

4. Reduce administrative expenses. Create a uniform billing system for all health insurance transactions at the point of care. Reform the medical liability system using proven legal reforms.

Obama proposes new regulations on providers and insurers in an effort to require adoption of paperless information technology as a condition of participation for federal health programs and to reduce the portion of insurance premiums that go to administration. Such changes, even if effective in reducing overall administrative costs, would result in increased regulatory requirements for the providers and insurers who would have to comply with the new rules. McCain, on the other hand, seeks to lift regulations on the purchase of health coverage so that individuals can purchase coverage across state lines. This, McCain contends, will increase competition amongst insurers, thereby forcing them to eliminate excess administrative costs.

On the issue of medical liability reform, the three candidates again differ along party lines. McCain supports limits on non-economic damages, while Obama does not.

Side-by-Side Comparison of the Candidates’ Proposals to Reduce Administrative Expenses.

| Sen. John McCain (R-AZ) | Sen. Barack Obama (D-IL) |
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| <p>Allow individuals to purchase health coverage across state lines, which will increase competition amongst insurers which in turn will help eliminate excess administrative and overhead costs and “excessive compensation costs” from health care system.</p> <p>Pass medical liability reforms in order to eliminate “frivolous” lawsuits and excessive damage awards by establishing a “safe harbor” for physicians that adhere to patient safety protocols and follow clinical guidelines. Supports limiting excessive damage rewards.</p> | <p>Phase in requirement that all providers participate in programs to adopt paperless information technology, and provide federal funding for effort.</p> <p>Require health plans to publicly disclose the percentage of premiums used to finance patient care versus administrative costs.</p> <p>Strengthen antitrust laws to prevent insurers from overcharging physicians for malpractice insurance. Does not support a cap on non-economic damages.</p> <p>For more information visit the</p> |

For more information visit
the McCain [website](#).

Obama [website](#).