

Health Care Team B

PLCY 71- Mort Webster

MEMO #1: Policy Report on the Pros and Cons of Health Care Reform Alternatives

To: Senate Majority Leader, Dr. Bill Frist (R-Tennessee)

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e. normal language

Due to the dire condition of the US Healthcare system, action must be taken to cure the ills that have left 40 million Americans uninsured, and millions more frustrated and displeased with the ^{COST} price, availability, and lack of choice that currently all the healthcare system. The US healthcare system is inefficient in terms of both cost and allocation. In addition, it is neither cost-effective nor goal-effective. These problems are the focus of this memo. In simple economic terms, the costs far outweigh the benefits, thus making bad policy.

→ Are you
Arguing
Market Failure?
e - institutional
Failure?

While the US spends approximately 13% of its GDP on healthcare, far more than any other nation, it ^{does not receive correspondingly} remains to see reflective health benefits. According to a health study ^(Citation/Reference?) performed by the renowned World Market Research Center in London, the United States ranks 17th in the world. ^{→ in terms of what?} Furthermore, all of the higher ranked countries spent about 7 to 10% of their respective GDP's on healthcare. In short, our costs are #1, while our benefits are #17. An obvious imbalance is clearly evident here. It is our job to remedy this imbalance without sacrificing the quality of care. ^{Report. etc →} our job ^{Who?}

→ why?
Government action is necessary, and incremental change must take place in order to foster a smooth transition away from private health expenditure and towards public expenditure. The top ten healthiest countries in the world have strong public healthcare systems, which comprise about 65 to 80% of health expenditures. The US is the only country where the private health expenditures outweigh the public expenditures, yet we pay more and they pay less, and they are healthier on the whole. Intervention should not stop at implementation, but should endure to achieve permanent involvement in the healthcare system.

How do you know? you haven't done the Analysis yet?
Too soon to Assume Drastic Reform isn't worth considering.

Depends on which indicators you look at.
What do you mean by this?

We are trying to avoid a radical restructuring of the system as not to induce a possibly damaging shock to the economy and to the healthcare industry as a whole. There are particular stakeholders that must be considered when addressing this issue, as to recognize the interests and perspectives of those affected by possible legislation.

Below is a list of such stakeholders:

- The general public → is everyone the same? insured? uninsured? low-income?
- Healthcare providers- doctors, nurses, etc.
- Hospitals
- Large corporations
- Small businesses
- Insurance companies
- Pharmaceutical companies
- Policy Makers → who?
↳ Federal vs. State?

Obviously, there are many needs and interests that require attention when addressing this issue. Like in all policy, sacrifices will be made, but only ones that promote the cost-benefit balance, for which we strive.

→ Does only efficiency matter?
What about equity concerns?

When considering the above stakeholders, several key criteria must be used to determine the best possible policy. Although costs are at exorbitant levels, an effort to preserve the same level of quality should be a major goal. Ideally, we want to achieve better, more wide-ranging care at a lower cost. Our objective is to turn the ideal into reality. The following is a brief overview of the most important and instrumental criteria

in our policy formulation:

These are 2 different criteria (related but not same)

- Monetary expenditure and efficiency → Public? Private?
- Quality of care (availability, choice, etc) → How would you measure this?
- Fairness and equity → to whom?
what different definitions of "FAIR" exist?
and of what? Access? Quality?

Efficiency and equity are difficult to balance, but we must reach a consensus in order to cure the ills of our suffering healthcare system.

There is no perfect policy- that is understood. It is our job to choose the best of our alternatives. Incremental, non-radical change is the utilitarian option in this situation.

↳ Be more specific. What would change?

The status quo is certainly not ideal, while further privatization with simply drive private health expenditures up. A single-payer system has its benefits, but certainly has its flaws

↳ of what?

↳ what is it?

as well. May we reiterate: policy must be progressive in nature. Otherwise, it will not be able to adapt to the changing needs and wants of the constituency. Healthcare revolution is not the answer, and neither is indifference. The middle road must be negotiated carefully to establish a strong, adaptive, and enduring healthcare system.

→ Now I reiterate: this memo is the setup for an analysis you haven't done yet. There should NOT BE ANY CONCLUSIONS OR RECOMMENDATIONS here.