of the major changes to health care that Congress has enacted in the last 30 years.

Well, there’s COBRA, the health insurance program for people who lose their jobs. Congress enacted the COBRA health insurance program as part of a reconciliation bill. COBRA stands for the “Consolidated Omnibus Budget Reconciliation Act.” A Republican-controlled Senate passed the COBRA health insurance program as part of reconciliation in 1986.

Since then, three later reconciliation bills have amended the COBRA continuation coverage rules. Congress changed COBRA in reconciliation bills in 1989, in 1990, and again in 1993.

Another one of the largest health care expansions that Congress enacted in the last 30 years was the Children’s Health Insurance Program, or CHIP. Once again, we enacted it in reconciliation. Congress enacted CHIP as part of the Balanced Budget Act of 1997. Once again, it was a Republican-controlled Senate that passed the Children’s Health Insurance Program as part of reconciliation in 1997.

Then there’s the Medicare Advantage program. Medicare Advantage, or Medicare Plus Choice as they called it then, was a major change in Medicare, introducing private insurance companies into the system. Once again, a Republican-controlled Senate passed that in reconciliation in 1997.

It’s hard to think of a major health insurance expansion that has not involved reconciliation. Sure, there were some. But it is the exceptional case where Congress enacts major changes to health care outside of reconciliation.

And when you think about it, that makes some sense. Congress created the budget reconciliation process to affect the budget. And any competent budget economist will tell you that health care cost growth is the biggest fiscal challenge facing our nation.

If you want to address the budget in a significant way, you need to address health care. Health care is exactly the sort of thing that the budget process was designed to address.

Why did Congress create the budget process this way?

Simple. Congress created the budget process so that Congress could make fiscal policy with a simple majority vote. The Congress that created reconciliation wanted to ensure that future Congresses could vote budget matters up or down, yes or no.

Now is it unusual for anything this large to have been passed in reconciliation?

Once again, the answer is, "No."

In terms of dollars and cents, the biggest reconciliation bill by far was the 2001 Bush tax cuts. The 2001 reconciliation bill worsened the deficit by more than \$550 billion over the first five years.

Not far behind was the 2003 Bush tax cut. That reconciliation bill worsened the deficit by more than \$430 billion over the first five years.

In terms of policy changes, it's hard to match the two Bush tax cuts.

But another measure that came close was the 1996 welfare reform bill. Once again, that was a reconciliation bill. The 1996 welfare reform bill was the most sweeping revision of poverty programs since the Great Society. Once again, that reconciliation bill was passed by a Republican-controlled Senate.

So it's hard to say that we have not done big things in reconciliation.

In sum, it's not as though we snuck health care reform through the Senate. We passed it with an exhaustive, open process. And the Senate passed health care reform with a supermajority. We passed it with 60 votes.

Now, all that remains to be done to complete health care reform is an up or down vote on this final bill. This last step in health care reform deserves to have a simple majority vote.

That's all that needs to be done to finish the job of reforming health care.

And let me return to what this bill would do. This bill would help to make health care more affordable for people who don't have it.

We do it for people like Carmine and her daughter Merilee, from Polson, Montana.

Carmine had insurance. But she still had problems with coverage and cost. Before March 2008, Carmine had insurance with a \$5,000 deductible. She found herself avoiding care because of the high deductible. She and her daughter, Merilee, waited until they knew that they needed help before they went to the doctor.

At one point, Carmine's daughter contracted a urinary tract infection. Wanting to avoid the high deductible, Carmine and her daughter decided to wait a day and see how it would go. But her daughter did not get better. She needed to get care. Since it was Saturday and there was no urgent care open for 50 miles, the only option was to go to the emergency room.

The hospital billed Carmine for \$500. But her insurance company refused to pay it. Carmine appealed, asking them to pay the \$70 the insurance would normally pay for urgent care, and Carmine would pay the remaining balance. But her insurance company still denied her claim.

When Carmine broke her fingers, her insurance company refused to pay for treatment. The insurance company paid only for X-rays, even though Carmine was entitled to \$650 of first-dollar coverage for accidents. Carmine paid for her own treatment. But she gave up on the therapy, because it cost too much. Carmine's fingers will never fully heal.

In March 2008, Carmine switched to another insurance company and lowered her deductible to \$2,500. But last month, Carmine received notice that her premiums will go up by about 32 percent. Carmine will have to keep her premiums down by decreasing her coverage. It's a strategy that she's been using for years.

We fight for health care for people like Carmine and Merilee.

We fight for health care for people like William and Erinn, from Red Lodge, Montana.

Erinn lost her father, William, when he was only 59, because their insurance company denied and delayed his bone marrow transplant until it was too late. William taught school for more than 30 years. He thought that he had good insurance through his retirement package.

The doctors told William that he had Leukemia, but the doctors were able to treat it with oral chemotherapy for a long time.

In 2002, the doctors determined that William would need more advanced chemotherapy. He underwent chemotherapy as long as he could. And then the doctors determined that he would need a bone marrow transplant.

The insurance company paid for all of the preparations, testing, and treatment leading up to the transplant. But the insurance company denied the procedure itself.

The family began the long process of appealing. Every day that went by, Erinn and her mother knew that the disease was progressing even further. They found out that a family friend knew a doctor who knew the president of the insurance company. Pressing through these connections, the family finally got approval for the transplant.

But by that time, five months after the appeals process began, William's disease had progressed too far. While he was able to get a transplant in August of 2006, he died five months later on January 3, 2005. Now, Erinn has a one-year-old daughter who will never meet her grandfather.

That's why we fight for health care reform.

We fight for Pat in Lincoln County.

We fight for Carmine and her daughter Merilee in Poulson.

We fight for Erinn and her young daughter in Red Lodge.

These Montanans deserve better. And that's why we are fighting today for this bill. We are fighting to improve affordability of insurance premiums. We are fighting to help with out-of-pocket costs for lower- and middle-income families. We are fighting to help states to shoulder the costs of covering Americans under Medicaid. We are fighting to make prescription drugs more affordable for seniors with Medicare.

In America, no one should have to lose the ranch, to pay for health care. In America, no one should have to lose the use of her hand, for lack of quality insurance. And in America, no one should have to grow up never seeing her grandpa, for lack of quality insurance.

Let us enact this bill into law. Let us ensure that Erinn's young daughter never has to endure the challenges that Pat, and Carmine, and Erinn did. And let us complete the job of reforming health care in America.

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