

## A Comparison of Universal Health Care Plans of Democratic Candidates for Governor

The two Democratic candidates for Governor, John DeStefano and Dan Malloy, have released plans to provide access to coverage for every resident of Connecticut. A comparison of the candidates' universal health care plans shows some similarities and many differences. Democrats will choose their candidate for Governor in a primary on August 8th.

How is it funded?	DeStefano Closing corporate tax loopholes	Malloy Federal Medicaid funding, raising tobacco tax, employer reimbursement for uninsured workers' uncompensated care costs
Employer incentives/ responsibilities	Corporate tax incentives to provide coverage	Access to lower cost Medicaid package
Individual incentives/ responsibilities	All but lowest income will have to pay premiums	All but lowest income will have to pay premiums
Government role	Regulation, oversight of private options	Expands HUSKY program
Changes to Medicaid	Little change to current structure	Large expansion, ability to buy into Medicaid program
Cost reduction initiatives	Covering everyone will lead to reduced uncompensated care and keep people healthy Information technology Wellness programs Prevention bonuses Regional quality coalitions	Covering everyone will lead to reduced uncompensated care and keep people healthy Information technology Wellness programs
Continues currently mandated insurance benefits?	Yes	Yes
Includes premium assistance under Medicaid?	No	Yes, a primary component of the plan

### DeStefano plan - Connecticut Cover All Now!

The DeStefano plan relies mainly on creating options for affordable coverage through creation of a government-regulated and supported private insurance pool, the Connecticut Healthcare Consortium. This is similar to Massachusetts' plan, merging the individual and small group markets into a one-stop, reliable, affordable source of coverage. The Consortium would offer a choice of health plans and integrate wellness programs.

Employers purchasing coverage through the Consortium would pay 80% of the median plan costs for full-time workers, 40% for part-time employees. It is estimated that individuals would pay between \$45 and \$100/month for coverage. Individuals below 300% of the federal poverty level (FPL), or \$60,000 for a family of four, would receive subsidies to purchase coverage and bonuses for accessing preventive care. Families between 300 and 500% FPL would receive a one-time "start up" tax credit. There would be very few if any changes to the current Medicaid program.

Employers who offer coverage to employees would receive tax incentives; small businesses that offer benefits will be exempt from corporate taxes. Employers with over 90% of workers enrolled in wellness programs would receive a bonus. Employer tax incentives would be pro-rated for part-time employees' coverage and the plan includes penalties to switch workers from full-time to part-time status.

Employers' share of individual worker's health benefits are estimated between \$180 and \$200/month. The plan would be funded by closing \$350 million in corporate tax loopholes, credits and exemptions.

### Malloy Plan for Universal Health Care

The Malloy plan relies on Medicaid expansions to provide affordable coverage, through creation of a new program, CT Universal. As the largest managed care pool in the state, CT's HUSKY program provides comprehensive coverage at a far lower price than private coverage. Under CT Universal, Medicaid would be expanded to cover adults, with or without children, to 200% FPL (\$40,000 for a family of four). Higher income adults could buy into CT Universal, with adults living below 300% FPL receiving subsidies. Families would pay nothing to cover children below 300% FPL; higher income families would pay on a sliding fee scale limited to 3% of income to cover their children. Companies would be able to buy into the affordable Medicaid package. Employers would pay 80% of worker's premiums and a participation fee equal to 1% of payroll. This significant Medicaid expansion would require approval of a waiver by the Bush administration.

An important feature of the Malloy plan is premium assistance under Medicaid to save the state money. Premium assistance is very complex and difficult to administer. Dozens of states have tried to implement it and failed. For more on premium assistance and how it would affect CT, go to [http://www.cthealthpolicy.org/briefs/issue\\_brief\\_23.pdf](http://www.cthealthpolicy.org/briefs/issue_brief_23.pdf).

The plan includes other initiatives to lower costs including extending state tax benefits to flexible spending accounts, tax credits for businesses that offer coverage, refundable tax credits against health care costs, and long term care reforms. The plan would improve access to wellness programs, and expand the capacity of community health centers and the state's public health infrastructure.

The plan would also require that companies contracting with the state provide health benefits to workers as well as charging companies that don't offer health benefits for the costs of care for their workers. To address the shortage of nurses and other health professionals, the plan would create a loan forgiveness program for health care workers who commit to practice in communities of need.

For the full plans, go to:

DeStefano plan      [www.destefanoforct.com](http://www.destefanoforct.com)  
Malloy plan      [www.danmalloy.com](http://www.danmalloy.com)