



Top Ten Reasons House Democrats Don't Want to Vote for Senate Democrats' Health Care Bill

Recent press reports indicate that Speaker Pelosi and House Rules Committee Chairwoman Louise Slaughter have attempted a procedural ploy—the “Slaughter Solution”—to shield wary House Democrats from having to take an up-or-down vote on the widely unpopular health legislation that passed the Senate in December.ⁱ While press reports about potential parliamentary obstacles have raised newfound questions about this strategy, the RPC has compiled a list of reasons why House Democrats want to avoid voting on controversial provisions in the Senate bill that did NOT appear in the House-passed measure (H.R. 3962):

1. **“Cornhusker Kickback.”** Section 10201(c)(4)—entitled “Equitable Support for Certain States” (page 2129)—provides that the state of Nebraska—and only Nebraska—will see its full Medicaid costs paid in perpetuity by taxpayers in other states.
2. **Federal Funding of Abortion.** Section 10404 of H.R. 3590 (pages 2070-2086) would permit federal funds to subsidize plans covering abortion, would permit a multi-state health plan to offer abortion coverage, and would require citizens in states that have opted-out of elective abortion coverage in their own exchange to fund federal subsidies for plans that cover elective abortion in other states. In addition, Section 10503(b) of the bill (page 2356) includes \$7 billion in new mandatory spending on community health centers—funding that is NOT subject to any restrictions prohibiting federal dollars from funding elective abortions.
3. **“Cadillac Tax” on Health Plans.** Section 9001 (page 1941) imposes a tax on “Cadillac” health plans. The vast majority of the tax would be imposed on individuals with incomes under \$250,000,ⁱⁱ thus breaking one of the central promises of then-Senator Obama’s presidential campaign and infuriating Democrats’ “Big Labor” backers.ⁱⁱⁱ
4. **The “Louisiana Purchase.”** Section 2006 (page 428) provides an extra \$300 million in Medicaid funding to Louisiana.^{iv}
5. **Tax on Hiring Low-Income Workers.** While the House bill imposes an across-the-board payroll tax on firms that cannot afford health coverage for their workers, Section 1513(a) of the Senate bill (page 345) singles out employees who rely on health insurance subsidies for its new “tax on jobs” in the form of a penalty of up to \$3,000 per low-wage hire, thus discouraging firms from hiring these workers.
6. **“Gator Aid.”** Section 3201(g) of the bill (page 878) shields 800,000 Florida residents from Medicare Advantage cuts. In December, 57 Senate Democrats voted not to extend this special deal to all Medicare beneficiaries nationwide.^v
7. **Raid on Social Security and Related Entitlements.** The Congressional Budget Office recently confirmed that the 10-year deficit savings under the Senate bill (\$118 billion) will be exceeded by the new revenue generated by Social Security (\$52 billion) and a new long-term care entitlement (\$70.2 billion). Since this \$122.2 billion in new revenue will eventually be paid back out in Social Security and related claims costs, the Senate bill either raises the deficit or raids the Social Security Trust Fund in order to pay for the bill’s new health care entitlements.
8. **Construction Firms Singled Out for Higher Taxes.** Section 10106(f)(2) of the bill (page 2107) provides that, while firms with fewer than 50 workers in every other industry would be exempt from the Senate bill’s

“tax on jobs,” construction firms with as few as five workers would be subject to the bill’s harsh tax penalties. These onerous provisions focused on one industry could further undermine a construction sector currently suffering from a 27.1% unemployment rate.^{vi}

9. New Board of Bureaucrats to Constrain Medicare Spending. Section 3403 of the bill (page 982) establishes a new board of unelected bureaucrats empowered to make binding recommendations on cost reductions in Medicare. Many may be concerned that the bill could insert bureaucrats between patients and doctors, particularly given President Obama’s comments that there needs to be a “difficult democratic conversation” about what the President views as excessive spending on end-of-life care.^{vii}

10. Backroom Deal for Insurer Proposing 56 Percent Rate Increase. Section 10905(c) of the bill (page 2394) includes language exempting Michigan Blue Cross/Blue Shield from the new tax on health insurers, despite an Administration report highlighting the insurance carrier’s proposed 56% rate increase in 2009.^{viii}

The “Slaughter Solution” would attempt to bypass all these unpopular provisions by having the House enact the Senate bill into law without ever actually voting on the Senate bill—which would put House Democrats at odds with President Obama’s call for an “up-or-down” vote on health care legislation.^{ix} Given the backroom deals and controversial provisions included in the Senate-passed bill, it is not surprising that House Democrats maintain their reluctance to vote for a bill widely rejected by the American people—with nothing more than a promise from Senate Democrats to try to “fix” the bill through the uncertain reconciliation process or at some later time.

ⁱ “Slaughter Preps Rule to Avoid Direct Vote on Senate Bill,” *CongressDailyAM* March 10, 2010, available at http://gopleader.gov/UploadedFiles/CD_03-10-10_Slaughter_Preps_Rule_To_Avoid_Direct_Vote_On_Senate_Bill.pdf.

ⁱⁱ The Joint Committee on Taxation found that in 2019, 84 percent of the revenue from the “Cadillac” tax would come from families making under \$200,000 annually. JCT document #D-09-24, analyzing the Reid substitute for H.R. 3590, November 19, 2009, p. 4.

ⁱⁱⁱ Presidential campaign speech in Dover, NH, September 12, 2008, relevant excerpt available at <http://www.youtube.com/watch?v=Q8erePM8V5U>.

^{iv} “Dems Protect Backroom Deals,” *Politico* February 4, 2010, <http://www.politico.com/news/stories/0210/32499.html>.

^v Senate Record Vote 370 on McCain motion to commit, http://www.senate.gov/legislative/LIS/roll_call_lists/roll_call_vote_cfm.cfm?congress=111&session=1&vote=00370.

^{vi} Bureau of Labor Statistics, “The Employment Situation—February 2010,” March 5, 2010, <http://www.bls.gov/news.release/pdf/empst.pdf>, Table A-14, p. 26.

^{vii} David Leonhardt, “After the Great Recession,” *New York Times* May 3, 2009, http://www.nytimes.com/2009/05/03/magazine/03Obama-t.html?_r=1&pagewanted=print.

^{viii} White House Office of Health Reform, report on insurance company practices, February 2010, <http://www.healthreform.gov/reports/insuranceprospers/insuranceprofits.pdf>.

^{ix} President’s Remarks on Health Care Reform, March 3, 2010, <http://www.whitehouse.gov/the-press-office/remarks-president-health-care-reform>.