

## 2008 Presidential Candidate Health Care Proposals: Side-by-Side Summary

This side-by-side comparison of the candidates' positions on health care was prepared by the Kaiser Family Foundation with the assistance of Health Policy Alternatives, Inc. and is based on information appearing on the candidates' websites as supplemented by information from candidate speeches, the campaign debates and news reports. The sources of information are identified for each candidate's summary (with links to the Internet). The comparison highlights information on the candidates' positions related to access to health care coverage, cost containment, improving the quality of care and financing. Information will be updated regularly as the campaign unfolds.

	John McCain	Barack Obama
Party Affiliation	<ul style="list-style-type: none"> <li>● Republican</li> </ul>	<ul style="list-style-type: none"> <li>● Democrat</li> </ul>
Stated goal	<ul style="list-style-type: none"> <li>● Provide access to affordable health care for all by paying only for quality health care, having insurance choices that are diverse and responsive to individual needs, and encouraging personal responsibility.</li> </ul>	<ul style="list-style-type: none"> <li>● Affordable and high-quality universal coverage through mix of private and expanded public insurance.</li> </ul>
Date plan announced	<ul style="list-style-type: none"> <li>● October 11, 2007</li> </ul>	<ul style="list-style-type: none"> <li>● May 29, 2007</li> </ul>
Overall approach to expanding access to coverage	<ul style="list-style-type: none"> <li>● Remove the favorable tax treatment of employer-sponsored insurance and provide a tax credit to all individuals and families to increase incentives for insurance coverage; promote insurance competition; and contain costs through payment changes to providers, tort reform and other measures.</li> </ul>	<ul style="list-style-type: none"> <li>● Require all children to have health insurance, and employers to offer employee health benefits or contribute to the cost of the new public program. Create a new public plan, and expand Medicaid and SCHIP. Create the National health Insurance Exchange through which small businesses and individuals without access to other public programs or employer-based coverage could enroll in the new public plan or in approved private plans.</li> </ul>
A. Requirement to obtain or offer coverage	<ul style="list-style-type: none"> <li>● No provision. Opposes mandates for coverage.</li> </ul>	<ul style="list-style-type: none"> <li>● Require all children to have health insurance.</li> <li>● Require employers to offer "meaningful" coverage or contribute a percentage of payroll toward the costs of the public plan; small businesses will be exempt from this requirement.</li> </ul>
B. Expansion of public programs	<ul style="list-style-type: none"> <li>● Give veterans ability to use their VA benefits to pay for timely high quality care from providers in the best locations.</li> </ul>	<ul style="list-style-type: none"> <li>● Expand Medicaid and SCHIP.</li> <li>● Create a new public plan so that small businesses and individuals without access to other public programs or employer-based coverage could purchase insurance. Plan coverage would offer comprehensive benefits similar to those available through FEHBP.</li> <li>● Coverage under the new public plan would be portable.</li> </ul>
C. Premium subsidies to individuals	<ul style="list-style-type: none"> <li>● Provide a refundable tax credit of up to \$2,500 (individuals) and \$5,000 (families) to all individuals and families for the purchase of insurance.</li> <li>● Provide income-related premium subsidies, in addition to the tax credit, to individuals enrolled in the Guaranteed Access Plan (see item "F")</li> </ul>	<ul style="list-style-type: none"> <li>● Make federal income-related subsidies available to help individuals buy the new public plan or other qualified insurance.</li> </ul>
D. Premium subsidies to employers	<ul style="list-style-type: none"> <li>● No provision.</li> </ul>	<ul style="list-style-type: none"> <li>● Provide small businesses with a refundable tax credit of up to 50 percent of premiums paid on behalf of their employees if employer pays a "meaningful share" of the cost of "a quality health plan".</li> <li>● Provide federal subsidies to partially reimburse employers for their catastrophic health care costs if the employers guaranteed that premium savings would be used to reduce employee premiums.</li> </ul>
E. Tax changes related to health insurance	<ul style="list-style-type: none"> <li>● Reform the tax code to eliminate the exclusion of the value of health insurance plans offered by employers from workers' taxable income.</li> <li>● Allow individuals owning "innovative multi-year policies" that cost less than the tax credit to deposit the excess into expanded HSAs.</li> </ul>	<ul style="list-style-type: none"> <li>● No provision.</li> </ul>

<p><b>F. Creation of insurance pooling mechanisms</b></p>	<ul style="list-style-type: none"> <li>● Work with states to create a federally-supported Guaranteed Access Plan for people who are denied coverage due to pre-existing conditions. Premiums in the plan would be limited and financial assistance given to those below a certain income level.</li> </ul>	<ul style="list-style-type: none"> <li>● Create a National Health Insurance Exchange through which individuals could purchase the public plan or qualified private insurance plans.</li> <li>● Require participating insurers to: offer coverage on a guaranteed issue basis; charge a fair and stable premium that is not rated on the basis of health status, and meet standards for quality and efficiency.</li> <li>● Require plans of participating insurers to offer coverage at least as generous as the new public plan.</li> <li>● Exchange would evaluate plans and make differences among them transparent.</li> </ul>
<p><b>G. Changes to private insurance</b></p>	<ul style="list-style-type: none"> <li>● Promote competition and individual choice of insurance by allowing insurance to be sold across state lines.</li> <li>● Encourage innovative multi-year insurance products.</li> </ul>	<ul style="list-style-type: none"> <li>● Prohibit insurers from denying coverage based on pre-existing conditions.</li> <li>● Children up to age 25 could continue family coverage through their parents' plan.</li> <li>● In market areas where there is not enough competition, require insurers to pay out a "reasonable share" of premiums on patient care benefits.</li> <li>● Prevent insurers from abusing monopoly power through unjustified price increases.</li> <li>● Require health plans to disclose the percentage of their premiums that actually goes to paying for patient care as opposed to administrative costs.</li> </ul>
<p><b>H. State flexibility</b></p>	<ul style="list-style-type: none"> <li>● Give states flexibility and encouragement to experiment with: <ul style="list-style-type: none"> <li>● Use of private insurance and per episode payments under Medicaid;</li> <li>● Alternative forms of access, insurance policies and providers and different licensing schemes for providers.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● Maintain existing state health reform plans if they meet minimum standards of the national plan.</li> </ul>
<p><b>Cost containment</b></p>	<ul style="list-style-type: none"> <li>● Adopt malpractice reforms that limit frivolous lawsuits and excessive damages and provide safe harbors for practice within clinical guidelines and safety protocols.</li> <li>● Promote competition among providers by paying them only for quality and promote use of alternative providers (e.g., nurse practitioners) and treatment settings (e.g., walk-in clinics in retail outlets).</li> <li>● Invest in prevention and care of chronic illnesses.</li> <li>● Increase competition and reduce administrative overhead costs of private insurance by permitting sale of nationwide insurance (i.e., not regulated by the states).</li> <li>● Require drug companies to reveal the price of their drugs; allow re-importation of drugs; and encourage faster introduction of generics and biologics.</li> <li>● Provide consumers with more information on treatment options and require provider transparency regarding medical outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>● Invest \$50 billion toward adoption of electronic medical records and other health information technology.</li> <li>● Promote insurer competition through the national Health Insurance Exchange and by regulating the portion of health plan premiums that must be paid out in benefits.</li> <li>● Improve prevention and management of chronic conditions.</li> <li>● Initiate policies to promote generic drugs, allow drug reimportation, and repeal the ban on direct price negotiation between Medicare and drug companies.</li> <li>● Pay Medicare Advantage plans the same as regular (traditional) Medicare.</li> <li>● Require hospitals and providers to publicly report measures of health care costs and quality.</li> <li>● Promote and strengthen public health and prevention.</li> <li>● Reform medical malpractice while preserving patient rights by strengthening antitrust laws and promoting new models for addressing physician errors.</li> </ul>
<p><b>Improving quality/health system performance</b></p>	<ul style="list-style-type: none"> <li>● Change provider payment to encourage coordinated care (eg., pay a single bill for high quality heart care rather than individual services).</li> <li>● Provide Medicare and Medicaid payments for diagnosis, prevention, and care coordination and bar payments for preventable medical errors or mismanagement.</li> <li>● Require transparency by providers with regard to medical outcomes, quality of care, costs, and prices.</li> <li>● Establish national standards for measuring and recording treatments and outcomes and use technology to share information on "best practices".</li> <li>● Promote deployment of HIT to improve chronic disease care and to allow doctors to practice across state lines.</li> <li>● Where cost effective, employ telemedicine and clinics in rural and underserved areas.</li> </ul>	<ul style="list-style-type: none"> <li>● Support an independent institute to guide comparative effectiveness reviews and required reporting of preventable errors and other patient safety efforts.</li> <li>● Reward provider performance through the National Health Insurance Exchange and other public programs.</li> <li>● Address health disparities, promote preventive care and chronic disease management, and require quality and price transparency from providers and health plans.</li> <li>● Require health plans to collect, analyze and report health care quality data for disparity populations, and hold plans accountable.</li> </ul>
<p><b>Other investments</b></p>	<ul style="list-style-type: none"> <li>● Support federal research related to science-based care and cure of chronic disease.</li> <li>● Promote education of children about health, nutrition, and exercise.</li> <li>● Support public health initiatives to stem obesity and diabetes and deter smoking.</li> </ul>	<ul style="list-style-type: none"> <li>● Expand funding to improve the primary care provider and public health practitioner workforce, including loan repayments, improved reimbursement, and training grants.</li> <li>● Support preventive health strategies including initiatives in the workplace, schools, and communities.</li> <li>● Support strategies to improve the public health infrastructure and disaster preparedness at the state and local level.</li> </ul>

## Financing

- Not yet specified although indicates that cost containment measures would make insurance more affordable.

- Campaign estimates cost to be between \$50 to \$65 billion a year when fully phased in. Expects much of the financing to come from savings within the health care system. Additional revenue to come from discontinuing tax cuts for those with incomes over \$250,000.

Candidate	Source
John McCain	<ul style="list-style-type: none"><li>• <a href="http://www.johnmccain.com/Informing/Issues/19ba2f1c-c03f-4ac2-8cd5-5cf2edb527cf.htm">http://www.johnmccain.com/Informing/Issues/19ba2f1c-c03f-4ac2-8cd5-5cf2edb527cf.htm</a> - May 19, 2008</li></ul>
Barack Obama	<ul style="list-style-type: none"><li>• <a href="http://www.barackobama.com/issues/healthcare/">http://www.barackobama.com/issues/healthcare/</a> - July 21, 2008</li><li>• <a href="http://www.health08.org/candidates/obama.cfm">http://www.health08.org/candidates/obama.cfm</a> - September 5, 2007</li><li>• <a href="http://www.barackobama.com/pdf/Obama08_HealthcareFAQ.pdf">http://www.barackobama.com/pdf/Obama08_HealthcareFAQ.pdf</a> - September 19, 2007</li></ul>

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