



BARACK OBAMA'S COMPREHENSIVE HEALTH CARE REFORM PLAN

Barack Obama believes when it comes to health care, America can and must do better. Today there are 47 million Americans without health insurance, and health insurance premiums have risen 4 times faster than wages in the past 6 years,¹ putting a financial strain on middle class Americans, businesses, and governments. Barack Obama has proposed a comprehensive plan to reduce health care costs for American families and ensure that all Americans have access to quality, affordable, and portable health insurance. Obama's reform plan builds upon the strengths of the U.S. health care system and addresses its glaring weaknesses. Through partnerships among federal and state governments, employers, providers, and individuals, experts project that the Obama plan will save a typical American family up to \$2,500 every year on health care costs and ensure that any American that wants it will have health coverage.

In contrast, John McCain has blocked efforts to expand access to health insurance and reduce health care costs. Instead he has proposed the same failed Bush approach to reform health care.² John McCain voted against an effort to provide coverage for the uninsured,³ and he even joined President Bush in opposing the expansion of the successful state children's health insurance program.⁴ And with his health care proposal, John McCain has advocated tearing down our employer-based health care system, which will leave insurance companies in charge with little oversight or attention to improving Americans' health.⁵ John McCain's radical transformation of the insurance industry will not decrease costs for American families, rather his plan is expected to raise administrative costs up to \$20 billion per year,⁶ increase health care costs for many American families,⁷ do nothing to reduce the number of uninsured Americans,⁸ and create "prohibitively high health premiums" for older and unhealthy workers.⁹ By recycling George W. Bush's failed health care policies, John McCain is guaranteeing another four years of record cost increases and insurance industry profits while more and more Americans lose their health insurance because of skyrocketing prices. Barack Obama is the only candidate with the judgment, record and leadership we need to finally address the health care crisis in America and reduce health care costs for working families, business and government.

BARACK OBAMA'S PLAN FOR A HEALTHY AMERICA

Obama's plan will provide affordable, comprehensive and portable health coverage for all Americans by:

- Requiring that insurance plans accept all applicants and do not charge different prices based on pre-existing conditions.
- Creating a National Health Insurance Exchange to reform the private insurance market. Any American could enroll in participating private plans, which would have to provide comprehensive benefits, issue every applicant a policy, and charge fair and stable premiums.
- Creating a new national health program that will allow individuals and small businesses to buy affordable health care similar to that available to federal employees. No one will be turned away or charged more due to illness, and everyone who needs it will receive a subsidy for their premiums.

- Ensuring all 47 million uninsured have access to affordable, high-quality health coverage.
- Expanding Medicaid and SCHIP to ensure they continue to serve their critical safety net function.
- Requiring employers to make a meaningful contribution to the health coverage of their employees.

Obama’s plan will reduce costs and save a typical American family up to \$2,500 each year by:

- Improving access to preventive care and chronic disease management programs that have been proven to increase quality of care and reduce costs
- Driving adoption of state-of-the-art health information technology systems. Obama will invest \$10 billion a year over the next five years to move the U.S. health care system to broad adoption of standards-based electronic health information systems.
- Requiring providers to collect and report health care cost and quality data, including data on preventable medical errors, nurse staffing ratios, hospital-acquired infections, and disparities in care.
- Increasing competition in the insurance market, by eliminating the ability to cherry pick the healthiest individuals and enforcing antitrust rules.
- Reducing insurance costs by reimbursing employer health plans for a portion of catastrophic costs if such savings are used to reduce the cost of workers' premiums.
- Lowering drug costs by allowing importation of safe medicines from other developed countries, increasing use of generic drugs, and prohibiting drug companies from keeping generics out of markets.

Obama’s plan will promote public health by:

- Requiring coverage of essential clinical preventive services
- Expanding public health workforce funding, including loan repayment, adequate reimbursement, grants for training curricula, and infrastructure support to improve working conditions
- Increasing state and local preparedness for terrorist attacks and natural disasters.

¹ Kaiser Family Foundation and Health Research and Educational Trust. (2006). *Employer Health Benefits 2006*, <http://kff.org/insurance/7527/index.cfm>

² Washington Post, 4/30/08, <http://www.washingtonpost.com/wp-dyn/content/article/2008/04/29/AR2008042902706.html?nav=emailpage>

³ United States Senate vote #47, 3/11/04, http://www.senate.gov/legislative/LIS/roll_call_lists/roll_call_vote_cfm.cfm?congress=108&session=2&vote=00047

⁴ United States Senate vote #307, 8/2/07, http://www.senate.gov/legislative/LIS/roll_call_lists/roll_call_vote_cfm.cfm?congress=110&session=1&vote=00307; CNN.com, 10/3/07, <http://www.cnn.com/2007/POLITICS/10/03/mccain.interview/>

⁵ Wall Street Journal, 4/19/08, <http://online.wsj.com/article/SB120855770454527527.html>

⁶ Peter Harbage, “McCain’s Hidden Increase in Health Care Costs”, Center for American Progress, May 2008, http://thinkprogress.org/wonkroom/wp-content/uploads/2008/05/health_admin_costs.pdf

⁷ New York Times, 05/01/08, <http://www.nytimes.com/2008/05/01/us/politics/01mccain.html>

⁸ Roger Hickey, Campaign for America’s Future, 04/29/08, <http://www.ourfuture.org/blog-entry/mccain-health-plan-millions-lose-coverage-health-costs-worsen-and-insurance-and-drug-indu>

⁹ Len Burman, Testimony to House Committee on the Budget, 10/18/07, http://www.urban.org/UploadedPDF/901121_tax_code.pdf