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House gives Obama jump-start on health reform

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By [Donna Smith](#)

WASHINGTON (Reuters) - The U.S. House of Representatives voted on Wednesday to expand a children's health program and raise cigarette taxes to pay for it, giving President-elect Barack Obama a jump-start on a campaign promise to insure more Americans.

Similar legislation was twice vetoed by President George W. Bush, who opposed raising tobacco taxes and argued that expanding the popular program would push more children into government-run health care instead of private plans.

In stark contrast, expanding the Children's Health Insurance Plan could be the first legislation from the Democratic-controlled Congress that Obama puts into law.

"It may very well be the first bill the president signs," House Democratic leader Steny Hoyer of Maryland said.

The House voted 289-139 for the bill and the Senate is expected to move swiftly on its version. The Senate Finance Committee is scheduled to discuss the legislation on Thursday.

Obama, who takes office on Tuesday, said in a statement the U.S. economic downturn made expanding the children's health care program more urgent.

"This coverage is critical, it is fully paid for, and I hope that the Senate acts with the same sense of urgency so that it can be one of the first measures I sign into law when I am president," Obama said.

The bill passed by the House aims to increase the number of children enrolled in the program to about 11 million from 6.7 million. The expanded program is paid for in part by raising the cigarette tax to \$1 a pack from 39 cents. Taxes on cigars and other tobacco products also would rise.

The program is designed to provide health care to children in families who are unable to afford health insurance but earn too much to qualify for the Medicaid health care program for the poor.

"This bill is a down payment, a down payment on health care for all Americans," said Rep. Henry Waxman, a California Democrat who as head of the House Energy and Commerce Committee will play a crucial role in helping craft Obama's planned overhaul of the \$2.3 trillion U.S. health industry.

REPUBLICAN OPPOSITION

Republicans decried a lack of input into the Democratic-backed bill and argued that it would allow states to enroll too many families with incomes as

high as \$80,000.

They also complained about a provision that would prohibit doctors from referring their patients to hospitals in which they have an ownership interest.

"Physician-owned hospitals employ highly skilled workers. They are the engine in the local economy and language in this bill will devastate most of them," said Rep. Sam Johnson, a Texas Republican. "Many facilities have poured millions of dollars into constructing hospitals that will be shut down because of this bill."

Republicans also expressed concern about a provision that would lift a ban on providing the benefit to legal immigrants who have lived in the United States for less than five years.

Despite those concerns, 40 Republicans joined majority Democrats to pass the bill.

The legislation has received strong support from a number of health care organizations, including the American Hospital Association, which backed the provision to stop doctors from referring patients to facilities in which they have a financial interest.

(Editing by David Alexander and Mohammad Zargham)

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