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HEALTH: Bush And Gore's Positions On Health Care

By Marilyn Werber Serafini

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Al Gore and George W. Bush have settled into a pattern on health care issues: Gore attacks and Bush defends. Gore has made health care and the uninsured a central theme of his campaign, whereas Bush has spoken on the subject only in small doses. In some ways, it's reminiscent of the 1992 presidential campaign, when Bill Clinton and Al Gore used the issue of the uninsured against Bush's father, then-President George Bush, who was slow to respond with a plan of his own.

But Gore is departing from Clinton's script in one important way. Unlike Clinton, who advocated a massive overhaul of the health care system and saw his proposal die in Congress in 1994 amid criticism that it would be bureaucratic and unwieldy, Gore wants to build on the existing system in increments. He would enroll more children in the Children's Health Insurance Program and in Medicaid. He also would give the parents of children in Medicaid and CHIP access to those programs. Moreover, uninsured people between 55 and 65 could pay for Medicare coverage. For other uninsured people, he would offer a tax credit worth 25 percent of their health insurance costs to help them buy coverage on their own.

Gore estimates that about 88 percent of Americans would have some sort of health insurance under his plan, an increase from the 83.7 percent who are now covered.

Despite the failure of the Clinton Administration's health care reform proposal, many health care activists have grown to trust Gore, because he has been a strong advocate on issues such as AIDS policy, medical research, Medicaid flexibility, and CHIP. "They looked for help to the White House, and they got it," said one analyst.

Bush, meanwhile, has not yet articulated a comprehensive plan-or philosophical approach-on health policy issues. The Republican contender indicated early on that he wanted to be a major player in the health care debate. "It's not a party issue. It is an issue that needs to be addressed," Bush said in a July 1999 interview with National Journal. At that time, he said that he wanted to focus on the working poor who have no insurance. "I support the idea of allowing people to deduct their own health insurance costs, like small-business people, farmers. That will help some," he said. About tax credits? "I'm inclined."

But since then, Bush has been mostly silent on the issue of the uninsured. Part of that may be due to political custom (health care traditionally is more of an issue in Democratic primaries than in Republican ones), and part of it may be due to fiscal realities (health reform plans are expensive).

Health care analysts who have been working on the Bush campaign say that cost has been a major factor in the delay. Bush's advisers have been-and continue to be-divided over whether Bush should propose significant tax breaks for purchasing health insurance. Tax credits for the uninsured can be expensive, depending on how many people qualify and how generous the credits are. Some proposals would cost as much as \$50 billion a year in lost federal revenue. One Bush adviser-**John Goodman, the president of the Dallas-based National Center for Policy Analysis**, a conservative think tank-produced one of the earliest proposals for a health care tax credit, and he's pushing Bush to develop a comprehensive approach. **Goodman** has proposed providing a tax credit for every American who wants one to help buy insurance, and to provide a federally funded safety net for those who fall through the cracks. But Deborah Steelman, a lawyer who is leading Bush's health care team, has indicated that **Goodman's** proposal may be too ambitious.

Bush recently called on two respected health care analysts for help. One is Regina E. Herzlinger, a market-oriented professor at Harvard University's Graduate School of Business Administration, and the other is Gail Wilensky, chairwoman of the Medicare Payment Advisory Commission, which advises Congress on Medicare payment policy.

A health care analyst close to Bush said that the Texas governor is stepping up discussions about the uninsured in hopes that he can announce a position in a couple of weeks.

Bush's record in Texas-a state in which about 25 percent of the population is uninsured, a rate that exceeds the national average-could offer some clues about how he would approach health reform issues. After Congress two years ago created the Children's Health Insurance Program, which gives states a block grant to insure more children, Bush proposed using the program to cover children whose families have incomes up to 150 percent of the poverty level, even though federal law would have allowed him to set the limit at 200 percent. The Texas Legislature eventually passed a bill, which Bush signed, that allows the state to cover as many children as federal law permits. (Still, Bush touts his actions on CHIP as a plus, and he criticizes Gore for his record on the uninsured. "Under Clinton-Gore, the uninsured rolls have increased by more than 8 million people," Bush campaign spokesman Ari Fleischer said recently.)

Gore also has knocked Bush on the issue of patients' rights. During the Senate debate on the patients' bill of rights last summer, Bush announced his support for a GOP proposal that would have excluded employees of most large firms because large companies generally self-insure. Gore said the GOP plan would leave too many people without protection.

But on this issue, Bush is fighting back. He boasts that Texas was the first state to pass legislation that gives patients the right to sue their health plans when they suffer adverse consequences because of denied coverage.

Bush highlights that law as a sign of his ability to get things done on health care and assist patients. However, Bush doesn't usually mention that he vetoed the first patient protection bill passed by the Legislature, and considered vetoing the one that became law.

On the Stump

Bush

National Journal interview, July 22, 1999

The country's done a fairly good job of helping poor people access health insurance. The issue ... is the working poor. I support the idea of allowing people to deduct their own health insurance costs, like small-business people, farmers. That will help some.... I'm inclined [to support tax credits for the purchase of private insurance], but I need to know the costs. It is one of the solutions.

I think health care is a very important issue for all of us. It's not a party issue. It is an issue that needs to be addressed, and the thing that is important about health care is to understand that there are different needs for different folks. I don't view health care in the context of a universal plan.... And then, obviously, HMOs. Should HMO health reform be enacted? You bet. We've done a lot of that in Texas. You've got a complaint with your HMO, and your HMO says you're wrong, well, we've set up an independent review organization where you can take your complaint. And if the IRO [Independent Review Organization] makes a ruling that the HMO ignores, then that becomes the cause of action. That's vastly different when you've got a complaint and you don't like it and you can sue the HMOs. There's an arbitrary dispute mechanism in place.

Gore

Children's Hospital Los Angeles, Sept. 7, 1999

As President, I will lead the fight to move this nation toward quality, affordable health coverage for every family. We will begin with the earliest years, by extending access to affordable health coverage to every American child. Let me be crystal clear on this point: If you elect me President, I will ensure that by the year 2005 every single child in our country has full access to fully affordable health coverage. If you want a President who will take the oath of office on Jan. 20, 2001, at high noon, committed, heart and soul, to achieving that goal, then I ask for your support-because I'll make it happen.

There are still 4 million uninsured children eligible for Medicaid who are not yet enrolled. And there are millions more eligible under the children's health initiative we passed in 1997 who have not yet been signed up. In some states-Texas springs to mind-one quarter of all children are still out in the cold. I will propose to expand the current children's health initiative so that families earning up to \$41,000 per year-250 percent of poverty-will be eligible for the benefits it provides.

Position

Bush

- * supports medical savings accounts
- * favors ability to sue health plans
- * considering health care tax credits as a way to make insurance more affordable

Gore

- * supports enrolling more children in Children's Health Insurance Program and in Medicaid
- * wants parents in CHIP, Medicaid
- * supports health care tax credits as a way to make insurance more affordable

By the Numbers

Would you favor a Clinton Administration plan to spend \$110 billion over 10 years to provide health care coverage to at least 5 million uninsured Americans, or would you rather have the money returned to you in the form of a tax cut?

Favor plan 75%

Prefer tax cut 20%

SOURCE: Fox News Channel-Opinion Dynamics, 1/27/00

Allies and Advisers

Bush

- * Deborah Steelman, attorney, Steelman Health Strategies
- * John C. Goodman, president, National Center for Policy Analysis
- * Donald W. Moran, president, D. Moran Co.

Gore

- * Donna Shalala, Secretary of Health and Human Services
- * Richard J. Boxer, urologist, Milwaukee
- * Sen. Edward Kennedy, D-Mass.