

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.

	Hillary Clinton	Barack Obama
Party Affiliation	<ul style="list-style-type: none"> ● Democrat 	<ul style="list-style-type: none"> ● Democrat
Stated goal	<ul style="list-style-type: none"> ● Affordable and high-quality universal coverage through a mix of private and public insurance. 	<ul style="list-style-type: none"> ● Affordable and high-quality universal coverage through mix of private and expanded public insurance.
Date plan announced	<ul style="list-style-type: none"> ● May 24, 2007 for cost, August 23, 2007 for quality, and September 17, 2007 for coverage 	<ul style="list-style-type: none"> ● May 29, 2007
Overall approach to expanding access to coverage	<ul style="list-style-type: none"> ● Every American required to have coverage, with income-related tax subsidies available to make coverage affordable. Private and public plan options would be available to individuals through a new Health Choices Menu operated through the Federal Employee Health Benefits Program (FEHBP). Coverage through employers and public programs like Medicare continues. 	<ul style="list-style-type: none"> ● Require all children to have health insurance, and employers to offer employee health benefits or contribute to the cost of the new public program. Expand Medicaid and SCHIP and 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 a new public plan, like Medicare, or in a range of approved private plans.
A. Requirement to obtain or offer coverage	<ul style="list-style-type: none"> ● Individuals must have health insurance coverage. 	<ul style="list-style-type: none"> ● Require all children to have health insurance. ● 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.
B. Expansion of public programs	<ul style="list-style-type: none"> ● Medicaid and SCHIP safety net strengthened "for the most vulnerable populations" to plug gaps, such as lack of coverage for poor, childless adults. 	<ul style="list-style-type: none"> ● Expand Medicaid and SCHIP. ● 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. ● Coverage under the new public plan would be portable.
C. Premium subsidies to individuals	<ul style="list-style-type: none"> ● The value of the credit would be set to ensure that premiums could not exceed a fixed percentage of family income, while maintaining price consciousness among consumers. 	<ul style="list-style-type: none"> ● Make federal income-related subsidies available to help individuals buy the new public plan or other qualified insurance.
D. Premium subsidies to employers	<ul style="list-style-type: none"> ● A "retiree health legacy initiative" would provide qualifying public and private sector employers offering retiree health plans with a tax credit to offset catastrophic health expenditures, "as long as savings are dedicated to workers and competitiveness." 	<ul style="list-style-type: none"> ● 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". ● 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.
E. Tax changes related to health insurance	<ul style="list-style-type: none"> ● Employer-provided health premiums would continue to be excluded from income taxes except for "the high-end portion of very generous plans for those making over \$250,000." 	<ul style="list-style-type: none"> ● No provision.
F. Creation of insurance pooling mechanisms	<ul style="list-style-type: none"> ● Employers could buy coverage through the new Health Choices Menu on behalf of workers or early retirees. 	<ul style="list-style-type: none"> ● Create a National Health Insurance Exchange through which individuals could purchase the public plan or qualified private insurance plans. ● 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. ● Require plans of participating insurers to offer coverage at least as generous as the new public plan.

		<ul style="list-style-type: none"> ● Exchange would evaluate plans and make differences among them transparent.
G. Changes to private insurance	<ul style="list-style-type: none"> ● Require all insurers that participate in federal programs to cover preventive services based on recommendations of US Prevention Services Task Force and promote chronic disease management. 	<ul style="list-style-type: none"> ● Prohibit insurers from denying coverage based on pre-existing conditions. ● Children up to age 25 could continue family coverage through their parents' plan. ● In market areas where there is not enough competition, require insurers to pay out a "reasonable share" of premiums on patient care benefits. ● Prevent insurers from abusing monopoly power through unjustified price increases. ● Require health plans to disclose the percentage of their premiums that actually goes to paying for patient care as opposed to administrative costs.
H. State flexibility	<ul style="list-style-type: none"> ● State option to band together to offer same type of choices in a region of the country as Health Choices Menu. 	<ul style="list-style-type: none"> ● Maintain existing state health reform plans if they meet minimum standards of the national plan.
Cost containment	<ul style="list-style-type: none"> ● Proposes a 7-Step Strategy to Reduce Health Costs: <ul style="list-style-type: none"> ● A national prevention initiative; ● A "paperless" health information technology system; ● Chronic care coordination to improve outcomes; ● Elimination of insurance discrimination to help reduce administrative costs; ● An independent "Best Practices Institute" to help consumers and other purchasers and plans make the right care choices; ● "Smart purchasing" initiatives to constrain prescription drug and managed care expenditures (permit the Secretary to negotiate prices for Medicare prescription drugs, limit direct-to-consumer advertising of prescription drugs and change patent laws to increase the availability of generic drugs; and reduce payments to Medicare Advantage plans to create more level reimbursement with traditional Medicare); and ● Linking medical error disclosure with physician liability protection. 	<ul style="list-style-type: none"> ● Invest \$50 billion toward adoption of electronic medical records and other health information technology. ● 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. ● Improve prevention and management of chronic conditions. ● Initiate policies to promote generic drugs, allow drug reimportation, and repeal the ban on direct price negotiation between Medicare and drug companies. ● Pay Medicare Advantage plans the same as regular (traditional) Medicare. ● Require hospitals and providers to publicly report measures of health care costs and quality. ● Promote and strengthen public health and prevention. ● Reform medical malpractice while preserving patient rights by strengthening antitrust laws and promoting new models for addressing physician errors.
Improving quality/health system performance	<ul style="list-style-type: none"> ● Prohibit payment of "never events" (such as preventable infections) in FEHBP and other federal programs. 	<ul style="list-style-type: none"> ● Support an independent institute to guide comparative effectiveness reviews and required reporting of preventable errors and other patient safety efforts. ● Reward provider performance through the National Health Insurance Exchange and other public programs. ● Address health disparities, promote preventive care and chronic disease management, and require quality and price transparency from providers and health plans. ● Require health plans to collect, analyze and report health care quality data for disparity populations, and hold plans accountable.
Other investments	<ul style="list-style-type: none"> ● Support initiatives to reduce health care disparities, including funding for more accurate data collection, development of quality measures targeted at reducing racial and ethnic disparities, and prioritizing the development of medical homes designed to improve quality for minorities. 	<ul style="list-style-type: none"> ● Expand funding to improve the primary care provider and public health practitioner workforce, including loan repayments, improved reimbursement, and training grants. ● Support preventive health strategies including initiatives in the workplace, schools, and communities. ● Support strategies to improve the public health infrastructure and disaster preparedness at the state and local level.
Financing	<ul style="list-style-type: none"> ● Campaign estimates cost to be \$110 billion a year when fully phased in. \$35 billion to be financed by savings from quality and modernization initiatives. Additional \$21 billion in savings from Medicare private plans, recapturing Medicare and Medicaid payments to hospitals for the uninsured, and constraining prescription drug costs. Also \$54 billion in revenue from limiting the tax exclusion for employer-paid health insurance and discontinuing tax cuts for those with incomes over \$250,000. 	<ul style="list-style-type: none"> ● 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.

Hillary Clinton	<ul style="list-style-type: none">• http://www.hillaryclinton.com/feature/healthcareplan/americanhealthchoicesplan.pdf - September 21, 2007
Barack Obama	<ul style="list-style-type: none">• http://www.barackobama.com/issues/healthcare/ - July 21, 2008• http://www.health08.org/candidates/obama.cfm - September 5, 2007• http://www.barackobama.com/pdf/Obama08_HealthcareFAQ.pdf - September 19, 2007

Last Modified: July 21, 2008

www.health08.org