

**CQ Transcript**  
**November 24, 2008**

**PROMO**

**MEDICAID:** Congress adjourns without taking action on additional Medicaid funding for states.

**HEALTH CARE REFORM:** Senators meet to discuss roadmap for health care reform action early next year.

**ENERGY AND COMMERCE CHAIRMANSHIP:** Rep. Henry Waxman, D-Calif., ousts Rep. John D. Dingell to serve as chairman of the House Energy and Commerce Committee next year.

**HHS SECRETARY:** Former Senate Majority Leader Tom Daschle choice to serve as Department of Health and Human Services Secretary in the Obama administration.

**INTRO**

Congress adjourned its lame-duck session without approving additional Medicaid funding for states, while key Senate committees began laying the groundwork for action early next year on health care reform. In the House, Democrats voted to have Henry Waxman of California replace John Dingell of Michigan next year as chairman of the House Energy and Commerce Committee while former Senate Majority Leader Tom Daschle is expected to be incoming president Barack Obama's nominee to head the Department of Health and Human Services (HHS).

**MEDICAID**

Question 1: Governors had been pressing Congress for additional Medicaid funding as part of an economic stimulus package. Did Congress act on this issue during its recent lame duck session?

Answer: No they did not. While Senate Democrats proposed \$37.8 billion in additional federal Medicaid funds for states and \$1 billion in additional funding for the National Institutes of Health as part of an economic stimulus package, there was not enough support in the Senate to pass the measure. In September, the House had approved a \$60.8 billion stimulus package that included \$14.7 billion in additional Medicaid funding for states and \$1.2 billion for NIH but that bill did not pass in the Senate.

Question 2: What is stopping these measures in the Senate?

Answer: Republicans and the Bush administration have said that many of the Democrats' economic stimulus plans won't help the economy in the short-term and would unnecessarily add to the budget deficit. But Democrats have countered those arguments by saying that the stimulus legislation would create jobs by funding such things as road projects over the next year and longer.

Question 3: So what's next?

Answer: The two chambers did agree to an extension of unemployment compensation benefits and Bush signed that into law. Looking ahead, Democratic leaders in Congress have said that they will start work immediately on a broader economic stimulus package to move in January. House Speaker Nancy Pelosi, D-Calif., said the measure would build on the \$61 billion package the House passed Sept. 26, which would have provided funding for infrastructure projects, state Medicaid programs and the food stamps program. Pelosi said the bill would also have a tax-cut component, which is expected to target the middle class.

## **HEALTH CARE REFORM**

Question 4: There's been a lot of talk lately about health care reform. How big a priority do you think it's going to be next year?

Answer: With the election of Democrat Barack Obama to the presidency, Democrats see an opportunity to move quickly to make changes in the nation's health care system. For example, Senate Finance Committee Chairman Max Baucus, D-Mont., earlier this month unveiled a sweeping health insurance proposal that, among other provisions, would require individual to purchase health insurance and create a "health insurance exchange," where insurers could sell plans to the uninsured.

Senate Health, Education, Labor and Pensions Committee Chairman Edward M. Kennedy, D-Mass., announced a group of committee lieutenants—and the group includes Sen. Hillary Rodham Clinton -- to help him develop a health care overhaul bill. Baucus and Kennedy, along with other Democrats and Republicans from the two committees, have met to work out jurisdictional issues. Kennedy returned to the Senate last week after being mostly absent from the chamber for months since he was diagnosed in May with brain cancer.

Question 5: What happened at the meeting?

Answer: After the session the senators told reporters that they thought the time was right for health care reform and that they want to move early next year before Congress' attention is focused on other items. Democrats also say they want to move a bipartisan bill and want to include Republicans in the process. One major issue for Republicans, however, is how health care reform will be financed. Sen. Charles Grassley, R-Iowa, the ranking Republican on the Senate Finance Committee, said after the meeting that pay-as-you-go or PAYGO budget rules that require any new spending be offset would be a big

issue for Republicans. But Baucus and other Democrats have said that it may be critical to make some investments now that will reap savings in the future.

Question 6: How will health care reform play out next year?

Answer: No one knows for sure, but it's clear that Democrats want to move quickly. Since an economic stimulus package to boost the economy is expected to be the first order of business next year, some analysts have predicted that health care may be a part of that package as well. Health care reform may also be part of legislation to reauthorize the State Children's Health Insurance Program (SCHIP) or as part of Medicare physician payment legislation Congress will have to act on by December of next year to prevent an approximately 20 percent cut in Medicare physician payments. It's going to be a busy year.

## **ENERGY AND COMMERCE COMMITTEE**

Question 7: The House Democratic Caucus has elected a new chairman for the Energy and Commerce Committee. What happened there?

Answer: House Democrats supported Henry Waxman's quest to oust John Dingell as chairman of the House Energy and Commerce Committee. Waxman, of California, beat Dingell, of Michigan, by a vote of 137-122. Dingell has been the top Democrat on that panel since 1981.

Question 8: What does this change in leadership mean for health care issues?

Answer: Both Waxman and Dingell have had a strong interest in health care issues, which are a key focus for the panel. The chairmanship contest, however, was focused on other issues, chiefly environmental ones. Some Democrats and environmentalists have criticized Dingell, a staunch defender of his home state's auto industry, for moving too slowly on legislation to restrict greenhouse gas emissions. But Dingell's supporters said he had helped pass landmark legislation that curbed air pollution, protected endangered species and extended health care for children.

## **HHS SECRETARY**

Question 9: Former Senate Majority Leader Tom Daschle is reportedly president-elect Barack Obama's choice to head the Department of Health and Human Services. Could you recap that for us?

Answer: While there has been no official announcement of Daschle's nomination, Senate Democrats and Democratic aides confirmed the choice last week when rumors began to circulate that Daschle has been tapped to head the Department of Health and Human Services (HHS), which oversees the Medicare and Medicaid programs. If he is confirmed, Daschle is expected to be Obama's main contact with Congress on the issue of health care reform.

Question 10: What special skills does Daschle bring to the job?

Answer: For starters, his experience both as a member of the House of Representatives and as a U.S. senator, where he served as both minority and majority leader, will help the Obama administration as it works with Congress to pass health care reform legislation. In a recent book, Daschle advocated an independent, Federal Reserve-like entity to oversee the nation's health care system. He was also an advisor to Obama during his presidential bid.

Question 11: What's been the reaction?

Answer: While many of his former Senate colleagues said Daschle was a great choice, the government watchdog group Public Citizen has said Daschle's work with a lobbying firm might put him at odds with Obama's policies to limit lobbyists' influence on the government. But Daschle has not been a registered lobbyist but instead served in an advisory role for clients.