



McCain and Obama
Health Care Policies:
Cost and Coverage Compared

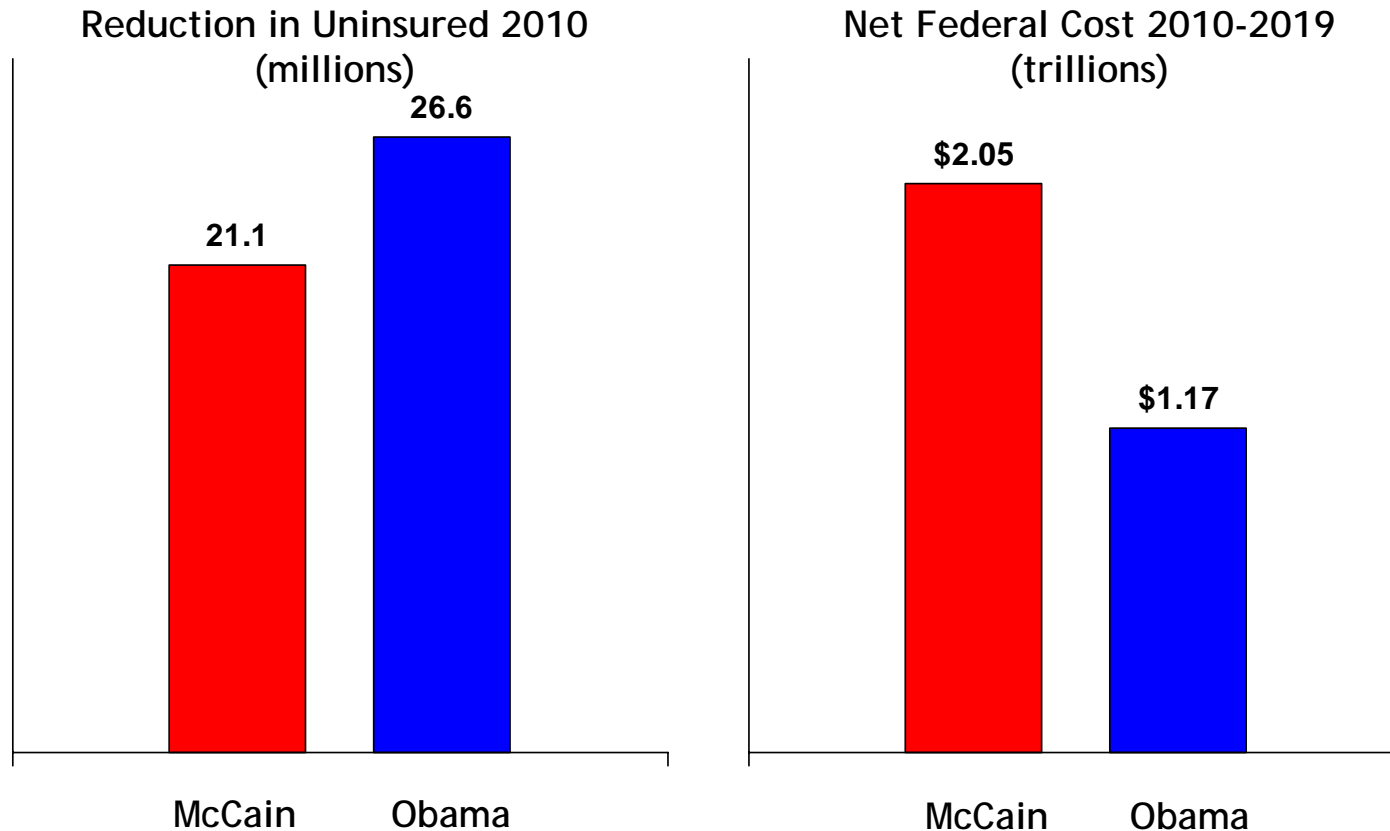
October 8, 2008



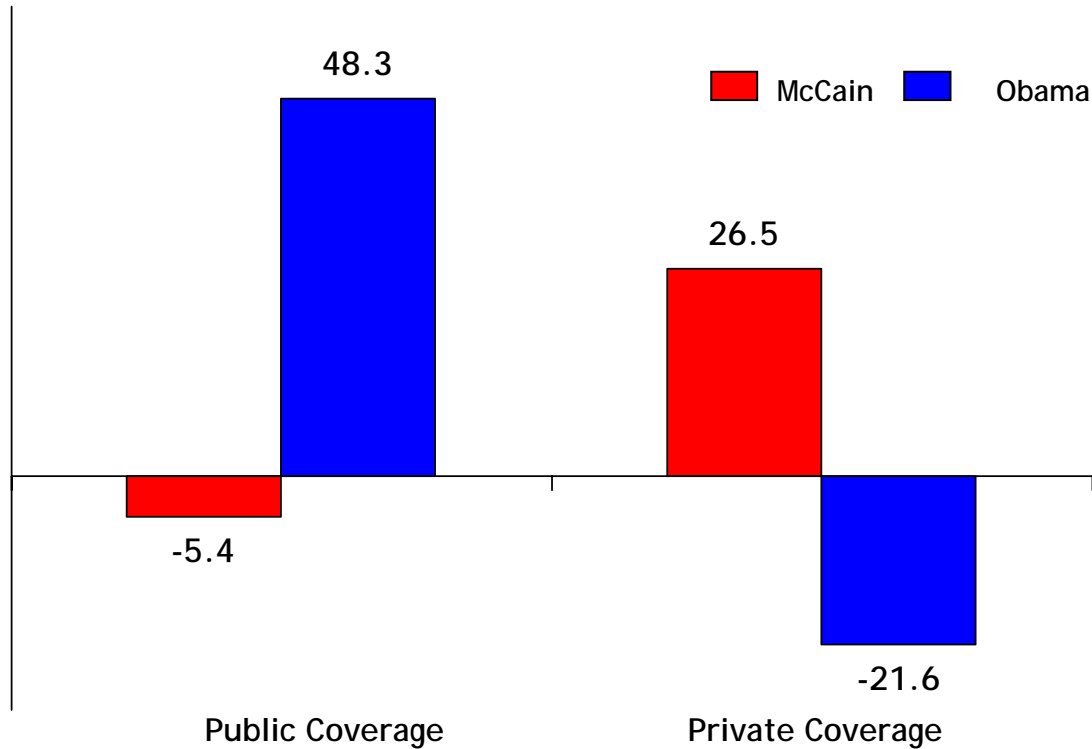
Summary of Candidates' Health Reform Proposals

	McCain	Obama
Mandate to Have Insurance	None	Children's Mandate Only
Employer Requirements	None	Firms Must Provide Coverage or Pay Payroll Tax
Employer Subsidies	None	Small Employer Tax Credit; Federal Reinsurance for Employer Coverage
Insurance Markets	Deregulate - Permit Sale of Insurance Across State Lines	Guaranteed Issue; Ban Health Status Rating
Private Coverage	Tax Credit of \$2,500 Single and \$5,000 Family for Private Coverage	Premium Subsidies for Moderate Income Families
Public Coverage	High-risk Pools; Medicaid Opt-out for Private Coverage	Medicaid Expansion; Premium Subsidies; and National Public Plan
Tax Policy	Replace Employer Income Tax Exclusion with Credit	No Change

Changes in Uninsured and Net Federal Cost under Candidates' Health Proposals

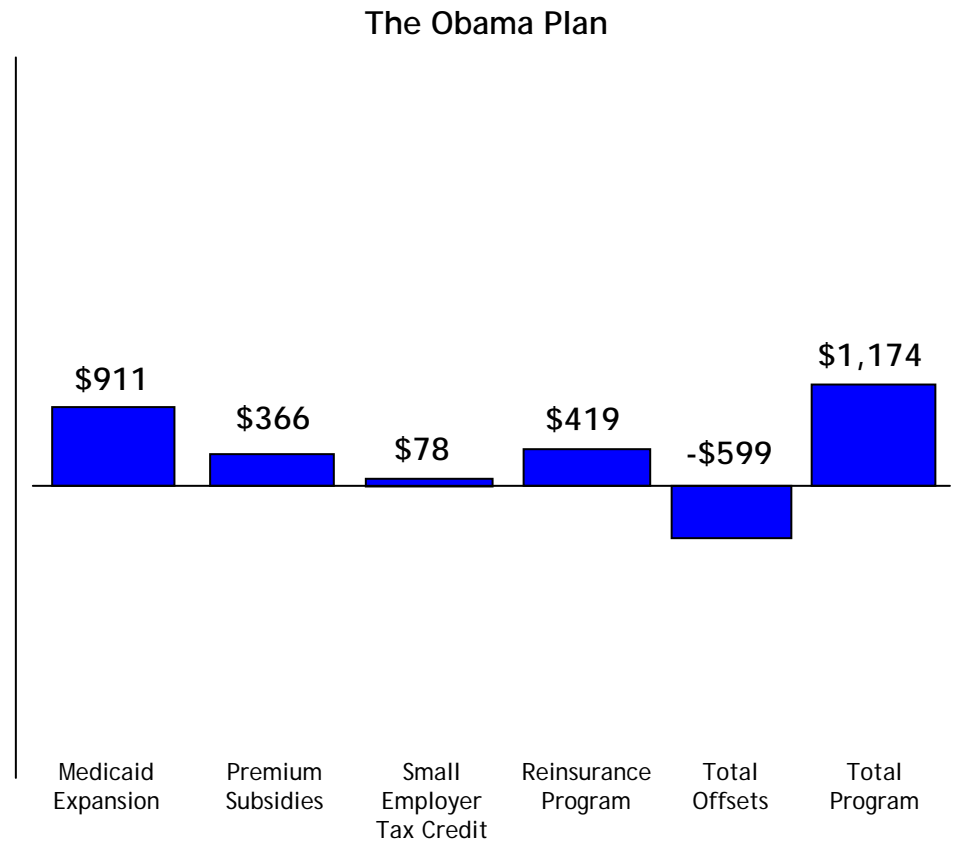
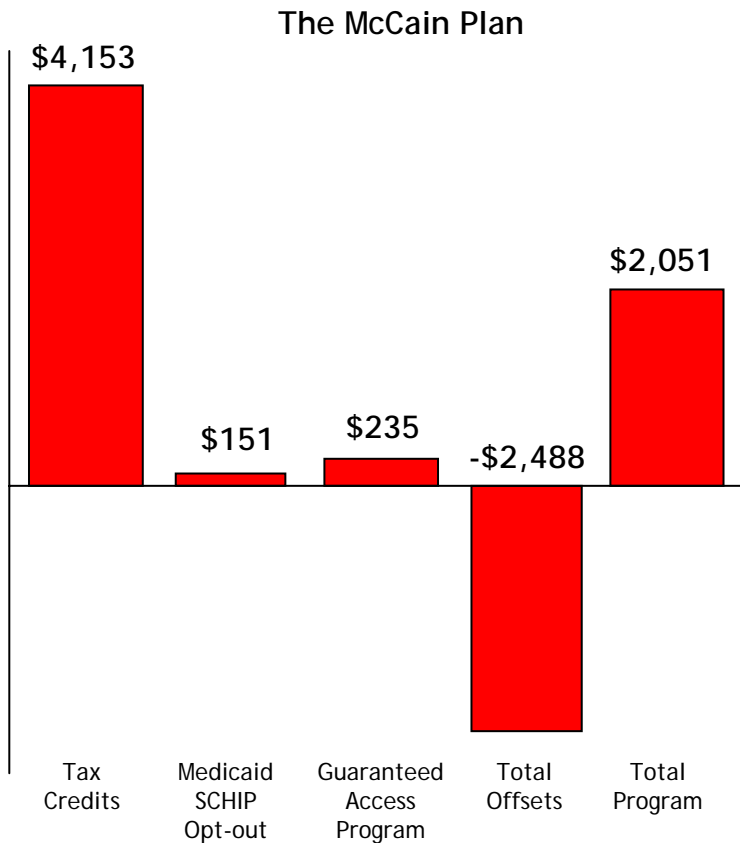


Change in Public and Private Coverage: 2010 (millions)



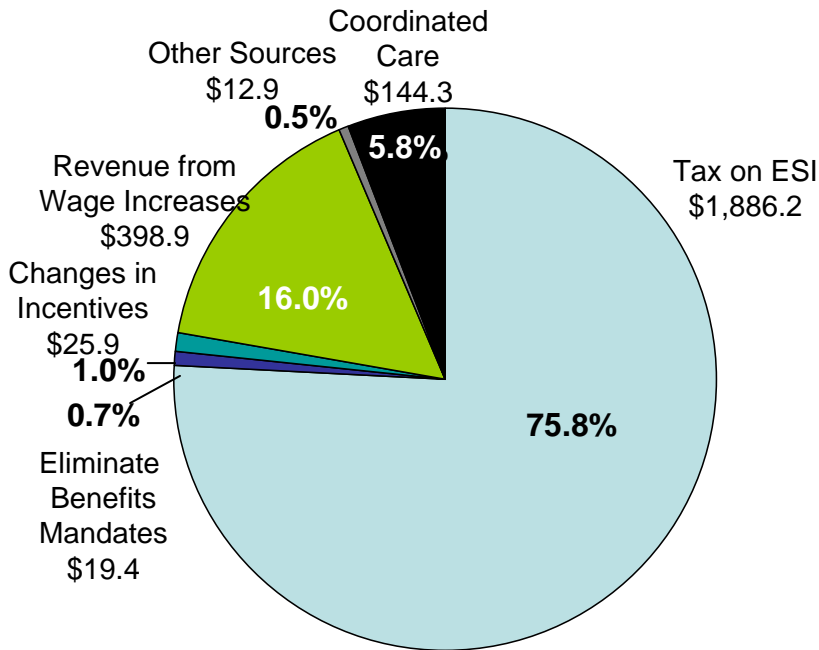
Note: Under the Obama plan, public coverage includes Medicaid and the National Plan, including those whose employer is covering them under the National Plan. Under the McCain plan, public coverage includes Medicaid and people enrolled in the newly created high-risk pools under the Guaranteed Access Plan (GAP).

Changes in Federal Health Spending: 2010-2019 (billions)



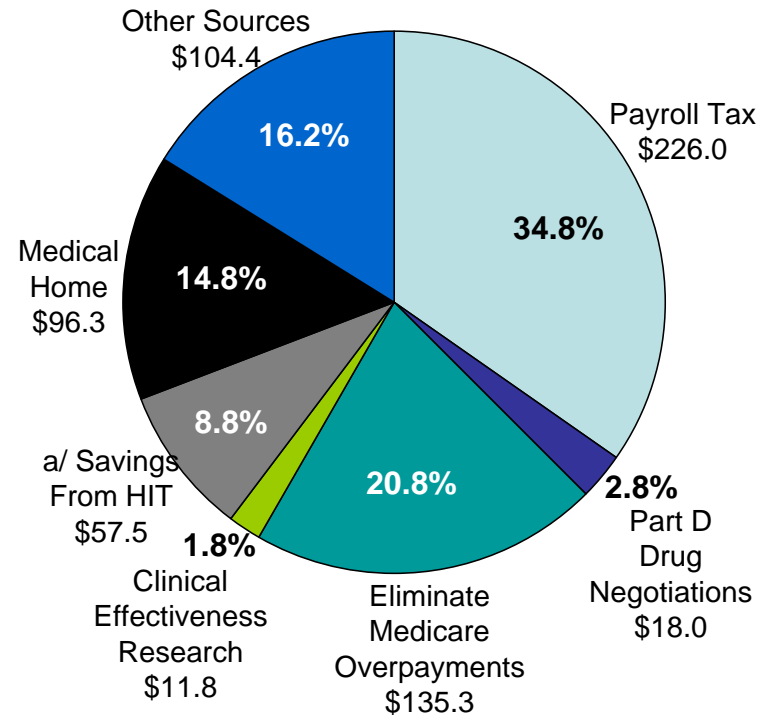
Sources of Financing for Federal Expenditures: 2010-2019

The McCain Plan



Total Offsets = \$2,487.7

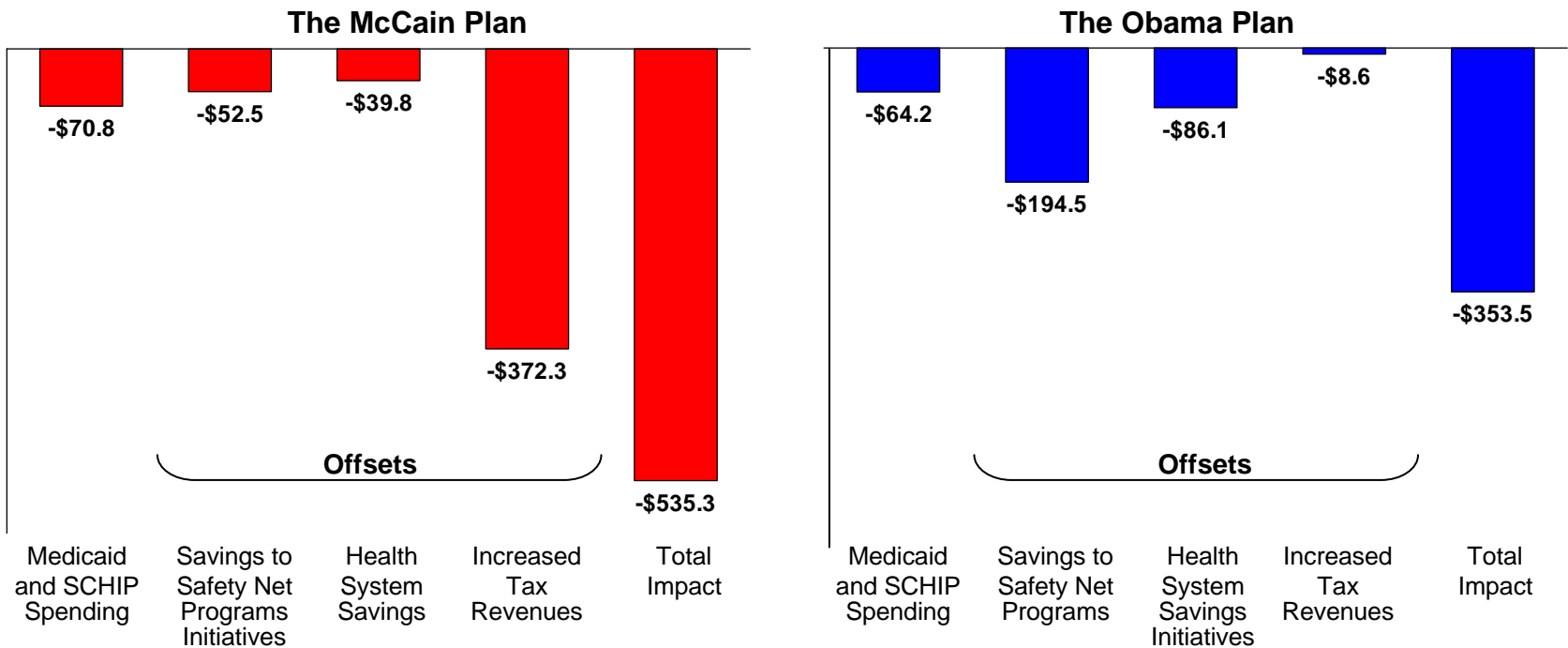
The Obama Plan



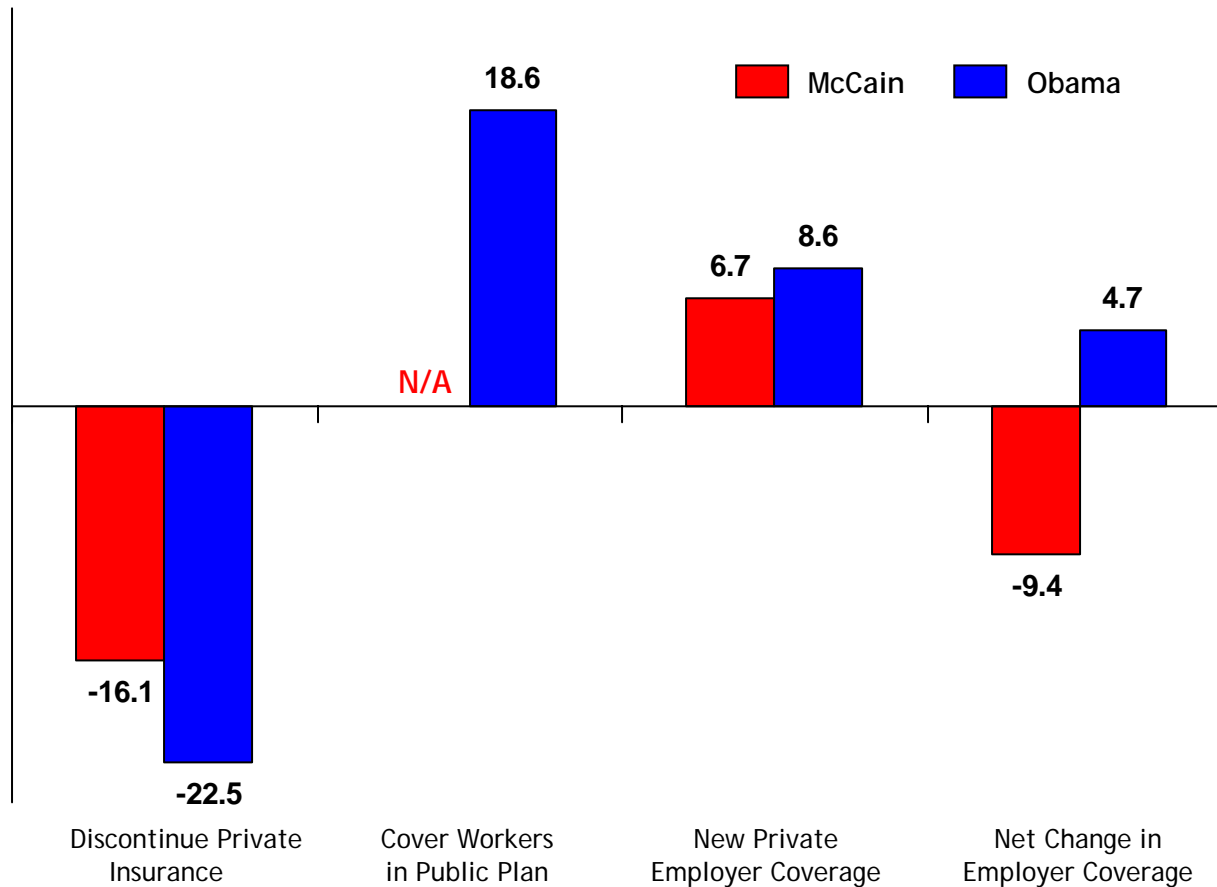
Total Offsets = \$649.3

a/ These offsets would be reduced by \$50 billion in federal funding for HIT.

Impact on State and Local Governments: 2010-2019



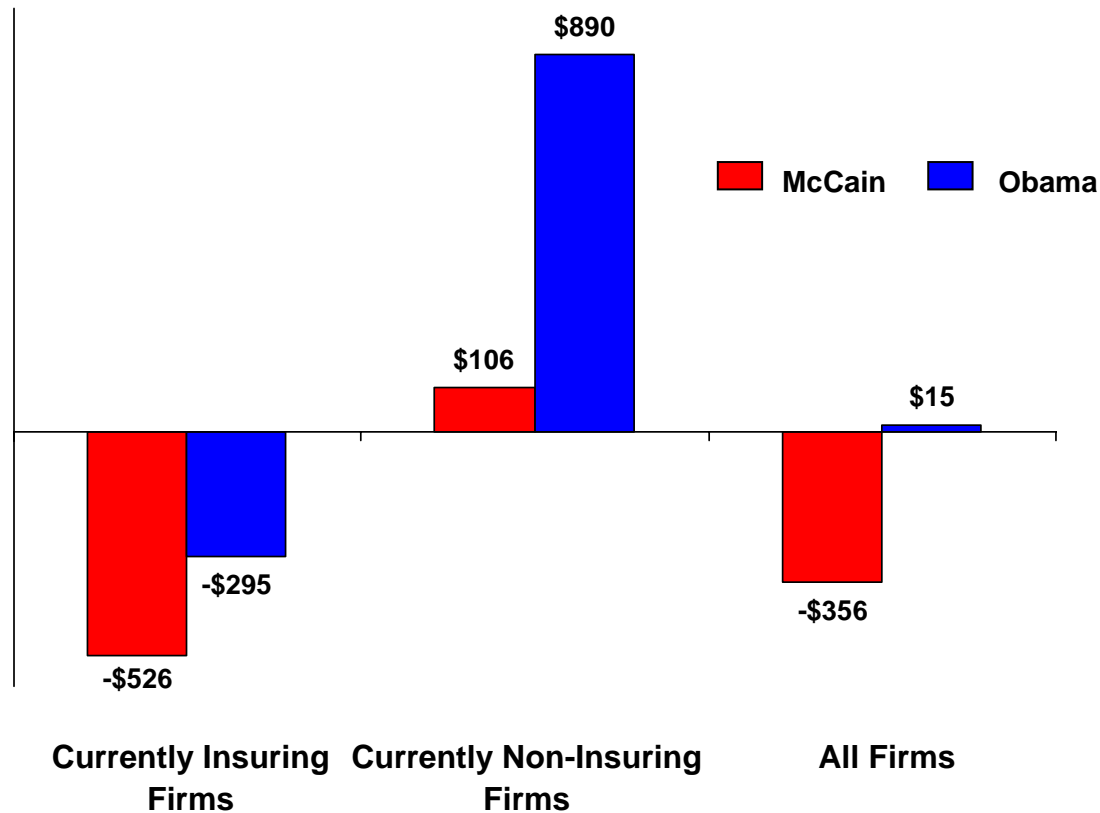
Changes in Employer Coverage: 2010 (millions)



Change in Private Employer Health Spending: 2010 (billions)

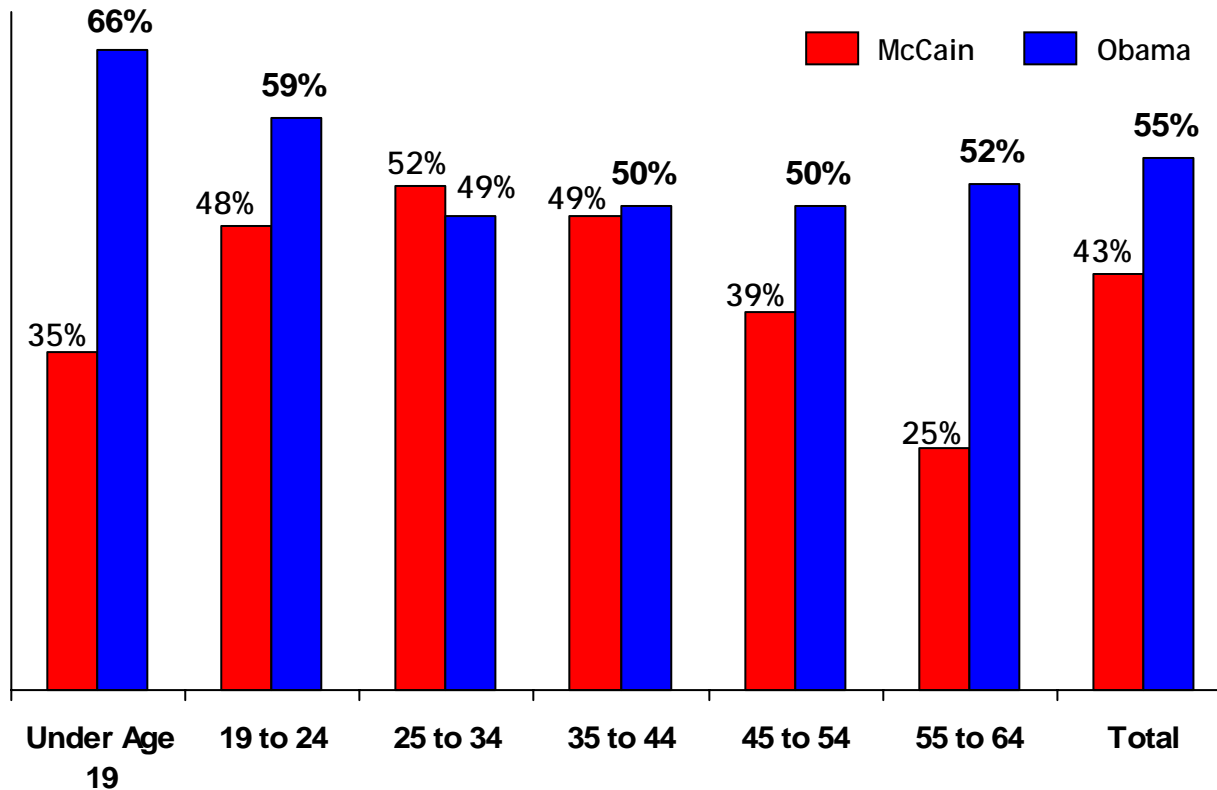
	The McCain Plan	The Obama Plan
Current Law Spending for Health	\$450.1	\$450.1
Changes in Spending Under Proposals		
Change in the Number of Firms Providing Coverage	-\$37.5	\$23.9
Costs for Previously Declined Coverage	\$12.1	\$0.1
Payroll Tax for Non-insuring Firms	N/A	\$16.2
Savings from Reduced Mandated Benefits	-\$3.9	N/A
Savings from Reduced Cost Shift	-\$1.6	-\$2.3
System Savings Initiatives	-\$9.3	-\$5.0
Small Business Tax Credits	N/A	-\$6.0
Employer Reinsurance	N/A	-\$24.9
Net Impact on Employers	-\$40.2	\$2.0

Change in Private Employer Health Spending Per Worker: 2010

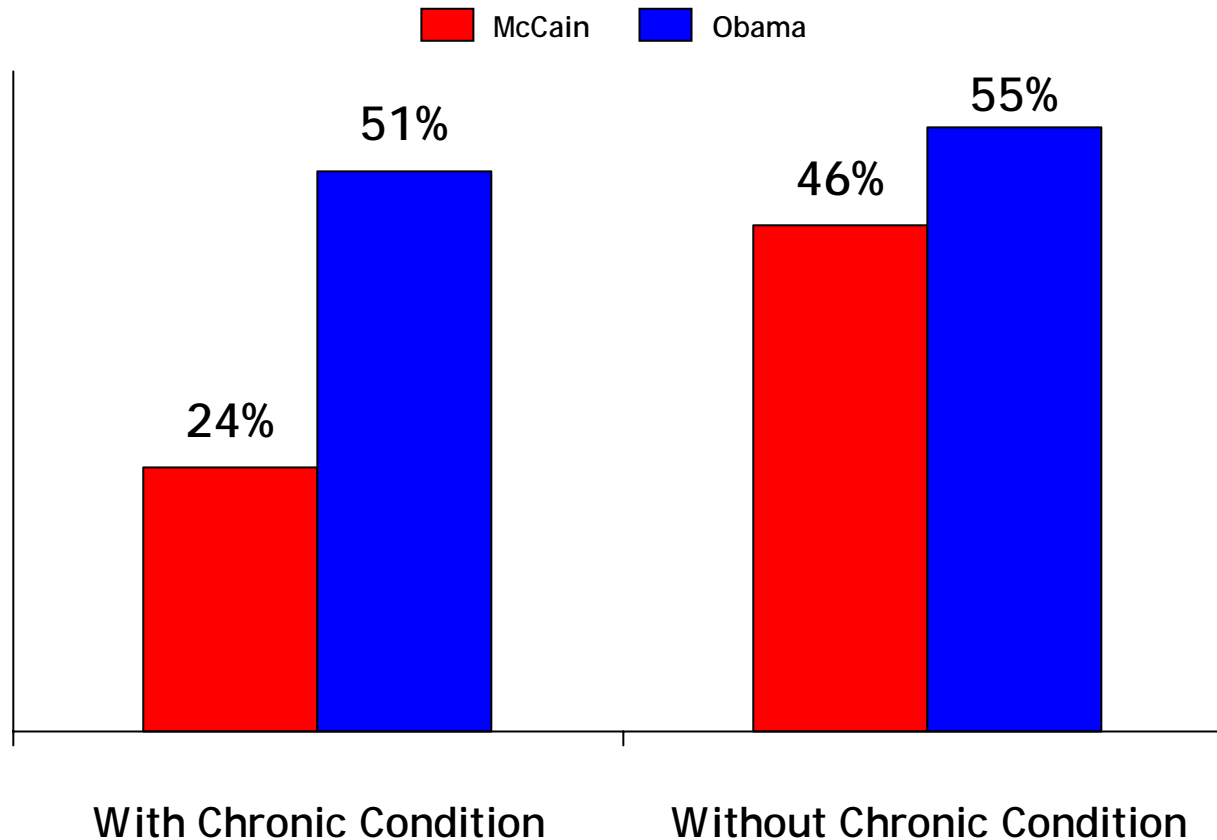


Note: Includes spending by private employers for health insurance. Excludes employee contributions.

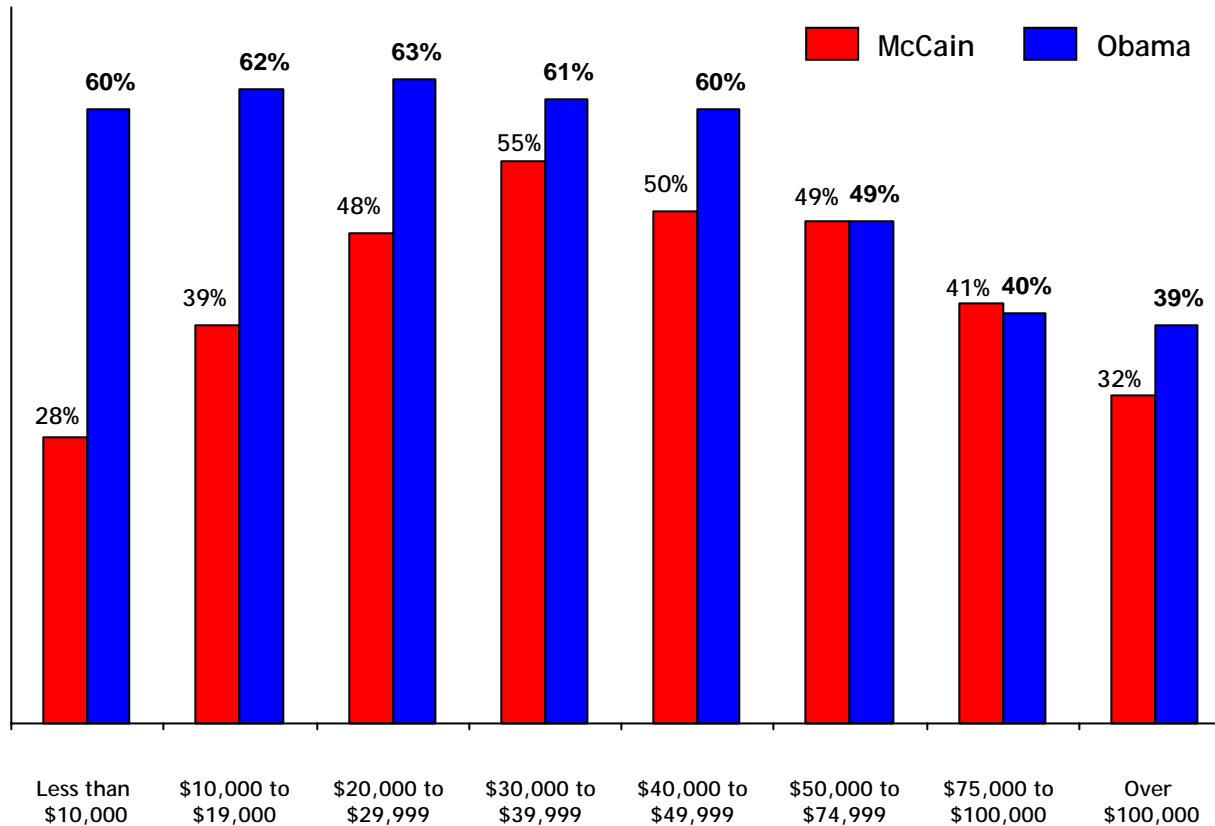
Percent Reduction in Uninsured by Age: 2010



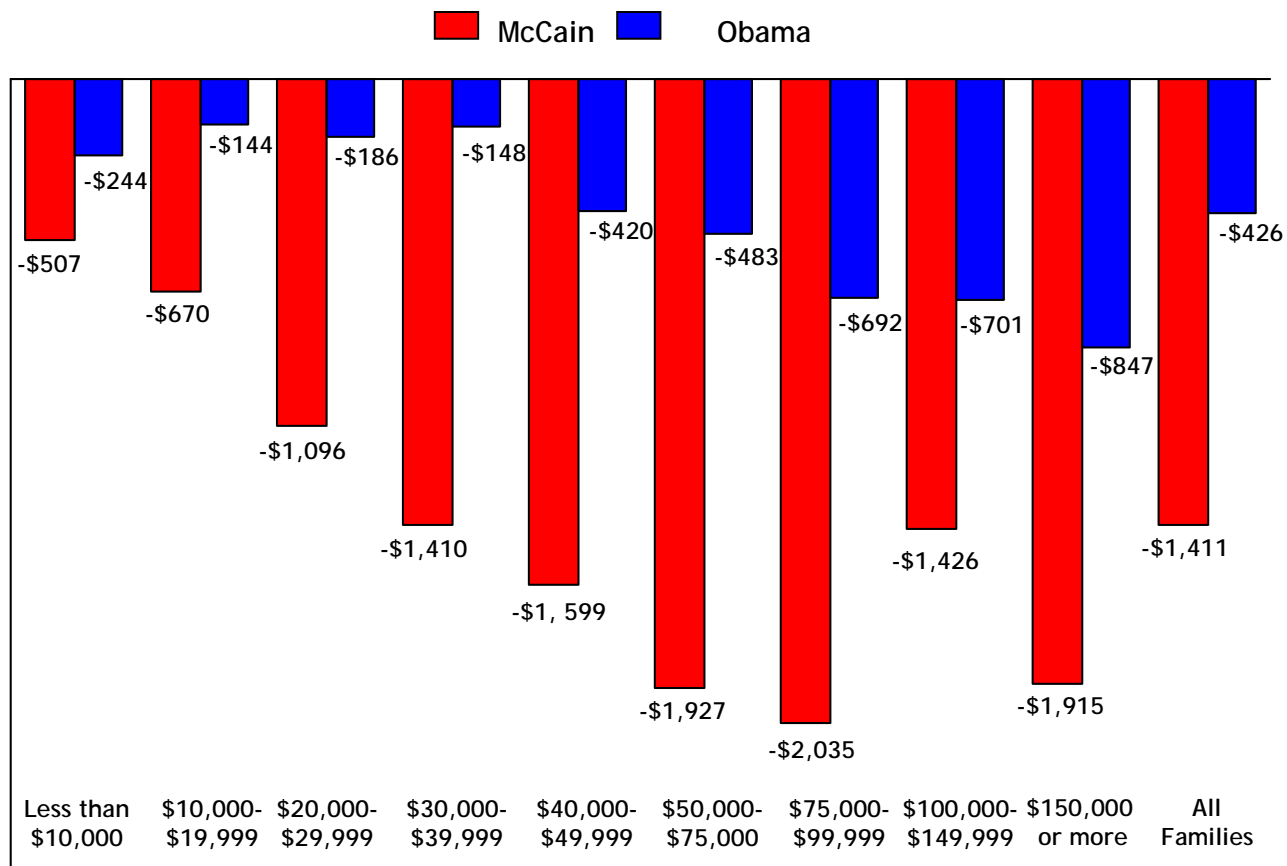
Reduction in Uninsured With and Without a Chronic Health Condition: 2010



Reduction in Uninsured by Family Income: 2010

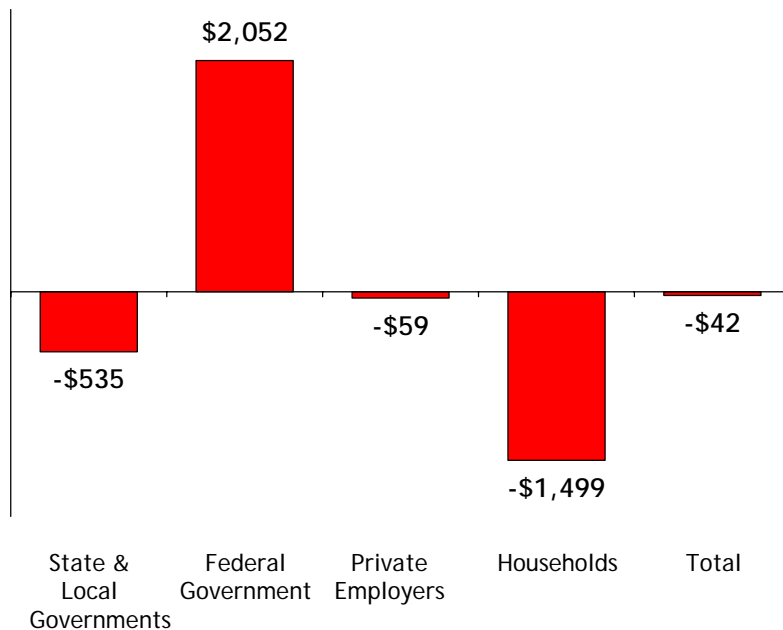


Average Net Change in Family Health Spending by Family Income: 2010

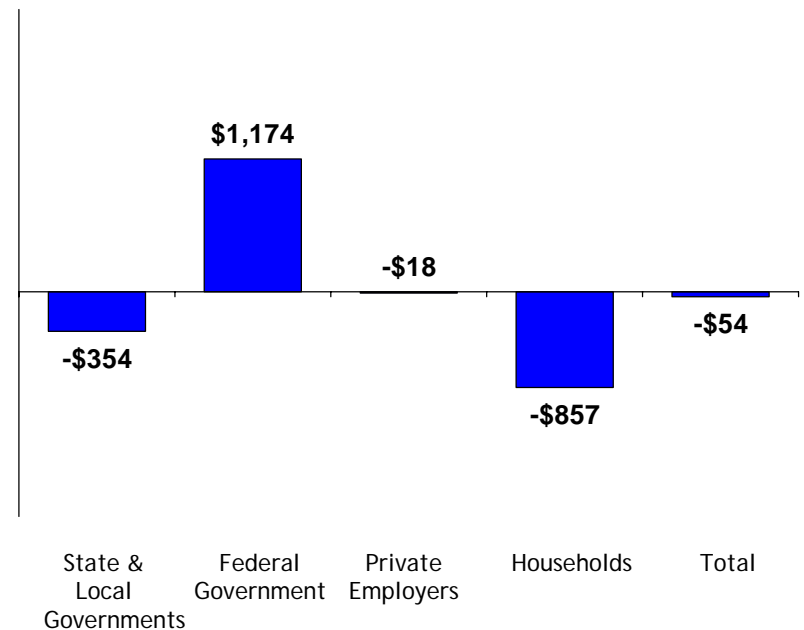


Changes in Total Health Spending by Payer Group: 2010-2019 (billions)

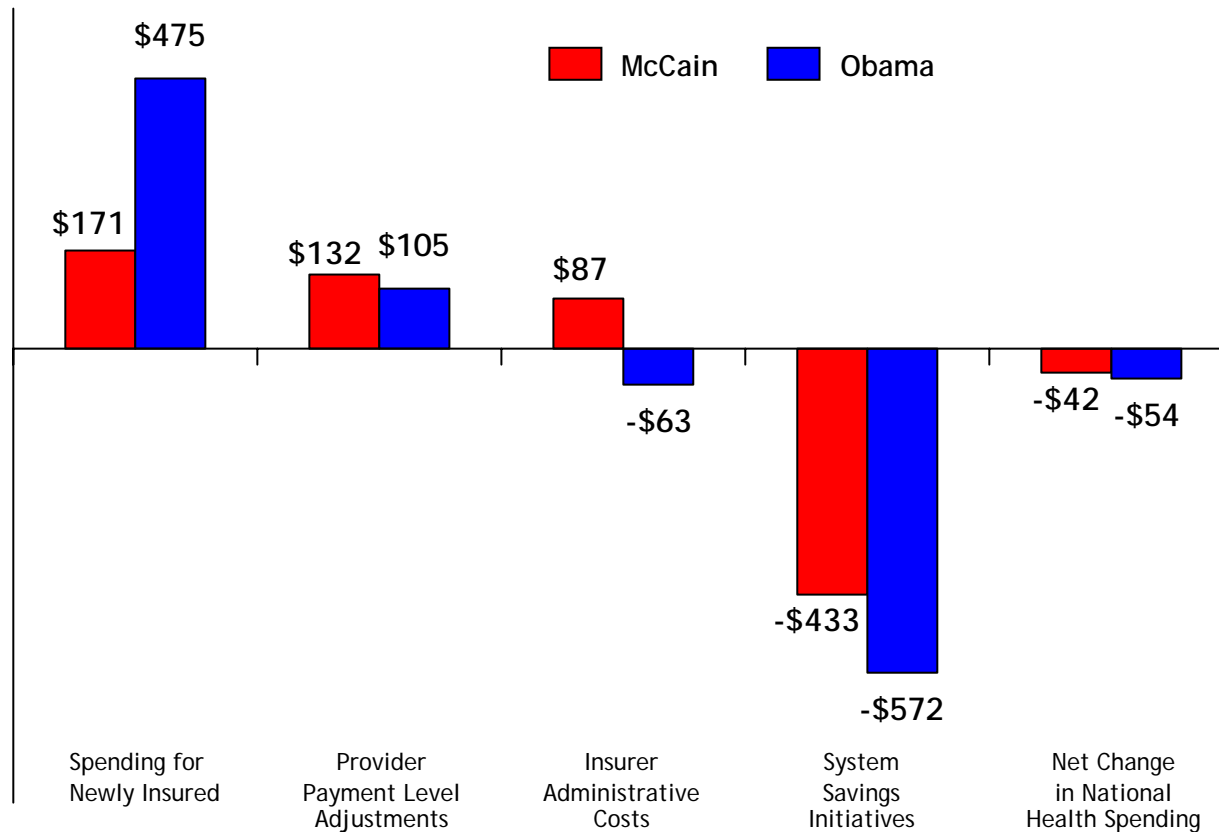
The McCain Plan



The Obama Plan



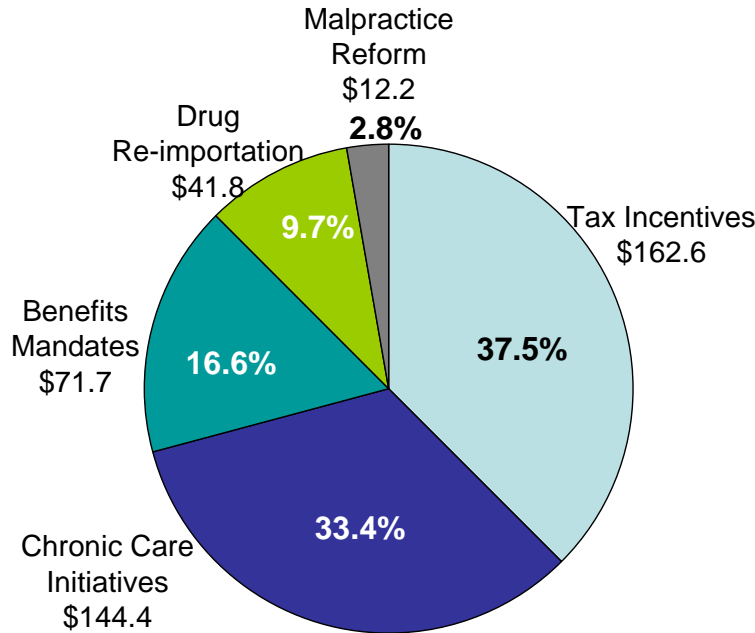
Changes in National Health Spending: 2010-2019 (billions)



Note: Estimates reflect changes in all spending for health care including premium payments and out-of-pocket spending.

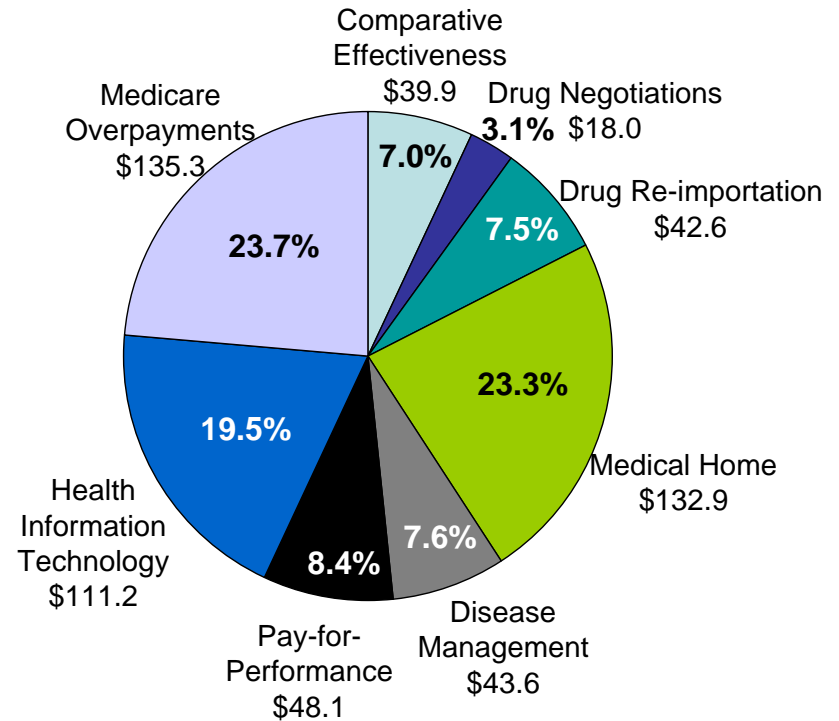
Health Care System Savings Initiatives: 2010-2019 (billions)

The McCain Plan



Public Program Savings = \$204.9
 Private Insurance Savings = \$227.7
Total System Savings = \$432.6

The Obama Plan



Public Program Savings = \$321.6
 Private Insurance Savings = \$250.0
Total System Savings = \$571.6