

McCain's Plan

Obama's Plan

Goal	Provide access to affordable coverage by encouraging a range of health care coverage options guaranteeing portability.	Expand state and federal government insurance plans coupled with increased participation in qualified private/employer sponsored plans to provide comprehensive and portable coverage for all.
Primary Approach to Expanding Access To Health Insurance/Care	<ul style="list-style-type: none"> • Individuals and families control their health care by creating a refundable tax credit that is paid to the insurance provider they select to help offset the cost of private insurance. This could be coupled with employer-based coverage • Insurance could be purchased across state lines. • Establish true insurance portability • Reduce coverage costs through competition. • Create a state-based Guaranteed Access Plan (GAP) for high-cost, high-risk individuals. • Allow veterans to use their VA benefits to pay for care in their community when a VA center is not geographically convenient. 	<ul style="list-style-type: none"> • Require all children to have health insurance. • Employers will offer either "meaningful coverage" to employees or contribute a percentage of payroll to a national health plan. • Create a national "Health Insurance Exchange" where coverage based on a benefit floor provided to federal employees could be purchased in the form of the new national plan or from approved private carriers. • Expand SCHIP and Medicaid eligibility to cover additional low income children and families. • Coverage would be portable and could not be eliminated based on illness or pre-existing conditions.
Premium Subsidies	<ul style="list-style-type: none"> • Individuals -- Provide tax credits (\$2,500 for individuals and \$5,000 for families) to individuals and families. • Provide income-related subsidies on top of the tax credits for people who are enrolled in a state-based GAP for high-risk, high-cost individuals. • Employers -- No subsidies provided. 	<ul style="list-style-type: none"> • Subsidies would be available based upon income to help individuals and families purchase qualified private plans or the new national plan. • Employers – Small businesses would receive tax credits of up to 50% of the cost to cover a “meaningful share” of employee premium expenses toward an offered “quality health plan.” • Employer health plans would be reimbursed for a portion of catastrophic costs incurred above a threshold if they guarantee that resulting savings will be used to reduce worker premiums.
Changes to the Tax Code Related to Health Care	<ul style="list-style-type: none"> • Employers -- end the favorable tax status for employer sponsored care. • Individuals -- Create tax credits to allow individuals and families to purchase insurance and take control of their health care. 	<ul style="list-style-type: none"> • Employers who do not make a “meaningful” contribution for employee health care or who do not provide “meaningful” coverage, will pay a percentage of payroll toward the cost of the national plan.

	<ul style="list-style-type: none"> • allow individuals to purchase "innovative policies" that may cost less than the new tax credit. • Health Savings Accounts (HSA) would be expanded. • Where coverage costs less than the tax credit, the excess would be deposited into a HSA. 	
Insurance Pooling Initiatives	<p>Work with states to create Guaranteed Access Plans (GAP) for individuals without prior group coverage or who are denied coverage for pre-existing conditions (high-cost, high-risk). To purchase GAP coverage, premiums would be limited and individuals who meet certain income requirements would receive payment assistance.</p>	<ul style="list-style-type: none"> • Create a National Health Insurance Exchange where individuals could purchase the national plan (which is based on the health plan for federal employees) or a "qualified" private plan. • Private plans offered through the exchange must meet the quality and minimum coverage standards of the national plan. • The Exchange would provide information on the differences between the private plans offered. • The Exchange would create rules and standards for participating insurance plans to ensure fairness and make coverage more affordable and accessible.
Changes to Private Insurance	<ul style="list-style-type: none"> • Promote competition and choice in insurance plans by allowing policies to be sold across state lines. • Encourage the use and development of innovative insurance products. • Expand the scope and use of Health Savings Accounts. 	<ul style="list-style-type: none"> • Insurers could not deny coverage for pre-existing conditions. • People up to age 25 could be covered under their parent's health insurance. • Limit premium increases in areas where there are few insurance providers, mandate that a "reasonable share" of the premiums are paid out in patient care benefits, and further mandate that insurance companies will report the percent of premiums that go to administration vs. payment for care. • Participating insurers must offer coverage without preconditions, charge a "fair and stable" premium which is not based on the health of the individual being insured, meet standards of quality and efficiency set by the Exchange. • Insurers would have to justify "above-average" premium increases.

State Issues	<ul style="list-style-type: none"> • States would have the flexibility to experiment with: alternative forms of access, coordinated payments for Medicaid covered care, private and other alternative insurance in Medicaid, and “different licensing schemes for providers.” • States would work together in creating GAP programs. • Allow insurance plans to be sold across state lines. 	<ul style="list-style-type: none"> • States may maintain their current coverage systems if the system meets the standards of the new national plan. • SCHIP and Medicaid eligibility will expand to cover people unable to obtain insurance under the system.
Cost Containment and Care/System Improvement Strategies	<ul style="list-style-type: none"> • Promote insurance company competition by creating a consumer-driven system through tax incentives for individuals to buy their own insurance, and by allowing policies to be sold across state lines. • Encourage access through walk-in clinics and retail outlets for common problems. • Encourage coordinated care: pay for high-quality instead of episodic treatments. • Increase transparency: Establish national standards for measuring and recording treatments and outcomes. Make information public on quality of care, cost, treatment options and best outcomes. • Medicare and Medicaid payment reform to allow pay for diagnosis, prevention & care coordination. Bar payments for preventable errors and mismanagement. 	<ul style="list-style-type: none"> • Encourage competition among insurance companies through the Health Insurance Exchange. • Encourage the use of preventive medicine and management of chronic diseases • Eliminate subsidies to Medicare Advantage plans and pay them the same amount as paid to cover patients under traditional Medicare. • Require public reporting of health care costs and quality by hospitals and providers. • Address health disparities, especially in minority and rural communities where early access to care could prevent catastrophic health events. • Coordinate care, especially for those suffering from chronic illnesses, to eliminate duplicative services and medical errors.
Prescription Drugs	<ul style="list-style-type: none"> • Boost competition by allowing the re-importation of prescription drugs and encouraging quicker introduction of generics. 	<ul style="list-style-type: none"> • Promote generic drug use. • Allow for the re-importation of drugs. • Repeal the prohibition on direct negotiation between Medicare and pharmaceutical companies.
Health Information Technology	<ul style="list-style-type: none"> • Promote the deployment of Health IT and allow doctors to practice across state lines. • When possible and where cost effective use telemedicine to serve rural and underserved areas. 	<ul style="list-style-type: none"> • Invest \$50 billion in Health IT over the next five years to move the health care system towards standards-based electronic health IT systems and records.

Medical Liability Reform	<ul style="list-style-type: none"> • Adopt tort reforms to limit frivolous lawsuits and excessive damage judgments. • Provide a safe harbor for practicing within the scope of clinical guidelines and safety protocols. 	<ul style="list-style-type: none"> • Proposes to lower the cost of malpractice insurance on the health care industry by strengthening antitrust to prevent insurers from “overcharging” physicians for malpractice coverage. • Promote “new models” to address physician errors, strengthen the doctor-patient relationship, and reduce the need for malpractice suits.
Public Health Initiatives	<ul style="list-style-type: none"> • Support federal research regarding caring for and curing chronic diseases. • Work with employers and insurance companies to increase access to smoking cessation programs. • Promote education for children about health, proper nutrition and the benefits of exercise. • Support initiatives to combat obesity and diabetes. 	<ul style="list-style-type: none"> • Work with schools to address obesity and poor nutrition. Provide grant support for health screening programs and clinical services, increase financial support for physical education and health education programs. • Mandate coverage of preventive services and smoking cessation programs in Medicare, Medicaid, SCHIP and the new national health plan. • Work with and enhance the nation's public health departments to create an environment of cooperation and improve disaster preparedness efforts.
Long-term Care	Continue to develop innovate state programs, such as Cash and Counseling or the Program of All-Inclusive Care for the Elderly (PACE), to allow beneficiaries to receive needed care in their own homes.	No specific provisions mentioned.
Health Care Workforce	No specific provisions mentioned.	Increase the number of primary care providers and public health practitioners by expanding funding for loan repayment, increase grants for training curricula and infrastructure support to improve working conditions to ensure a workforce that will champion prevention and public health activities.
Costs of the Plans/Financing	No costs estimates have been released by the McCain campaign.	Obama's campaign estimates the plan will cost \$50 to \$65 billion per year when fully implemented. Obama plans allow a portion of the tax cuts enacted under President Bush to expire with these increases applied to up-front costs of implementing the Obama health plan. Additional funding for covering the uninsured and underinsured will come from an "assessment" on employers who do not currently off health insurance or do not offer "meaningful" coverage to employees.

Savings to Consumers	No dollar figure has been assigned.	No official estimate has been released.
-----------------------------	-------------------------------------	---

The information contained in this comparison was gathered through the following sources:

<http://www.barackobama.com/issues/healthcare/>

<http://www.johnmccain.com/Informing/Issues/19ba2f1c-c03f-4ac2-8cd5-5cf2edb527cf.htm>

<http://www.kaisernetwork.org/>

http://money.cnn.com/2008/03/10/news/economy/tully_healthcare.fortune/index.htm

<http://www.star-telegram.com/245/story/871901.html>

<http://www.opm.gov/insure/HEALTH/index.asp>

American Medical News, September 1, 2008