



**Side-by-Side Summary of Presidential Candidates' Proposals
for Expanding Health Insurance Coverage**

as of December 19, 2003

CANDIDATE	BUSH	CLARK
General Approach	Individual tax incentives to purchase coverage and restructuring of Medicaid to a block grant program	Mandated health insurance coverage for children and young adults through age 22; universal access to affordable coverage for adults; assistance to low-income adults and workers between jobs
Expansion of Public Programs	<ul style="list-style-type: none"> State option to shift Medicaid program to a block grant, with increased federal funds through FY2010 and decreased federal funds through FY2013 <ul style="list-style-type: none"> Block grant covers optional eligibility groups and optional services Block grant combines Medicaid and SCHIP funding States have "flexibility" to use block grant funds as they wish to decrease current coverage and/or expand coverage to new groups Extends Transitional Medical Assistance for 5 years Extends expiring SCHIP funds 	<ul style="list-style-type: none"> Uninsured children below 150% FPL enrolled in Medicaid/SCHIP and federal government contributes 100% of cost of enrolling eligible children (states continue to fund care for children currently enrolled at existing federal-state matching rates) Federal government fully funds state-based programs to extend coverage to adults below 150% FPL
Individual Tax Incentives	<ul style="list-style-type: none"> Refundable tax credit (\$1,000 per adult and \$500 per child, with a \$3,000 max per family) for 90% of the cost of coverage, phased out at \$30,000 for individuals and \$60,000 for families <ul style="list-style-type: none"> Cannot be used for employer coverage, but can be used to buy into state-sponsored purchasing groups (including Medicaid and SCHIP) with additional state contributions Expansion of MSAs and FSAs 	<ul style="list-style-type: none"> Progressive tax credits for families up to 500% FPL (\$40,000 for an individual, \$90,000 for a family of four) to be used for purchase of coverage through Medicaid, SCHIP, the workplace or a new Congressional Health Plan option (coverage for children only) Refundable tax credits up to 275% FPL for adults to be applied to employer-based coverage or new Congressional Health Plan option 70% tax credit for workers between jobs to be applied to COBRA or new Congressional Health Plan (phases out at 500% FPL)
Employer Coverage		<ul style="list-style-type: none"> Provides seed money for small business purchasing groups (grant program)
Other Investments	<ul style="list-style-type: none"> Increases funding for community health centers 	<ul style="list-style-type: none"> Those without access to employer-based coverage would have access to new Congressional Health Plan option Establishes independent commission to determine value of health services and benefits and provide comparative information to consumers, providers, businesses, governments and health plans; requires public programs to ensure that their benefits are consistent with the commission's recommendations Encourages Medicare preventative service expansions and demonstrations on incentives for increased prevention use Promotes information technology to reduce medical errors and administrative costs (through financial incentives and requirements) Increases funding to VA system to improve access to care for veterans Increases funding for public health programs to reduce racial and ethnic health disparities and improve HIV/AIDS treatment and prevention
Administration and/or Enrollment		
Cost-Control Strategies		<ul style="list-style-type: none"> Competitive bidding for Medicare services Removal of legal loopholes that block generic drugs coming to market Aggressive use of disease management services Reduction of medical errors and administrative costs through use of information technology
Financing/ Cost	<ul style="list-style-type: none"> Medicaid initiatives budget neutral for federal government over 10 years Tax credit cost: \$88 billion over 10 years Community health center expansion cost: \$169 million 	<ul style="list-style-type: none"> Estimated net cost: \$695 billion over 10 years (\$772 billion for expanding coverage and \$48 billion in other investments, less \$125 billion in savings from purchasing initiatives and delivery system improvements)

CANDIDATE	DEAN	EDWARDS
General Approach	Expansion of public coverage for children and adults in low- and middle-income families, combined with FEHBP-like program for other Americans to buy into	Plan focuses on covering children and adults and builds on existing employer-based system; parents will be required to provide coverage for their children under age 21; proposes tax credits to assist in purchase and subsidies for low-income adults
Expansion of Public Programs	<ul style="list-style-type: none"> Establishes "FCHIP" (Families & Children Health Insurance Program) to cover: <ul style="list-style-type: none"> Children and young adults under age 25 up to 300% FPL Adults ages 25-64 up to 185% FPL FCHIP is an entitlement program Participation optional for states Coverage modeled after SCHIP, with state flexibility within federal guidelines Uninsured and insured individuals (with 6-month waiting period for some) are eligible 	<ul style="list-style-type: none"> Allows families to buy into SCHIP programs with tax credits (for children not eligible for public programs) <ul style="list-style-type: none"> Plan covers all state costs related to this policy for at least 10 years Adults (with or without children) with low or moderate incomes can receive subsidized rates to buy into Medicaid or SCHIP <ul style="list-style-type: none"> Coverage free for adults under 100% FPL and subsidized for adults up to 250% FPL Federal government funds benefit and admin. costs for states to extend buy-in to these adults Allows 55-65 year-olds to buy into Medicare
Individual Tax Incentives	<ul style="list-style-type: none"> Tax credits to help low-income uninsured buy into "UHBP" (Universal Health Benefits Program) Refundable, advanceable credit equal to difference between UHBP premium and 7.5% AGI Available to individuals uninsured for at least 6 months before filing tax returns and who are not eligible for FCHIP, Medicaid, or Medicare Can only be used for standard plan premiums 	<ul style="list-style-type: none"> Credits for parents to help purchase private insurance from employers or SCHIP programs Credits tiered based on income and available to parents earning less than \$75,000 and to parents with larger families earning less than \$100,000 Credits refundable to benefit low-income families Families with existing coverage receive tax breaks (ex. for a family of four earning \$60,000 per year that is already covering their children through their employer receives tax break of ~\$300)
Employer Coverage	<ul style="list-style-type: none"> Allows small businesses (<50 employees) to buy into UHBP Requires employer-sponsored plans to extend dependent coverage up to age 25 Requires employers who offer coverage to continue to pay their share of premiums for 2 months after employee leaves job Federal government pays 70% of premium costs for COBRA coverage Limits tax deductions and government contracts for large companies that do not offer coverage 	<ul style="list-style-type: none"> Small Business Support Program allows small firms (of less than 50 employees) to purchase insurance through state purchasing pools; some firms eligible for tax credits Extends coverage for dependents (children) up to age 25 Extends coverage for workers between jobs; allows adults with moderate incomes to extend employer insurance with 70% federal subsidy
Other Investments	<ul style="list-style-type: none"> Establishes UHBP for all Americans not eligible for FCHIP, Medicaid, or Medicare Any insurer participating in FEHBP must make same plan available through UHBP Guarantees all individuals a coverage offer at community rated premium Establishes federally-funded reinsurance pool to keep premiums down 	<ul style="list-style-type: none"> Establishes electronic medical record billing system to standardize process in an effort to reduce costs and medical errors Supports development of reports communicating quality and cost information to consumers Provides grants to hospitals and scholarships for nurses working in shortage areas Doubles overall health clinic funding (extends hours, improves locations, etc.) Proposes measures to reduce health disparities
Administration and/or Enrollment	<ul style="list-style-type: none"> Uninsured individuals automatically enrolled in FCHIP, Medicaid, or UHBP through tax returns (with opportunity to opt out of coverage) 	<ul style="list-style-type: none"> Parents can enroll children in private insurance as they do now, or (for those without private coverage) children can be automatically enrolled in Medicaid/SCHIP when born, enroll in school or when filing a tax return form Simplifies Medicaid enrollment
Cost-Control Strategies	<ul style="list-style-type: none"> Encourages the application of information technology to administration and delivery of care Creates new Health Care Institute at NIH to promote evidence-based medicine Reduces costs of prescription drugs by permitting drug reimportation from Canada; closing patent law loopholes; expanding use of PDLs; allowing states to experiment with ways to control drug costs; limiting DTC advertising; requiring drug manufacturers to disclose gifts to physicians 	<ul style="list-style-type: none"> Reduces prescription drug costs by permitting reimportation, investigating government overcharging by manufacturers, restraining drug marketing practices, etc. Reduces malpractice premiums Reduces fraud and waste in public programs Encourages providers to make better choices Proposed cost-containment measures estimated to save \$17 billion per year
Financing/ Cost	<ul style="list-style-type: none"> Estimated annual cost: \$88.3 billion at full implementation (FY2008) Paid for by repealing Bush tax cut Federal payments for FCHIP generous enough so states will not incur any additional costs 	<ul style="list-style-type: none"> Estimated annual cost: \$53 billion per year <ul style="list-style-type: none"> \$25 billion in tax credits for families Eliminates Bush tax cuts for wealthiest Americans Reduces federal workforce and contractors through attrition Eliminates subsidies for banks, life-insurers, wealthy farmers and others to help finance plan

CANDIDATE	GEPHARDT	KERRY
General Approach	Employer mandate, with tax incentives to employers, and public program expansion to provide health insurance and serve as economic stimulus	FEHBP buy-in, available to all Americans and small businesses, combined with a federal reinsurance pool and a "swap" of federal and state Medicaid responsibilities to expand public coverage
Expansion of Public Programs	<ul style="list-style-type: none"> • Extends Medicaid and SCHIP to cover parents of eligible children • New efforts to enroll uninsured SCHIP-eligible children • Allows people ages 55-64 to buy into Medicare 	<ul style="list-style-type: none"> • Federal government assumes full cost of children enrolled in Medicaid • Requires states to: <ul style="list-style-type: none"> - Enroll 95% of children eligible for Medicaid and SCHIP and expand children's coverage under SCHIP to 300% FPL - Expand coverage to families < 200% FPL, phased in over time at enhanced FMAP - Cover childless adults up to 100% FPL, phased in over time • Eliminates 5-year ban on coverage for legal immigrant pregnant women and children • Provides states the option to allow persons with special health care needs to buy into Medicaid, with enhanced matching available to states • Revises federal matching formula to provide more assistance to states under economic distress
Individual Tax Incentives	<ul style="list-style-type: none"> • Replaces current deductibility premiums for self-employed with a 60% refundable tax credit • Provides a 25% refundable tax credit to low-income workers to help with their share of premium cost; full credit available up to 100% FPL, phasing out up to 200% FPL 	<ul style="list-style-type: none"> • Provides individuals assistance with health costs that exceed 6% of income • Provides tax credit for near-elderly
Employer Coverage	<ul style="list-style-type: none"> • Requires employers to offer coverage to employees working 20 hours/week • For employers currently offering coverage, replaces current deduction of premiums for employers with a 60% refundable tax credit for employer's share of premiums • For employers not currently offering coverage, provides a 60% refundable tax credit for full premium costs; employee pays no more than 40% of total premium costs • 65% federal subsidy for COBRA coverage for eligible unemployed 	<ul style="list-style-type: none"> • Refundable tax credits for up to 50% of the cost of coverage available to qualifying small businesses if buy into new FEHBP pool • 75% federal subsidy for COBRA coverage for unemployed workers on unemployment
Other Investments	<ul style="list-style-type: none"> • Reimburses state and local governments 60% of the cost of coverage for their employees 	<ul style="list-style-type: none"> • Creates separate coverage pool under FEHBP and allows all Americans (individuals and businesses) the option to join
Administration/ Enrollment		<ul style="list-style-type: none"> • Promotes automatic enrollment and 12-month continuous eligibility for kids in Medicaid/SCHIP • Enforces outstationed eligibility worker requirements for Medicaid and SCHIP application assistance
Cost-Control Strategies	<ul style="list-style-type: none"> • Reduces uncompensated care resulting in savings to private health care costs 	<ul style="list-style-type: none"> • Federally-funded reinsurance program established to pay for portion of high-cost cases and stabilize premium rates <ul style="list-style-type: none"> - Federal government reimburses for 75% of catastrophic costs above set amount (\$50,000 in 2005, indexed to inflation) for companies/insurers that cover all workers and guarantee a pass-through of savings to workers through reduced premiums - Companies/insurers participating in reinsurance pool must implement disease management and health promotion programs • Reduces prescription drug costs by closing loopholes in patent laws for drugs and provides states incentives to contract for better rates • Cuts administrative costs by implementing electronic medical records and other new technologies • Estimates that plan will save federal government \$150 billion over 10 years
Financing/ Cost	<ul style="list-style-type: none"> • Estimated annual cost: \$214 billion at full implementation (FY 2005) and increasing slightly in later years • Paid for by repealing Bush tax cut 	<ul style="list-style-type: none"> • Estimated annual cost: \$72 billion for first 5 years • Paid for by canceling Bush tax cuts for wealthiest Americans and closing corporate loopholes

CANDIDATE	KUCINICH	LIEBERMAN
General Approach	Single-payer, universal coverage ("Medicare for All")	Incremental approach to universal health insurance that primarily focuses on expansion of public programs and establishes new programs aimed at insuring children and adults
Expansion of Public Programs	Enacts "Medicare Part E" to cover all Americans, phased in over 10 years	<p><u>SCHIP and Medicaid expansion</u></p> <ul style="list-style-type: none"> Expands SCHIP and Medicaid for children and young adults Expands eligibility levels for SCHIP to 300% of FPL and extends SCHIP eligibility to age 25 Increases federal assistance to cover all costs of expanded SCHIP eligibility <p><u>Medikids (to be phased in over 5 years)</u></p> <ul style="list-style-type: none"> Buy-in program to cover all children and young adults Benefits provided at no cost to children in families with income less than 150% FPL; sliding scale premiums between 150 and 300% FPL; no family pays more than 7.5% of income (refundable tax credits cover the rest) <p><u>MediChoice</u></p> <ul style="list-style-type: none"> Increases health insurance coverage among adults Gives states option to receive federal funding for expansion of Medicaid to adults with incomes less than 150% FPL Individuals not eligible for other federal programs with incomes between 150 and 250% FPL receive premium assistance on a sliding scale through refundable tax credits Creates FEHBP-like purchasing pools; allows workers without access to employer-based group insurance access to pools
Individual Tax Incentives		<ul style="list-style-type: none"> Refundable tax credits for premium assistance (individuals with incomes between 150 and 250% of FPL) for coverage through new pools, employers or private market Eligible workers with incomes over 250% FPL would pay no more than 7.5% of their AGI on premiums for MediChoice pool; tax credits for remaining cost of average policy Credits provided to help purchase long-term care insurance
Employer Coverage		<ul style="list-style-type: none"> KeepCare provides relief for individuals who have lost their jobs or are out of work: requires that employers extend coverage for at least 2 months after an employee leaves; subsidizes 65% of COBRA insurance premiums for workers between jobs through tax credits; COBRA recipients and workers receiving unemployment insurance would have access to new health insurance pools for one year
Other Investments		<ul style="list-style-type: none"> Establishes American Center for Cures; promotes evidence-based medicine to improve quality of care; increases funding to AHRQ/IOM; promotes use of electronic medical records and adoption of universal insurance billing system for providers Funds Center for Minority Health and Health Disparities Establishes center to conduct research and dispense grants related to medical error reduction Advocates for strengthening of allied health profession Enhances network of school-based health centers Directs attention to prevention in Medicare Increases investment in the public health infrastructure
Administration/ Enrollment		<ul style="list-style-type: none"> Children automatically enrolled in Medikids at birth unless their parents decline coverage Children who currently have coverage, including Medicaid and SCHIP, would not be required to change coverage
Cost-Control Strategies	<ul style="list-style-type: none"> Reduces administrative costs related to insurance Bulk purchasing of prescription drugs 	<ul style="list-style-type: none"> Capitalizes on dynamics of private market to keep prices low; allows beneficiaries to choose between plans, providing incentive to choose best value
Financing/ Cost	<ul style="list-style-type: none"> Estimated annual cost: \$2.2 trillion at full implementation (FY2013) Funded through a 7.7% payroll tax on employers, elimination of current tax deductions by employers, and redirection of current government health spending 	<ul style="list-style-type: none"> Estimated annual cost: \$55 billion over the first 5 years and \$747 billion over 10 years

CANDIDATE	MOSELEY BRAUN	SHARPTON
General Approach	Universal, single-payer, comprehensive plan modeled after FEHBP	<i>No proposal stated yet</i>
Expansion of Public Programs		
Individual Tax Incentives		
Employer Coverage		
Other Investments		
Administration/ Enrollment		
Cost-Control Strategies		
Financing/ Cost	Raises income tax and eliminates employment taxes such as Medicare payroll tax	