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[newsletter](#)
[issues](#)
[resources](#)
[speaking](#)
[home](#)

Comparison of Features in Major Health Care Reform Proposals
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Provides...	Bush	Gephardt	Kerry	Dean	Edwards	Graham	Lieberman	Kucinich	Senate Finance NEW	House GOP NEW
Tax Credits/Premium Support	X <u>1)</u>		X <u>2)</u>	X						
Expanded Medicaid, S-CHIP		X <u>3)</u> <u>4)</u>	X <u>5)</u>	X <u>6)</u> <u>7)</u>	X <u>8)</u>	X <u>9)</u>				
Employer Mandate; Pay or Play		X <u>10)</u>	X <u>2)</u>	X <u>11)</u> <u>12)</u> <u>13)</u>						
Incremental	X					X	X			
Medicare Privatization/Reform	X <u>14)</u>								X <u>15)</u> <u>16)</u>	X <u>17)</u>
Comprehensive Coverage		X <u>18)</u>	X <u>19)</u>	X <u>20)</u> <u>21)</u>				X <u>22)</u>		

Prescription Drugs	X <u>23)</u> <u>24)</u>		X <u>25)</u> <u>26)</u>	None	X <u>27)</u>	X <u>28)</u>	Note <u>29)</u>	X <u>30)</u>	X <u>31)</u> <u>32)</u>	X <u>31)</u> , <u>33)</u>
Small Firms/Individuals	X <u>34)</u>									
Medicare Buy-In (Ages 56-64) <u>35)</u>		X	X		X	X				
Medical Malpractice	X <u>36)</u>		X <u>37)</u>							
Other Provisions	X <u>38)</u>		X <u>39)</u> <u>40)</u>		X <u>41)</u>		X <u>42)</u>		X <u>43)</u>	
Future "Cost Controls"			YES <u>44)</u>	None				X <u>45)</u>		
Estimated 10-Year Cost	\$400B <u>46)</u>	\$2.1T <u>47)</u>	\$890B <u>48)</u>	\$775B <u>49)</u>	? <u>50)</u>	? <u>50)</u>	-\$600B <u>51)</u>	\$20T <u>52)</u>	\$399B	\$400B

[back to top](#)

- 1) Family of 4 or more get \$3000 tax "credit" if income is under \$25K/year, gradually phased out for families with incomes up to \$60K
- 2) Tax credits of up to 50% for small business and employees to buy health insurance
- 3) Expanded aid to support state initiatives and individuals not covered by mandatory employment insurance
- 4) \$176B to the states to expand Medicaid and S-CHIP
- 5) Plan would cover all children and parents with household incomes up to 300% of the federal poverty level, or \$55,200 for a family of four,
- 6) Children to age 25 in families up to \$54K income, initially \$67B annually to expand S-CHIP
- 7) Everyone under age 65 with incomes below 185% of poverty in new "Family and Children Health Insurance Plan" (replaces acute care Medicaid)
- 8) "Expand" assistance to the states (no more specifics at this time)
- 9) Graham would incrementally add to S-CHIP, then low income families, and then to "near elderly"
- 10) Doubles employer tax credit for employee health insurance from 30% to 60% of costs; mandates employers carry employee health insurance
- 11) Tax credits to small employers (50 or fewer employees)
- 12) Employers would have "contribute" to laid-off employee COBRA coverage for 2 months, after that tax credits would cover up to 70% of the COBRA costs

- 13) Revokes tax credits for larger employers NOT offering health insurance
- 14) Divide Medicare into three parts: traditional, "Enhanced Medicare" (PPO) and "Medicare Advantage" (HMO) – starting in 2006
- 15) Seniors get two options: traditional Medicare or "Medicare Advantage" ("private" PPOs and HMOs) offering catastrophic coverage and preventive care
- 16) Seniors in PPO/HMOs pay a single \$400 annual deductible for all care, compared w/\$840 for hospitals and \$100 for doctors for seniors in traditional Medicare
- 17) House suggests they will build "incentives" to encourage seniors to leave traditional Medicare and go to "private" HMOs and PPOs – "incentives" not yet identified
- 18) Gephardt estimates 97% of the people would be covered by his plan
- 19) Kerry estimates coverage to 95% of all adults, and "virtually every" child
- 20) Insurers offer FEHBP "model" plans, individuals pay max of 7.5% of AGI, tax credits to pay for the rest
- 21) Dean says 31M of the 41M uninsured will "opt" in
- 22) Kucinich estimates 100% coverage of all American residents
- 23) "Traditional Medicare" beneficiaries would get limited Rx; "Enhanced Medicare" get (and pay for) more; "Medicare Advantage" may or may not get Rx depending upon plan
- 24) On June 9, the White House announced that it would accept an Rx plan that equalized drug benefits for all Medicare recipients, see note #31 below
- 25) Plan would "remove barriers" to generic drugs and disallow efforts by PhRMA to bar generic drugs from the marketplace
- 26) Open disclosure of PBM practices and discounts
- 27) Promote generics, allow re-importation from Canada
- 28) Under the bill, for a \$25 monthly premium, seniors would have a \$10 co-pay for generic drugs and \$40 for brand names.
- 29) Lieberman proposes "cooperative efforts" between government and PhRMA research, with the government sharing in royalties
- 30) Plan would purchase prescription drugs "in bulk" for distribution through single-payer mechanism
- 31) Seniors would get Rx benefit but must pay a \$35 monthly fee and a \$275 annual deductible (Senate version) or \$250 deductible (House version)
- 32) Seniors pay half of annual Rx costs up to \$4,500 and all Rx costs between \$4,501 and \$5,800, after \$5,800, seniors pay 10% of Rx costs, Medicare pays the remainder
- 33) Rx Insurance pays 80% of their drug costs from \$251-to \$2,000; no coverage for \$2,001-\$5,100; when out-of-pocket spending hits \$3,700, 90% of all drug costs covered
- 34) Association Health Plans and expanded MSAs; roll-over "flex-spending" accounts
- 35) Plans would allow the "near-elderly" to buy into Medicare between the ages of 56-64
- 36) The president supports HR 5, which would cap judgments, shorten statutes of limitations, and limit attorney's fees
- 37) Non-binding mediation, pre-review by a board of physicians, no punitive damages, except in egregious cases
- 38) "Encourage" FEHBP "model" plans

- 39) Takes catastrophic care (over \$50K a year) from private system; government which would pay 75% of excess, employers must reduce employee share of costs
- 40) "Quality bonuses" to help prevent medical errors; financial incentives for e-Rx and for "modern" information systems to reduce errors and improve efficiency
- 41) Expand "patients' rights" and hold HMOs accountable
- 42) Lieberman proposes spending \$150B/10 years to more efficiently treat chronic illnesses, saving from the \$750B currently spent yearly on these cases
- 43) Using a "systems approach" to reduce medical errors, encourage innovation, include coverage for new procedures; and reduce "bureaucracy and paperwork."
- 44) Estimated annual savings of \$100B to offset cost of program
- 45) Nationwide federal government-run "single-payer" system, eliminates private health insurance
- 46) Tom Scully, CM2 administrator, says PPOs will reduce overall Medicare expenditures by \$22B over 10 years
- 47) To be partially financed by the repeal of ALL the 2001 tax cuts
- 48) To help pay for his proposal, Kerry would "freeze" tax cuts for the highest brackets and "roll-back" any cuts passed this year
- 49) To be partially financed by repeal of some unspecified scheduled future tax cuts
- 50) Neither Edwards or Graham have provided an estimate of the costs of their proposals
- 51) Lieberman says his proposal will save a net of \$600B through reduced costs for the treatment of chronic diseases
- 52) You read it right —\$20 TRILLION —partially offset by the \$1 trillion currently being spent by state and federal payers. I have left Kucinich in for comparison purposes

[back to top](#)

