

How it could work and some of the potential complications:

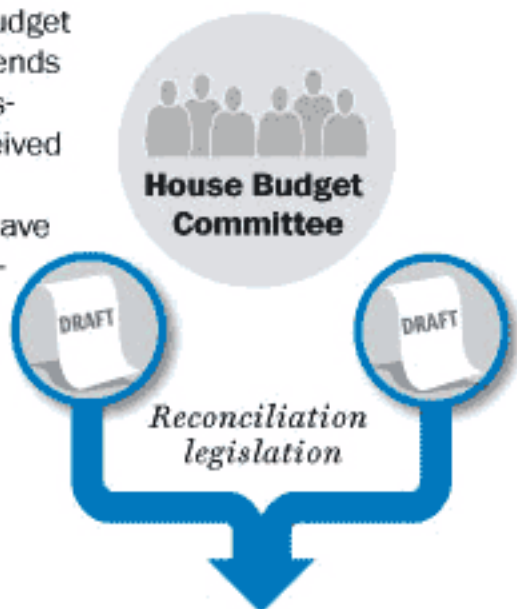
SENATE HEALTH-CARE BILL



1 The House would pass the health-care bill approved by the Senate on Christmas Eve in its entirety.

HOUSE RECONCILIATION BILL PROCESS

2 The House Budget Committee sends reconciliation legislation already received from two of the committees that have considered health-care legislation to the House Rules Committee unchanged.



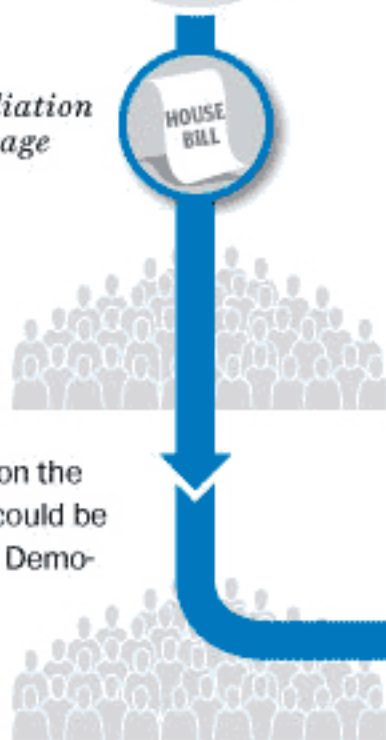
3 The Rules Committee seeks to incorporate 11 pages of changes laid out by President Obama into a new reconciliation package.



4 The House votes on the reconciliation bill.

Reconciliation package

5 The Senate votes on the House bill, which could be passed with 51 votes. If Democrats can muster only 50 votes, Vice President Biden can cast the 51st vote.



Complications in the House

In crafting the reconciliation package, the House Rules Committee needs to:

- Limit the bill to provisions that directly affect federal spending to ensure that the package complies with the Senate's "Byrd rule." Insurance regulations cannot be included because they have an indirect effect on federal spending, whereas subsidies have a direct effect and are eligible. Policies falling into a gray area are decided by the Senate parliamentarian.
- Ensure that the changes meet an overall goal of cutting the deficit by at least \$1 billion over the next five years and do not increase the deficit in any year thereafter.

In the Senate

Although reconciliation bills are protected from filibusters, Republican could offer unlimited amendments, extending the health-care debate indefinitely.

6 Both bills would be signed by President Obama.

