

2008 DEMOCRATIC CANDIDATES' POSITIONS ON HEALTH CARE REFORM

	Expanding Coverage	How organized	Private & Public Insurance	Support for Individuals & Employers	Regulating Insurers	Cost & Containment
HILLARY CLINTON	Every American would be required to have or buy health insurance. Large employers would be required to either provide it, or help pay for it.	People could choose to either stick with their employer-provided coverage or choose from a list of private or public plans available through a new "Health Choices Menu" operated by the Federal Employee Benefits Program.	Mixed. People could opt to keep their private plan, get one through the Health Choices Menu, or opt for a Medicare-like public plan.	Low-income people receive tax credits to help them buy insurance. Small employers get tax credits to provide workers with insurance.	Laws would try to restrain insurers from cherry-picking healthy people or charging higher fees for the sick.	Estimates \$110 billion/yr. financed by HC savings and repeal of Bush tax cuts for very rich. Emphasize prevention, improve coordination of care, encourage generic drugs. Let feds negotiate Medicare drug prices.
JOHN EDWARDS	Once insurance is "affordable," everyone would be "expected" to get insurance. Require employers to cover workers or contribute toward coverage.	New regional Health Markets, nonprofit purchasing pools, would offer both a Medicare-like public plan and private health plans for people to choose from. Health Market plans would be portable.	People could opt for employer-provided private insurance or public insurance. Medicaid & SCHIP would serve adults below poverty line & children below 250% of poverty.	Tax credits on a sliding scale would extend to middle class.	Require insurers to spend at least 85% of premiums on patient care (currently the average is 82%)..	\$90-120 billion/year. Financed by repeal of Bush tax cuts. Emphasize prevention, improve coordination of care, encourage generics.
MIKE GRAVEL	Everyone would receive a health care voucher based on projected healthcare needs and use it to purchase insurance.	Voucher system.	Voucher system would eventually replace Medicaid & Medicare. No provision for public insurance.	No provision.	No provision .	Anticipates administrative cost savings.
DENNIS KUCINICH	All Americans covered by a single system of publicly administered national health insurance	A new national system resembling the public part of Medicare would cover everyone.	Insurance would only be through single public insurer.	Insurance would no longer be employer-based (though employers would pay payroll tax).	No insurers to regulate.	Estimated 31% savings on admin. costs. Financed through 3.3% payroll tax on employers & workers, repeal of Bush tax cuts.

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BARACK OBAMA	Require parents to insure their children and require all employers to either provide it or contribute to the cost of a new public plan.	A new National Health Insurance Exchange would offer a public plan and a choice of private plans for small businesses and individuals not covered through their employers. Coverage under the new public plan would be portable.	Mixed. People could opt to keep their private plan, employer plan, or pay for a private or public coverage through the Exchange. (Or they could remain uninsured.)	Low-income people get a subsidy to help them pay for insurance. Subsidies also to partly reimburse employers for catastrophic coverage.	Prohibit insurers from denying coverage because of preexisting conditions. They would be forced to disclose administrative costs.	\$50-65 billion/year financed with HC savings and repeal of Bush tax cuts. Savings through prevention, better coordination of care, pay Medicare Advantage regular Medicare rates, let feds negotiate Medicare drug prices.

NOTES FROM A SINGLE-PAYER PERSPECTIVE

Only Dennis Kucinich's plan is free at the point of use, allows people their choice of any healthcare provider, separates insurance from employment so that it is fully portable, greatly reduces bureaucracy, and expands coverage to include all necessary services. The Clinton, Obama & Edwards plans are quite similar. All would build on our current employer-based system of healthcare and would rely mostly on private insurers. Because they do not capture savings in administrative costs and even add additional layers of bureaucracy to our system, all these plans would be prohibitively expensive. All would represent a major windfall for private insurance companies because they would direct billions of taxpayer dollars to bolster private plans. Hence supportive comments about Clinton's plan by America's Health Insurance Plans, the industry group (as well as contributions to leading candidates' campaigns by the insurance industry). While the candidates propose some restrictions on private insurers, it's not clear how effective that regulation will be. The World Health Organization and Organization for Economic Cooperation and Development found that experiments with regulating insurers have proved largely unsuccessful. Regulation also adds expense.

Clinton and Edwards would require individuals to purchase insurance, which, says Physicians for a National Health Program, "pretends that you can simply require individuals to buy bona fide plans that they cannot afford." Obama maintains that his plan will make insurance so affordable that people will voluntarily buy it.

On the plus side, Clinton, Obama and Edwards would all create, as part of their new insurance purchasing pools, a public insurance option (Clinton and Obama describe it as "Medicare-like," while Edwards describes regional buying pools). Unfortunately, when public and private plans are offered side-by-side, private plans tend to skim off the younger, healthier individuals, while public plans do the heavy lifting. Gravel would replace all public programs with federal vouchers which would be provided to everyone to purchase private insurance.

Source: Kaiser Family Foundation. See their more detailed side-by-side summary of candidates' proposals at: <http://www.health08.org/sidebyside.cfm>