

Saturday, October 4, 2008

TO: Interested Parties
FR: Obama-Biden Campaign
RE: Five Pitfalls of the McCain Health Plan

FIVE PITFALLS OF THE MCCAIN HEALTH PLAN

John McCain's "[radical](#)" health care plan will undermine the health care that millions of Americans have come to rely on, and while shifting costs onto individuals and hurting the budgets of working families. In five crucial areas the McCain plan will make America's already fragile health care system worse, making it more difficult to solve our nation's health crisis.

1. Pays for a New Tax Credit by Taxing Employees' Health Benefits for the First Time in History. John McCain and Sarah Palin argue that their health care plan is budget neutral, and that it includes a new \$5,000 health care tax credit to help families purchase insurance. What they don't tell you is that to pay for their plan, they will tax the health benefits that workers receive from their employers for the first time in history. Moreover, McCain's health care tax credits would go directly to insurance companies, while his new tax on employee health premiums would come directly out of workers' pockets. This tax punishes those who currently have generous health insurance, and over time will result in higher taxes for tens of millions of middle-class families.

- *OBAMA PLAN: Offering tax credits to make health care affordable for all Americans, without imposing a new tax on employer health benefits.* Barack Obama's health care plan is fully paid for by reducing health care costs, eliminating overpayments to HMOs and rolling back a portion of the Bush tax cuts for families making over \$250,000 per year.

2. Forces at least 20 million people to lose employer-based coverage. By taxing employee health benefits, the McCain plan will make it more expensive for employers to provide coverage. As a result, independent analyses show that employers will drop at least 20 million people from coverage and force them to seek insurance in the individual market, where costs are higher, quality is lower, and coverage more uncertain. By moving more risk upon the shoulders of individuals, it raises insurance costs for *everyone* nationally. And by forcing millions into the individual market, people with pre-existing conditions from asthma to cancer will be at risk of not being able to get health insurance at all.

- *OBAMA PLAN: Building upon the employer based health-insurance system by letting workers keep the health insurance they have or to purchase a different plan in a new pool that ensures quality and affordable coverage.*

3. Undermines the ability of people who do have coverage to get services from cancer screenings to vaccines. The McCain plan undermines state laws that require insurance

companies to cover bedrock health care services such as cancer screenings and vaccines. The plan empowers insurance companies over doctors and nurses, while making America less healthy. In fact, John McCain recently explained his intention to deregulate health insurance along the lines that the banking industry has been deregulated over the past decade.

- *OBAMA PLAN: Protecting existing state regulations and increasing protections for American families by requiring health insurance companies to cover all Americans regardless of health status and outlawing unreasonable rate and fee increases.*

4. Fails to take on rising health care costs. The McCain plan has no strategy to contain spiraling national health care costs. Without the aggressive investments needed to modernize our health care system, a recent analysis concluded that McCain's plan could actually *increase* health care costs by \$37 billion by 2010.

- *OBAMA PLAN: Bringing down health care costs by \$2,500 per year, per family, through aggressive investments in health information technology, chronic care management, comparative effectiveness research, and an emphasis on prevention.*

5. Fails to address the crisis of the uninsured. The McCain health plan does not even attempt to solve the problem of the uninsured – it barely reduces the number of uninsured individuals, and it leaves those with preexisting conditions at the greatest risk of being unable to find affordable coverage. This lack of commitment to ensuring affordable coverage for all Americans is consistent with McCain's record, including his [vote](#) last fall against funding the State Children's Health Insurance Program (SCHIP) that would have extended coverage [to 3.8 million children](#).

- *OBAMA PLAN: Ensure that every single American can purchase quality, affordable healthcare, so that no American is uninsured.*

In all these respects the McCain health plan represents a continuation of the policies we have seen over the last eight years, policies that have contributed to [health premiums more than doubling](#), 7 million more Americans uninsured, and nearly 2 million more Americans without employer sponsored insurance.

I. TRANSFERRING TAX CREDITS TO INSURANCE COMPANIES WHILE TAXING EMPLOYEE HEALTH BENEFITS FOR THE FIRST TIME IN HISTORY

John McCain describes his health plan in simple terms – every family will receive a \$5,000 tax credit (\$2,500 per individual) that they can use to purchase health insurance of their choice. However, the McCain campaign consistently leaves out important facts about their plan:

McCain pays for his new tax credit by taxing employee health benefits for the first time in history. The McCain campaign has repeatedly made clear that their health care plan is “budget neutral,” as was reinforced by Governor Sarah Palin during the [Vice Presidential debate](#).¹ To pay for this budget neutral plan, McCain has proposed to repeal the employer tax exclusion for employees’ health care benefits. Benefits which are currently not included in employees’ income would be included under McCain’s plan and taxed as ordinary income. For example, someone earning \$40,000 and receiving a \$10,000 health care benefit from their employer will now be taxed on \$50,000 of income. As John McCain explained, the tax credit is “equal to or more than the value of the tax break today for employer provided health insurance when you look at it... [A]ccording to the CBO initially by shifting to the employee tax aspect of it we save \$3.5 trillion over a ten year period.”²

- **The new tax credit would go directly to insurance companies, not to individuals:** Rather than providing a new tax credit to individuals, under the McCain plan “the money would be sent directly to the insurance provider.”³
- **The McCain Campaign Has Acknowledged that on Net, Their Health Plan will Increase Taxes, and They Cannot Even Predict How Many Taxpayers will Be Affected.** Douglas Holtz Eakin, McCain’s top economic advisor told the New York Times that “The campaign cannot yet project how many taxpayers might see their taxes go up, but... for some, Mr. McCain’s health care tax credits would not be large enough to compensate for his proposal to eliminate the tax breaks afforded to workers with employer-provided health benefits.” ([NYT, 5/1/08](#)). On ABC’s This Week, when John

¹ Sarah Palin, VP Debate, 10/3/08 (“That’s budget neutral”). See also NYT, [\[5/1/08\]](#); CQ Transcripts, [4/29/08]; Douglas Holtz Eakin on CNBC Interview, 8/7/08; Nancy Pfotenhauer on Fox News, 8/13/08; McCain Campaign Conference Call, 8/22/08.

² McCain Remarks, Health08.org Conference, 10/31/07. See also NYT [4/30/08] (“Mr. Holtz-Eakin said that the government would save \$3.6 trillion over the next decade by eliminating the tax break that currently goes to encourage employer-based health coverage, and redirecting that money toward the individual tax credits.”); NYT, [\[5/1/08\]](#) (“The elimination of the exclusion would generate \$3.6 trillion over 10 years, according to the McCain campaign, and that money would pay for the tax credits.”); McClatchy Newspapers, 6/10/08 (“His tax measure would generate about \$3.6 trillion over 10 years, which would pay for the tax credits, making the entire proposal budget-neutral, Holtz-Eakin said.”).

³ McCain-Palin 2008 Website, <http://www.johnmccain.com>, Accessed 10/1/08.

McCain was recently asked whether some would “see their taxes go up potentially” under his health proposal, he answered that “it depends on what plan they have”; he squarely recognized that those with the most generous health plans – which he called “gold plated health insurance policies”—are “ones who might suffer from it.” ([ABC, 9/28/08](#))

- **Families in High-Cost Regions and with Generous Health Care Plans Would Be Punished the Most.** In regions where insurance costs are high, middle-income workers even with “conventional coverage” would see higher tax burdens in the immediate term. ([NYT, 5/1/08](#)). Those with “generous employer health plans” would see even more definitive and painful tax increases. (New York Sun, 9/10/08). As McCain campaign senior adviser Charlie Black told the New York Times, “some would pay more” in taxes under McCain’s health care plan, *“and they would be people who are getting a plan that’s way beyond what regular people have.”* ([NYT, 5/1/08](#))
- **Into the Future, Millions of Families will See a Substantial Tax Increase as the Benefit of McCain’s Tax Credits are Eroded by Inflation.** As found by numerous objective studies published by [Health Affairs](#), the [Center for American Progress](#), [Tax Policy Center](#), and the [Urban Institute](#), McCain’s tax plan will function as a dramatic increase in taxes over time for millions of families, due to the role of inflation and the structure of his policy. McCain’s new healthcare tax credit grows only at the rate of inflation (about 2 percent a year), while current tax subsidies keep up with health insurance premiums (about 7 percent a year).
- **McCain’s Health Plan Raises Marginal Tax Rates on Earners, *More Than Rolling Back the Bush Tax Cuts*.** The McCain plan to repeal the ESI deduction would have the effect of increasing marginal tax rates on workers in two ways: first, it could push workers into higher tax brackets, and second, it would increase the cost of buying additional health insurance at the margin for all workers and thereby lower the after-tax benefit of work. Both of these mechanisms are described were highlighted by the Congressional Budget Office in its analysis of the President’s healthcare proposal in his FY08 budget. *In fact, CBO found that the combined increase in effective marginal tax rates were LARGER than the cost of letting the Bush tax cuts expire: in 2016, extending the Bush cuts yields a marginal tax rate of 32.8%; rolling back the Bush cuts lifts rates to 34%, while enacting the Bush health proposal (on a tax-cuts-extended baseline) raises rates further, to 34.6%.* ([CBO, 3/07](#)).

II. ERODING THE EMPLOYER-SYSTEM: FORCING 20 MILLION PEOPLE INTO THE INDIVIDUAL MARKET, WHERE THEY WILL PAY MORE FOR LESS.

McCain’s health care plan would erode our employer-based system for providing health insurance and force millions of families to either lose coverage or to look for it in the individual market. But the individual health insurance market is both more costly and provides lower quality than the employer system – McCain would make millions of families pay more for less.

Even those who remain in the employer-based system would see their insurance premiums rise, because the McCain plan's new tax on employer benefits would encourage young and healthy workers to drop their coverage, leaving employers with a pool of workers that is less healthy and more costly to insure.

- **The elimination of tax preferences for employer sponsored health care will cause 20 million Americans to lose employer coverage.** As authors in [Health Affairs](#) write: “Studies suggest that many employers would be quick to drop health benefits in response to a major policy change, such as the McCain plan, that greatly altered the business case for offering benefits.” The McCain plan will encourage dropping [for several reasons](#): first, it makes health insurance benefits more expensive for employers to offer (the plan removes the tax subsidy for employer-insurance while still leaving the fixed and administrative costs of administering these health plans in place for the employer); second, the plan encourages the youngest and most healthy workers to opt-out of employer-based insurance, which means the resulting pool of workers seeking employer-coverage will be older, sicker, and more costly to cover. [Health Affairs, Tax Policy Center and Economic Policy Institute all find that about 20 million Americans would lose employer-based coverage under the McCain plan. EPI finds that in each state, a minimum of 1 in 13 Americans – and more typically 1 in 10 Americans – now covered under employer plans would lose that coverage.](#) Therefore, millions of Americans would lose the coverage they have come to rely upon and often be forced to find new doctors and insurers in the individual market.
- **The individual market is both more costly and of worse quality.** For a typical family that moves from group to individual coverage, the move to nongroup insurance will raise premiums for an identical policy by more than \$2,000 a year. ([Health Affairs, Sep 16, 2008](#)). This is because the screening, marketing and individual underwriting that insurers do in the individual market -- to separate healthy from sick -- boosts premiums by 17% relative to employer-provided insurance. ([WSJ oped, Sep 16](#)) In the individual market, nongroup administrative costs are [twice as high](#), and they amount to 35 to 40 percent of benefits, compared with less than 10 percent of benefits for the largest employer groups. ([Urban Institute, 9/22/08](#)) People getting insurance in the individual market pay half of their health care out of their pocket (vs. 30 percent for employer-based coverage). ([Health Affairs, 2008](#)). But quality is worse – according to the Congressional Budget Office, the value of plans on the individual market are 40% less than what they are from employers. ([CBO, 10/07](#)). Less than a quarter of the plans in the individual market cover [dental benefits](#); and nearly half don't cover [normal birth deliveries](#).
- **Costs Rise for Everyone – Even those in the Employer-System Too.** As [Urban Institute](#) finds: “The movement of younger and healthier workers out of the employer group market under the McCain plan would increase the average health care costs associated with individuals in the employer group market, since the remaining people would be more costly on average. This increasing average cost could create greater affordability problems in the group market for some and may lead to an upward spiral in group premiums. Increasing premiums may lead to fewer employers offering health insurance and fewer workers choosing to participate...” ([Urban Institute, 9/08](#))

III. DISMANTLING STATE REGULATION: A RACE TO THE BOTTOM. John McCain would create a national market for health insurance by allowing consumers to purchase health insurance from providers that are incorporated anywhere in the country. Just as McCain had championed deregulation for the financial markets, McCain said he is committed to ridding the health insurance market of these “[needless and costly](#)” regulations. ([John McCain, National Review, 5/1/08](#)). The result would be the complete elimination of state laws meant to protect individuals’ benefits, to prevent risk-pooling based on pre-existing conditions, and to prevent insurance fraud. Under McCain’s plan, “a requirement in one state that insurers cover, for example, vaccinations, or annual physicals, or breast examinations, would essentially be meaningless.” ([Bob Herbert, NYT, 9/15/08](#)).

- **The Dismantling of Protective State Laws Would Leave People without Access to Quality Care.** Today, many states mandate that health insurance companies cover essential services -- forty-four states require mental health parity, thirty states require vaccinations, and forty six require coverage of diabetes (24 million Americans have diabetes today). (Campaign figures based on data provided by Kaiser Family Foundation/Census Bureau; see also [Council for Affordable Health Insurance 9/08](#)). John McCain would create a national market for health insurance where state licenses are not required. *This means the undoing all protection state law and a race to the bottom – “insurers could simply relocate their headquarters to the states with the least stringent requirements.”* ([Jonathan Cohn, The New Republic, 9/21/08](#)). Even current regulations in several states “that limit the rates that can be charged to higher-cost consumers and that limit who can be excluded from a health plan--would be eliminated.” ([Health Affairs, Sep 16, 2008](#)).
 - **In Nevada**, 1.7 million Americans would be at risk of losing state-protected benefits, including mental health parity, cancer screening, diabetes requirement, continuity of care and alcoholism.
 - **In Pennsylvania and Florida**, 9.4 and 11.4 million Americans would be at risk of losing state-protected benefits, including everything listed above, as well as vaccinations.
 - **In California**, 25.7 million Americans would be at risk of losing state-protected benefits, including everything listed above *as well as* contraception.[See [Families USA](#), 6/08 for full details].
- **...The Health Industry Would Go the Way of the Financial Industry:** Despite the current crisis in our financial markets—which follows upon eight years of deregulatory policies over our financial markets—John McCain would actually like to *replicate* this deregulation in our health care sector. This very month, John McCain wrote in “Contingencies” magazine: “*Opening up the health insurance market to more vigorous nationwide competition, as we have done over the last decade in banking, would provide more choices of innovative products less burdened by the worst excesses of state-based regulation.*” ([John McCain, Contingencies Magazine, 9/08](#)). McCain’s desire to dismantle state laws that regulate insurance companies would strip away scores of protections for families’ health. “In other words, the health industry will evolve to imitate the credit industry, where most companies crouch in states like South Dakota that have

made the devil's bargain to attract their business by refusing to regulate. As we can see in the credit crisis, the outcome of dismantling regulatory protections has not been good for consumers, nor conducted transparently, nor checked by government oversight. It is not a model one would naturally select for exportation. McCain is exporting it to health care.” ([Ezra Klein, American Prospect Online, 9/16/08](#))

- **Risk Segmentation Across State Lines Would Further Encourage States to Remove Regulations.** Under the McCain plan, a healthy person or a healthy small employer group in a state that limits variations in premiums based upon health status could find a lower premium in a state that does not limit variations in premiums based on health status. Over time, the regulated state would become filled with sicker and more expensive people. “The end result of such a dynamic could quite plausibly be that all states would discontinue regulations of health insurance that were designed to pool risk across individuals of different health statuses.” ([Urban Institute, 9/08](#))

IV. FAILING TO TAKE ON COSTS. Senator McCain’s health care plan acknowledges that the current and projected rise in national health care costs is an important issue, but it fails to put forth any detailed proposals as to how the plan would bring down costs overtime. Instead, the central cost-reduction strategy in McCain’s health care plan is to assume that individuals and families will purchase *less* healthcare.

- **Our Excessive Health Care Spending Presents a National and Federal-Budget Crisis.** Health care spending is expected to double within the next decade, rising [from \\$2 trillion currently to over \\$4.3 trillion](#). By 2017, health spending will compromise about one-fifth of our economy. Meanwhile, our federal health spending is similarly forecasted to overwhelm our national budget; by 2082, Medicare and Medicaid [will account for 19% of the federal budget](#) (from 4% today), making it more and more difficult to meet other pressing priorities. (CBO, 8/08)
- **Bringing Down Spending Requires Bringing Down Costs.** The “most significant cause” of our nation’s trajectory towards more and more excessive health care spending is the spiral in health care costs, [as the Congressional Budget Office has recognized](#). Since 2000 alone, health insurance premiums for families have risen over 100% in real terms (while wages have risen 4%). In particular, inefficient and poor quality health care costs the nation at least [\\$50 to \\$100 billion in spending every year](#); billions are wasted on [administration and private insurers’ overhead costs](#); billions are wasted on medical errors, duplications, and mistakes, due to our outmoded health information technology systems; and billions are wasted on overpriced prescription drugs. *Many of these drivers of healthcare cost growth are correctable through aggressive federal investments in modernizing our health system, through expanding prevention, through chronic disease management, through introducing more generic drug competition, and increasing competition in the insurance market.*
- **John McCain Has Failed to Offer Any Detailed Initiative to Bring Down the Costs of Health Care.** While John McCain has address the need for chronic disease

management, better health technology, and primary prevention, his plan fails to put forth one *specific* proposal as to how he will bring down these costs. He does not commit *any new* federal spending to improving our Health Information Technology – while Obama provides \$50 billion in HIT investments to achieve a reduction in national health spending of up to \$275 billion a year – and his erosion of the employer-based system would only foster risk segmentation and higher administration costs. A recent study even found that the McCain health plan could actually *increase* health costs by \$37 billion in 2020. ([Kenneth Thorpe, 9/29/08](#)). Rather, McCain emphasizes that his core strategy to “slow the rapid growth in the cost of care” is to “restore control to individuals” so that they are more efficient “health care consumers.” ([John McCain, Contingencies Magazine, 9/08](#)). In other words: “McCain believes that Americans use too much health care, and he has created a plan that will make ... millions of Americans... use less.”

V. FAILING TO ADDRESS THE CRISIS OF THE UNINSURED AND THOSE WITH PREEXISTING CONDITIONS.

McCain’s health care plan fails to provide generous enough tax subsidies to enable low-income families or those with preexisting health conditions to find affordable care. On top of eroding the employer-based system and encouraging a massive movement to the individual market, the plan would *also* fail to make a dent in the uninsured.

Next year, McCain would ultimately leave over 50 million persons uninsured– reducing the forecasted number by 1 million only – and he would leave over 64 million Americans without insurance by 2016. The plan makes absolutely no credible effort to ensure coverage for those with preexisting conditions; rather, it encourages the dropping of those persons from employer-plans and puts forth only a fraction of a policy to provide them with an alternative.

- **McCain’s Plan Would Leave over 50 Million Americas Uninsured Next Year.** McCain’s plan has been found to only reduce the uninsured population by 1 million next year – in 2009, this means that over 50 million Americans would still be uninsured. In 2016, over 64 million Americans would still lack insurance. ([Tax Policy Center](#)).
- **High Risk Patients and Those With Preexisting Conditions Would Be Left at Sea in the Individual Market.** McCain’s plan puts 56 million high-risk, chronically ill individuals who currently have employer-based coverage—1 out of every 5 nonelderly Americans-- at risk of being dropped and pushed into the individual market. ([Center for American Progress, 8/08](#)) But those vulnerable individuals would be left at sea in the individual market – tens of millions would fail to find affordable care. For instance, a recent survey found that half of the people who were “less than healthy” failed to find coverage they needed in the individual market and two thirds found it impossible to find affordable coverage. ([Health Affairs](#)). *If two thirds of those with pre-existing conditions who currently have employer care fail to find new coverage, McCain’s plan would yield a newly uninsured population of 37 million.*
- **McCain’s “GAP” Falls Billions Short in Ensuring Care for Those With Preexisting Conditions.** McCain purports to forge a new “Guaranteed Access Plan” to provide coverage to 5 to 7 million chronically ill or high risk patients. While not offering specifics of how the plan would be administered, McCain said he would provide \$7-10

billion a year for this goal. Yet, analysts confirm that “\$7 to \$10 billion a year would barely make a dent in the financing needed to provide adequate, affordable coverage to the eligible population” and that “even if only half of those in the top 10 percent of spenders enrolled in the high-risk pools, and they paid part of the costs themselves based on their ability to pay, the costs could conservatively run *well over \$100 billion a year.*” ([Urban Institute, 9/08](#)). Moreover, high-risk state pools – such as the “GAP” – have existed for thirty years; yet, according to the National Association of State Comprehensive Health Insurance Plans, these pools cover only 200,000 people (out of 47 million uninsured). Florida’s high-risk state pool has 313 members. Because premiums in these pools are so high -- nearly twice as high as standard rates, because state-provided subsidies are not universally available, and because nearly all state pools impose long waiting periods before preexisting conditions are covered, individuals cannot rely on them to find the affordable and beneficial coverage they need. ([NYT, July 9, 2008](#)).

IMPACT FOR TYPICAL FAMILIES UNDER THE MCCAIN AND OBAMA HEALTH PLANS

Eric and Iris McDowell: Family of Four making \$55,000/year with Employer-Plan

Eric and Iris McDowell are a 35-year old Midwestern couple with two girls ages 4 and 7. Eric earns \$55,000 a year as a die operator for a small company that makes refrigerator parts. Iris stays home to take care of the children. The family receives health insurance through Eric's employer. They thought little about their insurance until their oldest daughter, Sarah, had an asthma attack. Sarah was rushed to the emergency room where she almost died, and she's been taking medications to manage her asthma ever since. Fortunately, Eric's insurance picks up the tab, with deductibles and copays totaling \$700 a year. In addition, Eric contributes \$150 a month toward the family's health insurance premium.

Under the Obama health plan, Eric and his family will be able to keep their health plan offered by Eric's employer. Contributions towards premiums will remain tax-free so that Eric's employer retains the strong incentive to provide coverage to him and his family. Moreover, the Obama plan will reduce the costs of health care, by \$2,500 or more for a typical family, so that Eric can continue to afford the premiums, deductibles and copays associated with his family's care.

Senator McCain would increase taxes on Eric and his family by requiring them to pay taxes on the contribution their employer makes towards their health premiums. For a family in the 25 percent tax bracket, as the McDowell's might be, this would be over \$2,000 per year in additional taxes. This middle class tax increase would take away the primary financial incentive for his employer to offer coverage. In its place, McCain would offer Eric and his family a \$5,000 tax credit—far short of the costs of comprehensive family coverage (about \$12,000/year). Assuming his employer would likely drop coverage, Eric and his family would be forced to rely on the unregulated individual insurance market. Health plans would be permitted to deny coverage to Eric and his family, or refuse to cover Sarah's asthma.

Steve and Wife: Middle Aged Couple with Diabetes and Cancer History

Steve worked in the auto parts industry until his plant closed when he was 59. The company went bankrupt, and Steve lost his employer-sponsored health care. Two months before the plant closed, Steve was diagnosed with diabetes. His wife had been successfully treated for early-stage breast cancer 10 years ago, but has been cancer free ever since. To make ends meet, Steve and his wife found sporadic work. Steve works as a carpenter; his wife as a part-time hairdresser. At first, Steve made due without insurance. However, over the next several months, his diabetes got worse. His feet became numb, and he was diagnosed with diabetic neuropathy in the emergency room. Steve realized that he needed to get health insurance so that he could start seeing a primary care doctor regularly and start taking regular insulin that had been recommended to him in the ER. Steve's only choice is to seek coverage through the individual insurance market. Yet, every insurance company has rejected Steve due to his diabetes and his wife's previous bout with cancer.

Under Senator Obama's health care plan, Steve and his wife will have a choice of affordable health plans that could not deny Steve or his wife coverage or charge prohibitively high premiums as a condition of coverage. Steve will be able to see a physician who could manage his diabetes and ensure that he does not end up in the emergency room for a condition that can be controlled with regular care visits, prescription drugs, and self-management. Steve will no longer have to rely on the ER for his care. Physicians will have the tools and financial resources to treat Steve the way he should be treated.

Senator McCain would leave Steve and his wife to rely on the unregulated individual insurance market to find health care coverage. Health plans would still be permitted to deny Steve coverage, exclude coverage for pre-existing conditions or charge unaffordable premiums as a condition of coverage. Even 10 years after her bout with cancer, Steve's wife is still 'uninsurable' by many insurance companies. Quite possibly, Senator's McCain's \$5,000 tax credit would be of no use to Steve since he would not be able to find a health plan. And even if Steve and his wife got coverage, his cost sharing for diabetes medications might be more than he can afford.