

Short of the Magic

Right now, Democrats don't have the 60 votes needed to enact health-care reform.

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It's clear to many Democrats that they'll need Republican support to enact President Obama's health-care reform. With Senators Kennedy and Byrd sidelined by illness, Al Franken not yet seated, and two more Democrats on record publicly opposing the public option that the president supports, the majority currently has about 55 votes—short of the magic 60 needed to avoid a bill-killing filibuster, according to Sen. Kent Conrad of North Dakota, chairman of the Senate Budget Committee.

At a Capitol Hill breakfast on Wednesday, Conrad told an overflow crowd of health-care lobbyists and policy wonks that reform isn't optional. Despite the eyepopping cost, it must be done, he said, adding that the most expensive option is to do nothing.

Earnest and bespectacled, Conrad has the air of an accountant, appropriate for someone who spends his time staring at numbers that could take the country into the abyss. He spent the previous evening at a White House meeting with chief of staff Rahm Emanuel and Health and Human Services Secretary Kathleen Sebelius, among others. "As a country we are headed off the cliff," he told the breakfast audience, backing up his prediction with charts about the dire state of America's health-care system.

The way the battle lines are shaping up, Republicans and some Democrats are prepared to oppose any bill that has a public option, meaning a government-run, Medicare-like program that would be nonprofit and offer a basic benefit plan. Critics say it's a socialist takeover that would put a government bureaucrat between patient and doctor. But polls show that a surprisingly large majority of Americans want a public option, and that they're less fearful of government bureaucrats than the insurance companies they now have to contend with. How hard Obama will fight for a public option is a mystery. He gives lip service to it, but liberals who say reform will be a sham without it are worried he sees it more as a bargaining chip than the core of reform.

That's where Conrad comes in. So many stakeholders crowded in to hear him this week because of his idea for health insurance co-ops that would be nonprofit and run by members. That could get around the objections to a government-sponsored option. Saying his proposal wasn't "an epiphany," Conrad said co-ops are a way of life in rural America where he's from, and in floating the idea, he found it was the only plan that key Republicans said they could accept. Here's the rub: Democrats need only 51 votes for passage if health insurance is combined in a legislative maneuver with the budget, which can't be filibustered. Do Democrats want to get 80 percent of what they want with 51 votes? Or will they settle for 51 percent of what they want in order to get 80 votes?

For Democrats who voted for change, that's a no-brainer. But Conrad cautions that the legislative maneuver known as "reconciliation" isn't a free ride, that any reform measure would have to reduce the deficit by at least \$1 billion over six years, and anything that doesn't have a positive budgetary impact could be stricken from the bill. "We'd be left with Swiss cheese," he warns.

After playing nice for months, insurance companies, health-care providers, and pharmaceuticals are suiting up for battle. Dr. Steven Pribut, a Washington podiatrist, was on the elliptical at the gym when he heard former Republican speaker Newt Gingrich on one of the cable networks denounce a public option in his typically apocalyptic fashion. Nobody challenged him, so Pribut says he poked around on the Internet to learn more about Gingrich's expertise on the topic. He discovered that Gingrich was the founder of a health-reform organization that has as its members more than 20 large corporations, including GlaxoSmithKline and UnitedHealthcare. Pribut was moved to post an item on ++his blog++ [<http://www.drpribut.com/blog/>] suggesting that those making pronouncements should disclose their conflicts. (In the spirit of disclosure, I should say here that I get orthotics from Dr. Pribut.)

Pribut supports a public option as a way to set a minimal standard and put pressure on the insurance industry to conform to that standard without deception. Right now, competition too often means looking for ways to exclude people. Pribut calls insurers "holding companies—they hold patients' money and withhold payments they should be making." But he's not calling for their elimination; he thinks there's much they can do to make their services more attractive and add value for many people.

At the White House, policymakers envision a public option that would coexist with private insurers in the same way that UPS and FedEx compete with the post office, or the way that 401(k)s supplement Social Security. There would still be a vibrant private marketplace. White House support for a public option is strong. It's the political will that's uncertain.