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## **Democrats Nearing Consensus on Health Plan**

## By ROBERT PEAR

WASHINGTON — A broad consensus on the contours of legislation to remake the nation's health care system appeared to be developing among Democratic leaders on Tuesday as three House committee chairmen outlined a bill generally similar to one being written in the Senate.

Democratic leaders in both houses said they would require individuals to carry insurance and employers to help pay for it. But they have yet to decide how to raise the necessary tax revenue.

Leaders in both chambers said they wanted to establish a new public health insurance program, which would compete with private insurers. But they have not settled on the details.

The chairman of the Senate Finance Committee, <u>Max Baucus</u>, Democrat of Montana, affirmed his desire to begin taxing some employer-provided health benefits, as a way to help pay for coverage of the uninsured.

After slamming the door on that idea last month, the chairman of the House Ways and Means Committee, Representative <u>Charles B. Rangel</u>, Democrat of New York, opened the door a crack on Tuesday.

Mr. Rangel said on May 6 that there was "no way" he would support taxing employer-provided health benefits. On Tuesday, he declined to rule out the idea.

Asked whether he would consider taxing employee health benefits, Mr. Rangel said, "There is nothing, no matter how stupid it sounds, that I am rejecting."

The three House chairmen — Mr. Rangel and Representatives George Miller and <u>Henry A. Waxman</u>, both California Democrats — are drafting a single bill. They summarized the bill on Tuesday at a meeting of the House Democratic Caucus.

Mr. Waxman said the House bill would be named in honor of Representative <u>John D. Dingell</u>, Democrat of Michigan. Since 1957, Mr. Dingell has regularly introduced bills providing for national health insurance.

Senate Democrats set forth an ambitious schedule. Senator <u>Christopher J. Dodd</u>, Democrat of Connecticut, said the Committee on Health, Education, Labor and Pensions would begin forging its version of the legislation next Tuesday.

Mr. Dodd is leading the effort in the absence of the committee chairman, Senator <u>Edward M. Kennedy</u>, Democrat of Massachusetts, who is being treated for brain cancer. Mr. Dodd, who had dinner with Mr. Kennedy on Sunday in Hyannis Port, Mass., said the panel's sessions could run through the end of this month.

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The House bill, as outlined on Tuesday, would allow people to enroll in a government-run health insurance plan similar to <u>Medicare</u>.

By contrast, some Senate Democrats are trying to limit the scope of any new government plan, in the hope they can persuade some Republicans to vote for their legislation.

Senator <u>Kent Conrad</u>, Democrat of North Dakota, suggested that the public plan might take the form of an insurance cooperative, owned and operated for the benefit of its members — individuals and businesses with fewer than 10 employees.

This proposal, floated as a compromise, seemed to intrigue Republicans who were familiar with cooperatives that market electric power, telephone service, milk, wheat and other commodities.

"The strength of this proposal is that it accomplishes much of what those who want a public option are calling for — that is, something to compete with private for-profit insurance companies," Mr. Conrad said. "On the other hand, it meets the objections of many Republicans and some Democrats as well. The co-op is not government-controlled."

Senate Republican leaders denounced the idea of a government-run plan of the kind favored by liberal Democrats.

"We saw a Washington takeover with banks," said Senator <u>Lamar Alexander</u> of Tennessee, the chairman of the Senate Republican Conference. "We saw Washington try to take over <u>student loans</u>. We see a Washington takeover with car companies. And now we see an attempt to have a Washington takeover with a government-run health care plan."

A group of fiscally conservative House Democrats, known as the Blue Dog Coalition, and Senator <u>Olympia</u> <u>J. Snowe</u>, Republican of Maine, have suggested that the public plan should be available only as a backup, if private insurers do not rein in costs and offer affordable coverage to everyone.

Mr. Rangel said "there won't be any consideration" of that approach in the House.

"We have to have a public plan" from the start, Mr. Rangel said. "We are not going to wait two, three or five years to see what happens and then trigger it."

Senator <u>John Cornyn</u> of Texas, a member of the Senate Republican leadership, accused Democrats of using threats and intimidation to silence critics of their proposals.

Mr. Baucus replied that he knew nothing of such threats.

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