



March 19, 2010

Hello all,

The following is a special edition of the Dell Perot Systems *Weekly Washington Report*.

How and Who – The Final Countdown to Reform

Is this the last week of the current healthcare reform package?

We're getting down to the wire, and I wanted to provide this interim update to the regular Monday *Washington Report* because of the mounting anxiety on both sides of the aisle. As we head into yet another weekend it is looking clearer that the healthcare reform debate, which has engulfed Washington for nearly a year, is just about over – one way or the other. In fact, President Obama on Thursday postponed his trip to Asia until June to stay in Washington and work on finalizing the bill. Though it is certainly not official, and much stranger things have happened during the course of the healthcare reform debate, two items now dominate the discussion. First, **how** will Congress pass healthcare reform and second, **who** will vote in support of the reform effort?

The How: There are a few different options under discussion on how Speaker Nancy Pelosi (D-CA) will manage passage of the healthcare reform bill. The most traditional way that Pelosi and her aides are pondering would be an up-or-down floor vote. If you recall last November, the House passed their own healthcare bill with a [220-215](#) margin before sending it on to their colleagues in the Senate. Pelosi and House Majority Whip James Clyburn (D-SC) have been working tirelessly to build a coalition to once again reach the 216-vote threshold to pass the new bill. As I discussed [last week](#), Pelosi and company have their work cut out for them given the changes in Washington's political climate and the fact that two Democrats who voted "yes" have since stepped down (Wexler and Abercrombie) and the lone Republican "yes" (Cao) has announced he will now vote "no." As it stands today, it appears Pelosi is close to the required 216 votes needed to pass healthcare reform. Many have speculated that back room deal making going on. Take for instance the special treatment Dennis Kucinich (D-OH) got with a ride on Air Force One back home, a speech by the President in support of his upcoming campaign, and who knows what else. On Wednesday, he went from a firm "no" – because he felt the bill did not go far enough – to a "yes."

Another option being widely discussed here in Washington, and across the country, is the so-called "Slaughter Rule," named after the Chairwoman of the House Committee on Rules, Representative Louise Slaughter (D-NY). The plan would invoke the "self-executing rule," a little known procedural tool that the House could use to pass their healthcare bill without giving it an up-or-down vote. The "Slaughter Rule" allows for a "two for one" maneuver whereby once the self-executing rule is adopted, it instantly forces the House to ignore the separate bill – otherwise known as the "self-executed provision." The maneuver requires Congress not to amend or vote on the separate bill, instead "deeming" it as passed.

So in terms of healthcare reform, what would happen is that Slaughter and Pelosi would prepare for a vote on a bill that includes changes to the Senate's healthcare plan. By adopting the "self-executing rule," the House would vote on their proposed changes but would deem the underlying Senate bill as having passed. The Senate healthcare package in this case is the self-executed provision and would not have to be voted on if this parliamentary detour is used.

Though it is still unclear what will be included in the package of specific changes that the House will be voting on, we can expect that abortion, subsidies for middle and lower class families, and measures on how to fund the bill could all be covered in these amendments. As of Thursday morning, the nonpartisan Congressional Budget Office released their first official cost analysis of the House bill, claiming that the chamber's reform package will cost \$940 billion and will reduce the deficit by \$130 billion during the first ten years and \$1.2 trillion through the second ten years. According to reports, the savings would largely come from a reduction in the growth of Medicare spending. Once the CBO report is circulated through Capitol Hill, Speaker Pelosi will then move forward on finalizing how to pass healthcare reform.

The Who: Unfortunately, we are not discussing the likes of Roger Daltrey, Pete Townshend, and Keith Moon but rather the group of Democratic leaders in the House who have yet to make up their minds on healthcare reform. By most accounts, there are a remaining number of policymakers who have yet to announce how they plan to vote. As I said above, Kucinich gave the thumbs up so the House vote counters were just 10 votes shy of the required number of votes. Kucinich's decision certainly helped Pelosi's chances of passing a bill.

In addition to Kucinich, Wednesday afternoon saw two other Democrats announce they would in fact vote with their party on healthcare reform as both James Oberstar (D-MN) and Ann Kirkpatrick (D-AZ) voiced their support of the chamber's plans. Though both had voted "yes" back in November, it is a welcome sign to Nancy Pelosi who is hoping to limit the number of defectors. That brought the math down to eight votes yet needed. Aside from those who have already decided how they will vote, let's look at the Democrats likely to decide if healthcare reform will pass in the House:

- Baron Hill (D-IN) – although he voted "yes" in November, Hill has said he is still undecided. Hill, a Blue Dog Democrat, sits in a district that John McCain carried by only 2 percent.
- John Tanner (D-TN) – although he voted "no" in November, many have expressed optimism that he will vote with Democrats this time around. In Congress since 1989, Tanner ran unopposed in 2008 despite serving a district that John McCain easily carried by 13 percent.
- Earl Pomeroy (D-ND) – another "yes" vote that is now undecided. The sole delegate in the House of Representatives for North Dakota, Pomeroy has been in office since 1993 and has always carried the state with big numbers. While he does not seem to be at risk of losing his seat, there is lots of state-wide sentiment against the plan.
- John Boccieri (D-OH) – although he initially voted "no," he is now undecided. Boccieri sits in a district that John McCain won by 2 percent,

- Bill Owens (D-NY) – initially voted “yes” but is now undecided. Owens, who just became a Congressman in New York’s special election last November, sits in a district which Obama carried by 5 percent.
- Dan Lipinski (D-IL) – voted “yes” in November but has stated he will vote “no” if Pelosi’s changes do not include a provision that prohibits using federal funds to subsidize the cost of an abortion. Lipinski sits in a safely held Democratic district.
- Brian Baird (D-WA) – initially voted “no” but is now undecided. Many see the retiring Congressman siding with his party before stepping down at the end of the year. Baird sits in a district that George W. Bush carried before swinging to Obama in 2008.
- Jerry Costello (D-IL) – despite having voted “yes” in November, many pundits are saying he is more likely to vote “no” this time around. Although sitting in a district that Obama carried by 13 percent, this 11-term Congressman could provide a crucial vote for those opposing the bill.
- Dina Titus (D-NV) – initially voted “yes” but is undecided. Titus is the first Democrat to ever represent her district in Nevada and won by 5 percent.
- Bart Gordon (D-TN) – although at first he voted “no,” the retiring Congressman has recently made statements more in favor of President Obama’s plan. A Blue Dog Democrat, Gordon ran unopposed in 2008.

What are the deals they’re extracting? What concessions are being considered? When will announcements be made? Those are all of the questions being asked in the back halls of Congress...

So there you have it!! They need eight of these members to move into the “yes” camp to get healthcare reform over the hump and back to the Senate. After nearly a year of healthcare reform, all those hearings, all of the discussions, and all the jawboning – it comes down to just a few individual House Members who will make or break the critical vote on healthcare reform. It’s going to be an incredibly interesting weekend as it appears voting will take place on Sunday beginning at 1:00 PM and that the House Rules Committee will convene tomorrow at 9:00 AM to begin the markup process on the reconciliation package released yesterday. In fact, House Majority Leader Steny Hoyer (D-MD) and Majority Whip James Clyburn (D-SC) expressed their confidence Friday morning that Democrats would have the needed 216 votes by Sunday afternoon. But in the same way that debate has unraveled during the past 12 months, the one thing to expect is clearly the unexpected.

For Past Updates and Twitter Thoughts

Keep those cards and letters coming...

For those who are sending in questions, please note that we are posting answers on *The Washington Report* Web site (see below). Keep those cards and letters coming. They are appreciated. For past editions of *The Weekly Washington Report*, go to: <http://www.perotsystems.com/MediaRoom/WashingtonUpdate/default>. Also, follow me on Twitter at <http://www.twitter.com/MDkev>. To email me directly, go to

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