

This Week in Health Care Reform: April 16, 2010

As lawmakers returned to Washington this week, Republicans affirmed their commitment to repealing the health care reform legislation, while Democrats continued to campaign on the health care reform law's merits. Meanwhile, President Obama stepped up his efforts seeking to capitalize on health care reform as an opportunity to energize his core supporters.

As the health care reform debate continues to take shape this year, we encourage you and others to engage members of Congress by visiting the [Health Action Network](#).

### **Health Care Reform**

***New Health Care Reform Law Means Tax Increase for Middle Class:*** According to a report recently received by congressional staffers, the new health care reform law will limit a common medical deduction, resulting in higher taxes for approximately 14.7 million middle class Americans. The new health care reform law is expected to save billions by limiting the medical expense deduction, a provision widely used by taxpayers who either have a serious illness or are older. However, according to the [Joint Committee on Taxation](#), those taxpayers earning less than \$200,000 a year will pay roughly \$3.9 billion more in taxes in 2019 alone because of the loss of this [deduction](#).

***Members of Congress Baffled by Health Care Reform Provisions:*** According to the [Congressional Research Service](#), the new health care reform law may have serious unintended consequences for members of Congress and their employees. Due to ambiguous and confusing language, members of Congress and their staff members may lose access to the [Federal Employees Health Benefits Program](#) effective immediately. Rep. Jason Chaffetz (R-UT) said lawmakers were in the same boat as many Americans, trying to figure out what the new law meant for them. Congressman Chaffetz asked, "If members of Congress cannot explain how it's going to work for them and their staff, how will they explain it to the rest of America?"

### **Additional Activities**

***Massachusetts Court Rejects Bid to Increase Premiums:*** Last month, insurance executives attempted to increase their company's premiums by as much as 32 percent citing the expected rise in medical costs associated with insuring individuals and small [group](#) customers in Massachusetts. Insurance Commissioner Joseph [Murphy](#) rejected the proposals citing the increases as "excessive." As a result, representatives from six of the insurance companies sued, claiming the state does not have the authority to cap premiums. On [Monday](#), a Superior Court Judge in Suffolk County ruled against the insurance providers on procedural grounds for not exhausting all administrative remedies within the Department of Insurance before seeking legal intervention.

***Unemployment Benefits Extended Again:*** On Monday, Senate Democrats advanced a measure temporarily [extending](#) the unemployment benefits that expired during the recent

two-week congressional recess. Democrats achieved cloture with four key Republican votes in the Senate. The \$9.2 billion bill would extend long-term unemployment benefits along with [COBRA](#) health care subsidies for unemployed Americans; it would also extend an annual increase in payments to doctors who treat Medicare patients. The [unemployment](#) benefits and health care subsidies will last until May 5, while the other changes will expire on April 30. The Senate's action late Monday set the stage for a final vote on the [legislation](#) today.

***Another State Joins Lawsuit Against Health Care Reform Bill:*** This week, Georgia Governor Sonny Perdue appointed a Special Assistant Attorney General to lead the state's [challenge](#) against the health care reform law. Georgia joins 18 other states in [alleging](#) that the new law infringes on Americans' Constitutional rights by mandating they purchase health care coverage or pay a penalty. [Frank Jones](#), the state's pro bono Special Assistant Attorney General, will represent the State of Georgia and join the multiparty lawsuit filed on March 23 in a federal court in Florida. Other [states](#) in the suit include Alabama, Arizona, Colorado, Florida, Idaho, Indiana, Louisiana, Michigan, [Mississippi](#), Nebraska, Nevada, North Dakota, Pennsylvania, South Carolina, South Dakota, Texas, Utah, and Washington.

***Insurance Commissioner Won't Comply with Law:*** Also in Georgia, the [Insurance Commissioner](#), John Oxendine, refused a request from the U.S. Department of Health and Human Services to create a pool for high risk insurance plans. His [decision](#) to opt out of creating a high risk pool will not affect the cost of insurance for any patients. However, the federal government will oversee the distribution of certain federal health care funds in Georgia rather than the state in order to ensure high risk patients receive subsidized premiums on health insurance.

***Chairman Waxman Cancels Hearing:*** House Energy and Commerce Committee Chairman, Henry [Waxman](#) (D-CA), issued a statement on Wednesday cancelling a [hearing](#) called to learn about the concerns of major corporations regarding the impact of the health care reform bill. Over the past few weeks, several company executives contacted Chairman Waxman and expressed their feelings that the new law may ease their costs if it is implemented properly. Companies like AT&T, Verizon, and Caterpillar made news last month when they informed investors they would need to take billions of dollars in write-downs because of changes in how health care subsidies will be taxed.

### **Public Opinion**

Polls this week show the number of Americans favoring repeal of the health care reform law continues to rise following the law's enactment. At the same time, President Obama's job approval ratings have slipped since passage of health care reform.

***More Americans Strongly Favor Repeal:*** In a recent [Rasmussen report](#), 58 percent of Americans support repealing the new health care reform law, up 4 points from last week. Furthermore, 52 percent of likely voters continue to feel the legislation is bad for the country.

Similar results were found in a [new study](#) conducted by Indiana University. Researchers at the Center for Health Policy and Professionalism Research found that 58 percent of Americans are in favor of repealing the health care legislation.

***Obama's Approval Ratings Slip:*** In a recent [AP/Gfk poll](#), 52 percent of Americans disapprove of the way President Obama is handling health care reform, up 6 points since last month. At the same time, 50 percent disapprove of his performance overall, which is up from 46 percent just a month ago.

### **Looking Ahead**

As lawmakers shift their attention to debating financial reform and climate change legislation, President Obama continues to travel the country discussing with Americans the details of the new health care reform legislation.