

HSCC 311

Systems and Trends in Health Care Delivery

Overview of the U.S. Health Care System

HSCC 311: Overview of the US HC System

1

Objectives

- ▶ Upon completion of this section, the participant should be able to:
 - describe the U.S. Health Care System components
 - describe access to health care
 - list access trends
 - describe cost issues of the health care system
 - describe quality issues of the health care system

HSCC 311: Overview of the US HC System

2

Scope and Size of the System

- ▶ Massive system
 - Employment
 - Institutions
 - Health care professionals
 - Insurance
 - Managed care plans

HSCC 311: Overview of the US HC System

3

Total Employment

- ▶ -798,000 MD's
- ▶ -43,000 doctors of osteopathy
- ▶ -3 million nurses
- ▶ -168,000 dentists
- ▶ -208,000 pharmacists
- ▶ -700,000 administrators in medical settings
- ▶ -296,000 physical, occupational, and speech therapists

HSCC 311: Overview of the US HC System

4

Total Institutions

- ▶ -5810 hospitals
- ▶ -16,900 nursing homes
- ▶ -11,700 home health agencies
- ▶ -5,720 inpatient mental health facilities

HSCC 311: Overview of the US HC System

5

Health Care Professionals

- ▶ 144 medical and osteopathic schools
- ▶ 55 dental schools
- ▶ 81 schools of pharmacy
- ▶ 1,500 nursing schools

HSCC 311: Overview of the US HC System

6

Insurance

- ▶ -190 million Americans with private health insurance coverage
- ▶ -39.6 million with Medicare
- ▶ -41.4 Medicaid

Managed Care

- ▶ Managed care sector includes:
 - ▶ -540 HMO's
 - ▶ -925 PPO's

Components of the Health System

- ▶ Financing
- ▶ Insurance
- ▶ Delivery
- ▶ Payment

Results of Public/Private Mix

- ▶ Financial arrangements
- ▶ Numerous agencies
- ▶ Multiple payers
- ▶ Array of settings
- ▶ Consulting firms
- ▶ Little standardization
- ▶ No centralization

Financing

- ▶ Costly tests and procedures
- ▶ Insurance employer-based

Insurance

- ▶ Ticket to health care
- ▶ How and where services received
- ▶ Claims processor

Delivery

- ▶ Provider
 - Physicians
 - Hospitals
 - Clinics
 - Suppliers

Payment

- ▶ Reimbursement to providers

Unemployed & Uninsured

- ▶ 2000: 40.5 million Americans without health insurance
- ▶ Employed without insurance
 - Employers not mandated
 - Expensive

10 Characteristics

- ▶ No central agency
- ▶ Access based on insurance
- ▶ Imperfect market
- ▶ Third party payers
- ▶ Multiple payers
- ▶ Balance of power
- ▶ Legal risks
- ▶ New technology
- ▶ Service settings
- ▶ Quality is no longer unachievable

Access to Health Care

- ▶ The U.S. is the only developed country that does not ensure access to health through guaranteed coverage
- ▶ This is one of the major barriers to controlling costs

Access Trends

- ▶ Decline in the number covered by private insurance
- ▶ Overall increase in proportion without insurance coverage
- ▶ Equity of access

Costs

- ▶ Costs controlled in mid and late 1990's
- ▶ More Americans still lack coverage
- ▶ Quality concerns
- ▶ Trade-off

Quality

- ▶ Leading issue for health care managers
- ▶ Competitive pressures to control costs
- ▶ Financial incentives
- ▶ Quality assessment

Organized Delivery Systems

- ▶ Means to an end
- ▶ Goals

Global Health Care Values

- ▶ Universality
- ▶ Equity
- ▶ Acceptance of the role of government
- ▶ Skepticism about markets and competition
- ▶ Global budgets
- ▶ Rationing
- ▶ Technology assessment and innovation control

U.S. Health Care Values

- ▶ Pluralism and choice
- ▶ Individual accountability
- ▶ Ambivalence toward government
- ▶ Progress, innovation, and new technology
- ▶ Volunteerism and communitarianism
- ▶ Paranoia about monopoly
- ▶ Competition

New Values

- ▶ Consumerism
- ▶ Net Culture

Comparing/Contrasting Systems

- ▶ Disease treatment system vs. Health Care System

In Conclusion . . .