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Candidates on Health Care

Compiled by Brookings Institution experts, this chart is part of a series of issue indices to be published during the 2008 Presidential election cycle. The policy issues included in this series were chosen by Brookings staff and represent the most critical topics facing America's next President. Available voting records and statements vary based on time in office. For candidates who have not been a Member of Congress, public statements are noted when available.

CANDIDATES



Barack Obama (D)
 Senator from Illinois



John McCain (R)
 Senator from Arizona

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Candidates	Obama (D)	McCain (R)
<p>Overview</p>	<p>The main goal of the Obama health care proposal is to achieve universal coverage, but it does not include an individual mandate for all Americans. Obama proposes that all children must have insurance coverage. Businesses must contribute to the cost of their employees' coverage, either by subsidizing it directly or by paying a fee if they do not provide coverage. For individuals and families without insurance, the federal government would provide federal assistance to buy health insurance through a regulated marketplace that features both private plans and a public plan. Obama does not propose mandates for adults because the plan is expected to make coverage affordable enough for all people to buy it voluntarily.</p> <p>A primary goal of the Obama proposal is to improve efficiency and lower health care costs up to \$2,500 for the typical family over time by seeking to do the following: improving health care delivery through public reporting of provider performance, increasing care coordination, adopting measures to reduce disparities, promoting wider use of health information technology, and placing greater emphasis on prevention and treatment of chronic disease.</p> <p>Sources of financing for the Obama health plan would include "rolling back Bush's tax cuts" for high-income earners (those earning more than \$250,000 per year) and savings from reducing inefficiencies in the system. – BarackObama.com</p> <p>Read more and read more</p>	<p>The main goal of the McCain health care proposal is to reduce health care costs and make health insurance more affordable. Under the McCain plan, refundable tax credits of \$2,500 for individuals and \$5,000 for families would help defray coverage costs.</p> <p>The McCain plan includes making coverage portable between jobs and obtainable across state lines. McCain also supports improved access to health savings accounts.</p> <p>The proposal recommends working with states to establish a Guaranteed Access Plan to provide insurance to individuals who have been denied coverage.</p> <p>The McCain proposal would seek to improve health care delivery by improving the quality of public information available about provider performance and treatment costs, encouraging standardization of performance measures, allowing states to experiment with market-based health care reforms, promoting the adoption of health information technology, and encouraging personal responsibility in the management of chronic diseases.</p> <p>Health care cost savings would come from reducing inefficiencies in the system, stimulating competition in the health-insurance market, promoting consumer-directed health care options, encouraging greater use of health IT, and reforming medical liability. – John McCain.com</p> <p>Read more and read more</p>
<p>Reforming Health Care Coverage: Plan Selection Process</p>	<p>Allows those not covered by job-related insurance or public insurance programs to choose among a public plan or private plans from a National Health Insurance Exchange. Businesses can purchase employee insurance through the Exchange.</p> <p>Allows individuals under age 25 to be covered by their parents' insurance plans. – BarackObama.com</p> <p>Read more</p>	<p>Allows health insurance to be portable between jobs.</p> <p>Allows individuals to purchase health insurance nationwide, across state lines, to maximize consumers' choices and heighten competition.</p> <p>Allows individuals to receive insurance through any organization or association that they choose (employers, churches, professional associations, etc.) or to purchase it individually. – JohnMcCain.com</p> <p>Read more</p>

Candidates	Obama (D)	McCain (R)
Reforming Health Care Coverage: Subsidies for coverage (tax credits, tax deductions, reductions in existing subsidies)	<p>Creates income-based, sliding-scale subsidies that recipients can use to buy into the new public plan or purchase a private health care plan. – BarackObama.com</p> <p>Read more</p>	<p>Reforms the tax code to eliminate the bias toward employer-sponsored health insurance.</p> <p>Provides Americans with a refundable tax credit, \$2,500 for individuals and \$5,000 for families, to offset the cost of insurance.</p> <p>Develops a "risk adjustment" bonus for high-cost and low-income families to supplement tax credits and Medicaid funds.</p> <p>Allows individuals owning specific multi-year policies that cost less than the full credit to deposit the remainder in expanded health savings accounts. – JohnMcCain.com</p> <p>Read more</p>
Reforming Health Care Coverage: Mandates and Penalties	<p><i>Individual responsibilities</i> Requires children to have health care coverage. Specific penalties imposed on families whose children are not covered are no provision.</p> <p><i>Employer responsibilities</i> Employers would be required to provide and subsidize workers' coverage or contribute a percentage of payroll toward the costs of the national plan. – BarackObama.com</p> <p>Read more</p>	<p>The proposal does not include mandates. –JohnMcCain.com</p> <p>Read more</p>
Reforming Health Care Coverage: Medicaid	<p>Expands Medicaid and State Children's Health Insurance Program (SCHIP) eligibility to low-income individuals. – BarackObama.com</p> <p>Read more</p>	<p>Gives states the flexibility to experiment with alternative models of coverage expansion.</p> <p>Allows states to experiment with the use of Medicaid funds for the purchase of private insurance in Medicaid.</p> <p>Allows states to experiment with different licensing systems for medical providers. –JohnMcCain.com</p> <p>Read more</p>

Candidates	Obama (D)	McCain (R)
<p>Reforming Health Care Coverage: Promoting coverage availability for high-cost patients</p>	<p>Uses subsidies to encourage everyone to obtain and maintain coverage.</p> <p>Requires all insurers to offer coverage to anyone who applies and pays premiums (i.e., "guaranteed issue").</p> <p>Reimburses some employers providing coverage for their employees for a portion of the catastrophic costs they incur above a threshold if they guarantee that such savings are used to reduce the costs of workers' premiums. – BarackObama.com</p> <p>Read more</p>	<p>The proposal recommends working with states to establish a Guaranteed Access Plan to provide insurance to individuals who have been denied coverage by, for instance, establishing a non-profit corporation that would contract with insurers to cover patients who have been denied coverage and could join with other state plans to enlarge pools and lower overhead costs. There would be reasonable limits on premiums, and assistance would be available for Americans below a certain income level. – JohnMcCain.com</p> <p>Read more</p>
<p>Reforming Health Care Delivery Services: Reforming Benefits</p>	<p>Requires plans in the National Health Insurance Exchange to offer comprehensive benefit packages, including full mental-health benefits.</p> <p>Allows states to continue to experiment with health care reforms, provided that they meet the minimum standards of the national plan.</p> <p>The plan options offered in the public program will provide benefits at least as generous as those provided to members of Congress (i.e., the FEHBP).</p> <p>All public programs would be required to cover clinical preventive services such as cancer screenings and smoking cessation programs.– BarackObama.com</p> <p>Read more</p>	<p>Allows veterans to use their VA benefits to see providers that give them timely and high quality care at the best location. – JohnMcCain.com</p> <p>Read more</p>
<p>Reforming Health Care Delivery Services: Quality/Cost Measurement and Improvement</p>	<p>Requires publicly-reported measures of hospital and provider quality and cost.</p> <p>Provides consumers with coverage and cost information on health plan options in the new public program.</p> <p>Adopts measures to reduce disparities (e.g., by requiring hospitals and health plans to collect, analyze, and report health care quality for disparity populations; and holding providers accountable for any differences found).</p> <p>Promotes the adoption of health information technology with privacy safeguards by investing \$10 billion every year over the next five years. – BarackObama.com</p> <p>Read more</p>	<p>Makes public more information on treatment options and requires transparency from providers regarding medical outcomes, quality of care, costs, and prices.</p> <p>Facilitates the development of national standards for measuring and recording treatments and outcomes.</p> <p>Encourages states to play a role as laboratories for new market-based approaches to quality/cost improvement.</p> <p>When cost-effective and when providers are limited, encourages telemedicine and community and mental-health clinics.</p> <p>Promotes the adoption of health information technology. – JohnMcCain.com</p> <p>Read more</p>

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Reforming Health Care Delivery Services: Reforming payments to providers	<p>Provides new incentives for providers whose patients are enrolled in public programs for achieving performance thresholds on physician-validated outcome measures. – BarackObama.com</p> <p>Read more</p>	<p>Pays Medicare providers based on quality, not only on the services provided.</p> <p>Encourages coordinated care in Medicare with one payment for multiple services. – JohnMcCain.com</p> <p>Read more</p>
Reforming Health Care Delivery Services: Prevention and Disease Management	<p>Requires plans that participate in the FEHBP, Medicare, or the new public plan to use evidence-based disease-management programs.</p> <p>Creates incentives for providers to use care management programs and encourages team care through implementation of medical home models.</p> <p>Increases funding to support prevention and public-health activities and improve coordination among local, state, and federal governments. – BarackObama.com</p> <p>Read more</p>	<p>Encourages personal responsibility to help prevent and manage chronic diseases.</p> <p>In public programs (e.g., Medicare), changes the way providers are paid to focus their attention more on chronic disease and managing treatment.</p> <p>Dedicates federal scientific research to increase focus on care and cures for chronic disease.</p> <p>Supports innovative delivery systems that provide greater market flexibility in permitting appropriate roles for nurse practitioners, nurses, and doctors. – JohnMcCain.com</p> <p>Read more</p>
Promoting the Development of Evidence-Based Medicine and Innovative Treatments	<p>Establishes an institute to research and disseminate information on treatment effectiveness.</p> <p>Increases funding for biomedical research and improves research coordination both within government and across government/private/non-profit partnerships. – BarackObama.com</p> <p>Read more and read more</p>	<p>Dedicates more federal research to identifying treatments and cures for chronic disease. – JohnMcCain.com</p> <p>Read more</p>
Reforming Health Care Delivery Services: Improving the Safety and Effectiveness of Drugs and Medical Devices	No provision	No provision

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Long-Term Care: Coverage	No provision	Would develop a strategy for meeting the challenges of a population with greater long-term care needs that could be modeled on existing state-based experiments (e.g., Cash and Counseling or The Program of All-Inclusive Care for the Elderly (PACE)). – JohnMcCain.com Read more
Long-Term Care: Financing	No provision	No provision
Long Term Care: Quality	Improves the quality of nursing home care in part by training more nurses and health care workers. – BarackObama.com Read more	No provision
Medicare Reform: Traditional Medicare-Payment Reform	Provides incentives for providers whose patients are enrolled in public programs to receive higher-quality care. – BarackObama.com Read more	Revamps Medicare payment systems to pay providers for prevention and care coordination without paying them for preventable medical errors or mismanagement. – JohnMcCain.com Read more
Medicare Reform: Traditional Medicare-Benefit Reform	No provision	No provision
Medicare Reform: Medicare Advantage Reform	Reduces "excessive subsidies" to Medicare Advantage plans and pays them what it would cost to treat the same patients under traditional Medicare. – BarackObama.com Read more and read more	No provision

Candidates	Obama (D)	McCain (R)
Medicare Reform: Other Medicare Provisions	<p>Allows Medicare to negotiate lower drug prices, saving as much as \$30 billion.</p> <p>Increases the use of generic prescription drugs.</p> <p>Closes the "doughnut hole" in the Medicare Part D prescription drug program. – BarackObama.com</p> <p>Read more and read more</p>	<p>No provision</p>
Long-Term Fiscal Impact: Overall cost growth	<p>Through universal coverage, reduces spending on uncompensated care.</p> <p>Promotes the use of health information technology to reduce unnecessary spending resulting from preventable errors and inefficient billing systems.</p> <p>Improves prevention and management of chronic conditions.</p> <p>Increases insurance industry competition and reduced underwriting costs and profits. – BarackObama.com</p> <p>Read more</p>	<p>Fosters free-market competition.</p> <p>Promotes the adoption of health information technology. – JohnMcCain.com</p> <p>Read more</p>
Long-Term Fiscal Impact: Premium subsidies	<p>No provision</p>	<p>No provision</p>
Long-Term Fiscal Impact: Benefits	<p>No provision</p>	<p>No provision</p>
Long-Term Fiscal Impact: Taxes	<p>Rolls back President Bush's tax cuts and exemptions for those earning more than \$250,000 per year. – BarackObama.com</p> <p>Read more</p>	<p>Makes health insurance premiums tax deductible. – JohnMcCain.com</p> <p>Read more</p>

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<p>Long-Term Fiscal Impact: Other Sources</p>	<p>Streamlines administrative processes.</p> <p>Encourages higher-value care.</p> <p>Allows government negotiations with drug companies. Fosters greater competition in the pharmaceutical industry.</p> <p>Supports reimportation of prescription drugs.</p> <p>Creates anti-trust laws to limit malpractice-insurance premiums. – BarackObama.com</p> <p>Read more and read more</p>	<p>Supports different methods of delivering care (e.g., walk-in clinics and retail outlets).</p> <p>Develops routes for cheaper generic versions of drugs to enter the U.S. market, including allowing for the safe reimportation of prescription drugs.</p> <p>Promotes medical liability reform by eliminating lawsuits directed at doctors who follow clinical guidelines and adhere to safety protocol.</p> <p>Promotes health savings accounts. – JohnMcCain.com</p> <p>Read more</p>