

Obama Wants Final Health Reform Bill by October

HealthLeaders Media

Shortly before President Barack Obama met Tuesday afternoon with one Independent and 23 Democratic senators, he said that healthcare reform "is something that has to be done." His target date remains October for when he wants to see a completed comprehensive healthcare reform bill approved by Congress and on his desk for his signature.

His comments at the White House reflect some of the findings from his Council of Economic Advisors' report, [The Economic Case for Health Care Reform](#), that was released on Tuesday. In the report, the White House appears to be gearing up to promote healthcare reform among legislators and the public.

"Soaring healthcare costs are unsustainable for families. They are unsustainable for businesses, and they are unsustainable for governments—both at the federal, state and local levels," Obama said.

The report's details are thin about how many of the ambitious goals would be achieved. In particular, it does not address increases in federal spending that would be needed to make health reform work. It is clear, though, about what the report thinks reform could accomplish:

- By slowing the annual growth rate of healthcare costs by 1.5%, the real gross domestic product—relative to the non-reform baseline—would increase just by 2% in 2020 and by 8% in 2030.
- Considering a typical family of four, income in 2020 would be \$2,600 higher than it would have been in 2009 dollars without reform, and \$10,000 higher in 2030.

While considering these figures, Obama will need to keep the price tag in mind that expanding health insurance coverage to the uninsured would increase "net income well-being nationally by \$100 billion a year," according to the report's estimates.

How to pay for it was one of the topics of discussion with the visiting senators. Sen. Max Baucus (D-MT), chair of the Senate Finance Committee, has "put the idea on the table" as an option to consider taxing various employer-related benefits. It's been an idea that Obama, who campaigned against this issue last year, has not been particularly warm about—but may have to look at it.

According to a report released Tuesday by the [Center on Budget and Policy Priorities](#), a liberal leaning policy research group, Congress will unlikely finance health reform legislation with universal coverage "unless it limits the exclusion of employers' health insurance payments from workers' income and payroll taxes."

Obama told the senators he wants to see savings through reform of the underlying system. "This means promoting best practices—not just the most expensive practices."

In particular, Obama said he would be discussing with the legislators how to change incentive structures by looking at why "places like Mayo Clinic in Minnesota are able to provide some of the best healthcare services in the country at half or sometimes even less of the costs than some other areas where the quality is not as good."