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House Poised to Cast Crucial Health Reform Vote on Sunday

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Following the release yesterday afternoon of the “Health Care and Education Affordability Reconciliation Act,” House leaders are preparing for a House floor vote on Sunday on passage of health reform legislation.

The reconciliation bill (H.R. 4872) proposes changes to the health reform bill (H.R. 3590) that was approved by the Senate in December 2009. Congressional leaders are aiming to send both bills to the President’s desk to complete the health reform process. A House vote on the reconciliation bill is expected on Sunday. If supporters of the bill prevail in the House, Senate action would begin early next week.

The House Rules Committee is planning to meet on Saturday to pass a rule that will set the parameters for the House floor debate. This rule may allow for consideration of a manager’s amendment making a small number of final changes to the bill, which was mentioned as a possibility earlier today by House leaders. It is widely expected that the Rules Committee will adopt a “self-executing rule” that would deem the Senate bill to be passed without requiring rank-and-file members to vote directly on the bill.

CBO and JCT Release Cost and Revenue Estimates for Health Reform Legislation

The Congressional Budget Office (CBO) released a preliminary cost estimate yesterday for H.R. 4872, the “Health Care and Education Affordability Reconciliation Act of 2010.” Another new document, prepared by the Joint Committee on Taxation (JCT), outlines revenue estimates for the bill’s tax provisions.

CBO estimates that enactment of both the reconciliation bill (H.R. 4872) and the Senate-passed health reform bill (H.R. 3590) would reduce the number of uninsured Americans from 50 million in 2010 to 23 million in 2019. According to the CBO score, the coverage expansions of the combined bills are estimated to cost \$940 billion over ten years. This includes \$466 billion for premium subsidies and related spending, \$434 billion for increased spending by Medicaid and CHIP,



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and \$40 billion for small employer tax credits. When the budget offsets of the combined bills are factored in, the legislation is estimated to reduce the federal budget deficit by \$138 billion over ten years.

Tax Provisions

The JCT document outlines ten-year estimates for the following tax provisions:

- the high-value health plan tax is estimated to raise \$32 billion;
- the premium tax on health insurance plans is estimated to raise \$60 billion;
- the annual fee on manufacturers and importers of prescription drugs is estimated to raise \$27 billion;
- the excise tax on manufacturers and importers of medical devices is estimated to raise \$20 billion; and
- the broadening of the Medicare payroll tax for high-income taxpayers is estimated to raise \$210 billion.

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