



# Perspective

## ELECTION 2012

### Health Care Reform and the Presidential Candidates

*The editors asked the Democratic and Republican presidential nominees, President Barack Obama and former Massachusetts Governor Mitt Romney, to describe their health care platforms and their visions for the future of American health care. Their statements follow.*

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#### Securing the Future of American Health Care

President Barack Obama

From the moment I took office, the central challenge we have confronted as a nation has been to recover and rebuild from the worst economic crisis since the Great Depression. We've taken extraordinary steps to repair the immediate damage and lay the foundation for an economy built to last. And a critical first step on this journey has been taking action to restore health care as a basic pillar of middle-class security.

Because of you, America is blessed with the world's most talented health care professionals, who do a heroic job serving and saving our citizens. But for years you have faced a health care

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#### Replacing Obamacare with Real Health Care Reform

Governor Mitt Romney

Health care is at once among our nation's greatest strengths and most serious challenges. People come from around the world to receive treatment in America's top medical centers, yet too many of our own citizens have difficulty gaining access to basic services. No issue is of deeper or more personal concern than guaranteeing the health of our loved ones. No American should ever have to fear being left uncared for in the middle of the world's most advanced health care system.

Unfortunately, our challenges grow worse every year. Higher premiums cut sharply into paychecks that never seem to increase. Losing a job means

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system that was increasingly fractured. Insurance companies had unchecked power to dictate care and cap and cancel your patients' insurance. Tens of millions of Americans were left uninsured and underinsured. Health care

costs were growing at an unsustainable rate, and our delivery system rewarded quantity of care over quality of care. You were spending more of your time on insurance forms and appeal letters — and less time doing what you trained to do: care for patients. But after a century of trying, a broad coalition of doctors, nurses, hospitals, businesses, AARP, and patients helped me sign into law the Affordable Care Act.

Supporters and detractors alike refer to the law as Obamacare. I don't mind, because I do care. And because of Obamacare we're moving forward toward a health care system that broadly provides health security.

For the majority of Americans who get health insurance through their employer, the law won't change that, but it will make their coverage more secure and affordable. Today, 105 million people have seen a lifetime cap on their coverage lifted, so your patients no longer face the tragedy of approaching a lifetime limit in the middle of a round of chemotherapy or an episode in the ICU. Most of your patients can now get preventive care without paying deductibles and copays, care that you know saves lives, from early colon- and breast-cancer screenings to cardiovascular tests and flu shots. Because of new limits on insurance overhead costs, 13 million Americans got more than \$1 billion in rebates — and by 2019, economists believe, family premiums will be about \$2,000 less.

The law also roots out waste and fraud in Medicare and Medicaid, gets rid of insurance overpayments, reinvests those savings back into the system, and adds 8 years to the solvency of Medicare. Obamacare is closing the Medicare doughnut hole — saving people an average of \$600 last year — and bolstering your efforts to get your patients to adhere to their medications. More than 3 million

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losing insurance coverage at the moment a family can least afford it, and those with pre-existing conditions can be left with nowhere to turn, despite needing the greatest care. The sheer volume of red tape overwhelms even

the most savvy consumers, while taking too much of each doctor's time and slowing innovation in life sciences. Through it all, experts continue to warn that the current path is unsustainable — that for all its frustrations, the system is becoming more expensive and will eventually bankrupt our government.

President Obama's 2700-page federal takeover does not solve our problems. His \$1 trillion in tax increases hits the middle class hard and drives medical innovation overseas. His \$700 billion in Medicare cuts "will not be viable," according to the program's trustees, jeopardizing access to care for senior citizens and throwing millions of beneficiaries off the coverage they rely on. Millions of other Americans who were told they could keep their coverage will lose it, and more than one third of new coverage will come through the dramatic expansion of a broken Medicaid system. After all this, his plan still fails to control costs (according to Medicare's chief actuary) or to provide a long-term solution to the nation's entitlement crisis (according to the Treasury Secretary), so he leaves those tasks to a board of 15 unelected bureaucrats empowered to sidestep Congress and impose drastic cuts.

If elected President, I will repeal Obamacare and replace it — not with another massive federal bill that purports to solve all our problems from Washington, but with common-sense, patient-centered reforms suited to the challenges we face.

In the health care system that I envision, costs will be brought under control not because a board of bureaucrats decrees it but because everyone — providers, insurers, and patients — has incentives to do it. Families will have the option of keeping their employer-sponsored coverage, but they will also be empowered to enjoy the greater choice, portability, and security of purchasing their own insurance plans. As a result, they will be price-sensitive, quality-

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Photo of Romney by Gage Skidmore

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**Obama**

young adults who would otherwise be uninsured have coverage on their parents' plan until they are 26 years old, and up to 17 million children with preexisting conditions are no longer at risk of being denied coverage. Small-business owners are getting tax credits to provide coverage for their workers and will soon be able to pool together to leverage better rates, just like big corporations.

As you surely experience every day, we are also seeing substantial movement in the emergence of new care models. Everyone understands the limits of our current system, which rewards increases in the quantity of care, not improvements in the quality. Still, change has been difficult — and that's why my administration has been so encouraged by the response to the reforms in the health care law. Across the country, provider groups are working with us to form accountable care organizations, and more and more hospitals are moving toward bundled payments. We are partnering with hospitals across the country to prevent health care–associated infections and avoid preventable readmissions — and meeting our goals together could save \$35 billion and 60,000 lives over 3 years. And we are building our health care workforce, recognizing the demands of an aging population as well as the needs of people who will become newly insured. As we move forward, we will remain a partner in working together to strengthen our system and help you deliver the best possible care.

Of course, there is more to come, since many of the law's provisions take effect in 2014, when 30 million currently uninsured people will finally begin to find affordable coverage. Our insurance market will be strengthened so insurance companies cannot deny coverage or charge anyone more on the basis of a preexisting condition, and middle-class families that don't get insurance at work can receive tax credits to finally make coverage affordable. As a result, for the first time in American history, people who lose their jobs, change jobs, start a business, or retire early will know that they can find insurance for themselves and their families.

If I am elected for a second term, I will follow through on all the work we have started together to implement the Affordable Care Act. I have also been clear that additional steps are needed. We need a permanent fix to Medicare's flawed payment formula

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**Romney**

conscious, and able to seek out the features they want. Insurers will have to compete for their business. And providers will find themselves operating in a context where cost and price finally matter. Competition among providers and choice among consumers has always been the formula for better quality at lower cost, and it can succeed in health care as well.

To achieve this aim, we must end tax discrimination against persons purchasing insurance, we must strengthen and expand health savings accounts, and we must establish strong consumer protections. The result will be patients who can confidently choose the coverage that is right for them, who know and care what health care costs, and who reward providers that deliver effectively. For this choice to be meaningful, insurance market reforms must promote competition by eliminating onerous mandates, facilitating purchasing pools, and opening up an interstate market. Regulation must prevent insurers from discriminating against people with preexisting conditions who maintain continuous coverage.

A strengthened system must also be one where America continues to lead the world in innovation and where we continue to attract the best and the brightest, both from our own towns and from around the world, to the practice of medicine. Doctors should spend more time treating patients and less time practicing defensive medicine or processing paperwork. Innovators should increase their investments in new cures, and those cures should reach the market faster. Achieving these goals requires medical malpractice reform, a streamlined regulatory framework to support the interoperability of information technology, and strong Food and Drug Administration leadership committed to a practical and predictable approval process that appropriately evaluates risk.

Finally, for our health care system to work for all Americans, we must have government programs that effectively serve our senior citizens and people in need without breaking the bank. In other words, we need genuine entitlement reform.

I will make no changes to Medicare for those enrolled in the program today or enrolling during the next 10 years. For younger Americans, I will implement a system similar to that used by members

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**Obama**

that threatens physicians' reimbursement, rather than the temporary measures that Congress continues to send to my desk. I support medical malpractice reform to prevent needless lawsuits without placing arbitrary caps that do nothing to lower the cost of care. I also know we must continue to support life-sciences research and ensure that our regulatory system helps bring new treatments and tools to pharmacies, doctors' offices, and hospitals across the country. I will keep Medicare and Medicaid strong, working to make the programs more efficient without undermining the fundamental guarantees.

My opponent in this election, Mitt Romney, has a radically different vision for the future of our health care system — even if it means running from his past as the architect of health reform in Massachusetts. He would begin by repealing Obamacare on day 1. Your patients would once again be charged excessive copays for preventive care, and millions of Americans would be one illness or injury away from bankruptcy. He would undo the progress we are making toward a more coordinated delivery system. Romney and his running mate, Congressman Paul Ryan, have proposed a budget that could force drastic cuts to investment in medical research, eliminating 1600 National Institutes of Health grants and slowing our progress on scientific and medical breakthroughs. They have pledged to turn Medicaid into a block grant and slash its funding by a third — plunging tens of millions more Americans into the ranks of the uninsured and leaving our hospitals and health care providers to grapple with an increasing burden of uncompensated care. And they are committed to ending Medicare as we know it by turning it into a voucher program, with insurance companies set to make millions while seniors and people with disabilities are forced to pay thousands more every year.

This election offers a fundamental choice between those two very different visions for the future of our country. Although the debate over Obamacare has been divisive, I signed the legislation not because it was good politics, but because it was good for the country. It enshrines a core principle that makes us who we are as Americans: that everybody should have some basic security when it comes to their health care.

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**Romney**

of Congress. Future beneficiaries will have a set of Medicare-approved, guaranteed-coverage plans to choose from, including today's traditional fee-for-service option. Plans will participate in a competitive bidding process to establish the premiums they will charge, as they do in the Medicare prescription drug plan that has so effectively controlled cost. The government will then provide premium support, set relative to the competitively bid premiums and made more generous for the poor and the sick than for the wealthy, which ensures that each beneficiary can afford high-quality coverage. This approach will guarantee senior citizens the financial support and high-quality care they deserve while relying on competition and choice — not bureaucrats — to deliver significant savings.

Nor can our society ever turn its back on those who cannot afford the care they need. We will provide support for low-income Americans and those uninsured persons whose preexisting conditions push the cost of coverage too high for them to pay themselves. But my experience as a governor and the lessons from the President's attempt at a one-size-fits-all national solution convince me that it is states — not Washington — that should lead this effort. I will convert Medicaid into a block grant that properly aligns each state's incentives around using resources efficiently. Each state will have the flexibility to craft programs that most effectively address its challenges — as I did in Massachusetts, where we got 98% of our residents insured without raising taxes.

Everyone can agree on the goal of health care reform: ensuring affordable access to high-quality care for all Americans. The question is how. Whenever President Obama claims that only Obamacare helps those with preexisting conditions, I am reminded of the woman in Iowa who found affordable coverage in a high-risk pool despite a preexisting condition. The President's campaign took credit, but as it turned out, the high-risk pool created by Obamacare had actually turned her away . . . at which point she discovered that her state already offered a high-risk pool that met her needs. Whenever he claims that only Obamacare helps those under the age of 26 stay on their parents' insurance, I am reminded that some of our nation's largest insurers have already announced they would offer

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**Obama**

We will implement the law and work together to improve where we can. But our country simply can't afford to refight old political battles, reopen old wounds, and return to the way things were. We are a nation that does what is hard and what is necessary and what is right. And we will be better off 5, 10, 20 years from now because we had the courage and foresight to keep moving forward.

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**Romney**

this option regardless of what the law requires . . . because they are responding to consumer demands in the market.

President Obama believes the answer lies in a bigger government that decides what care Americans should receive and how much providers should be paid for it. But his plan has already failed to deliver on virtually every promise he made, and its components are failing as quickly as they go into effect. It must be repealed. I believe the answer lies with patients and families, with reformed insurance markets and fair competition, with strong consumer protections and real entitlement reform. My plan tackles our health care challenges without a federal takeover of the entire system. Instead, it relies on markets over regulations, doctors and patients over bureaucrats, and tailored state programs over a 2700-page "solution" from Washington.

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