

Manchin Agrees to Expanded Reconciliation Deal

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On July 27, 2022, Senate Majority Leader Schumer and Senator Manchin announced a surprise agreement to move forward with an expanded reconciliation bill titled the [Inflation Reduction Act \(summary here\)](#). The tentative deal includes [drug pricing](#), [climate](#) and [tax provisions](#), and expands upon a previous “healthcare-only” version of the reconciliation package that focused solely on drug pricing and a two-year extension of the advance premium tax credits (APTCs). The deal would raise an estimated \$739 billion, with revenues going toward climate and healthcare initiatives, as well as reducing the federal deficit.

Leader Schumer and Senator Manchin released a [joint statement](#) outlining the agreement, which contains two key healthcare policy items: allowing Medicare to negotiate prescription drug prices and a three-year extension of APTCs. The three-year extension is one year longer than had been widely expected and reported in the previous version of the bill. The Biden-Harris Administration has also [announced support](#) for the bill. The package must go before the Senate Parliamentarian for Byrd Rule challenges before it can go to the Senate floor. It is expected to garner the Democratic support necessary to pass both the House and the Senate, and will move quickly from this point. The caveat to this is the impact of COVID-19. Several senators are already out, and Senator Dick Durbin (D-IL) announced July 28 that he has COVID-19 as well.

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National Law Review, Volume XII, Number 217

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