Government Provided Health Insurance

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**Medicare**

- Medicare guarantees heavily subsidized health insurance for everyone over 65.
  - It helps pay for elderly care in hospitals, nursing home facilities, hospice care, doctors’ services, prescription drugs and some home health care.

**Medicaid**

- Medicaid is a joint federal and state program that helps people pay for health care costs.
- Today 32 million children and 25 million adults have roughly all their medical expenses paid from Medicaid.
Medicaid makes health care possible for low-income individuals who otherwise would be unable to provide it for themselves

- The National Association of Public Hospitals and Health Systems claim, “the simple fact of having coverage reduces health care disparities and improves health care outcomes. For some people, it is literally the difference between life and death.”
Medicare Advantages

- Practitioners are guaranteed a steady stream of patients and payment from the federal government

  - Reduces costs of hospitalization (Part A)
  - Reduces costs of medical care (Part B)
  - Extra benefits/lower costs through a provider (Part C)
    - prescription drug coverage (Part D)
Abuse of Medicare/Medicaid

- Impossible to regulate because of size

- "The Government Accountability Office estimates that there are about $17 billion of improper Medicare payments each year, including fraudulent and erroneous overpayments to health care providers”

- NY dentist made fake claims for patients and procedures. Claimed 991 procedures supposedly performed in a single day.

- Matching program – reimbursement for states
Lack of Doctors & Medicare/Medicaid Acceptance

- Lack of acceptance leads to abuse of Emergency Room Services
- Physicians are able to deny services to patients
- Reimbursement rates differ by state; Kentucky for example, has not risen its rates since 1993, however medical treatments and costs have substantially increased
Controlling Costs

- Rising healthcare costs

- Medicaid is currently underfunded by $4 trillion

- Who pays for Medicare? “three-quarters of the total expenses are paid out of tax dollars and only about a quarter by its beneficiaries”

- The Republican Study Committee reported that states now spend more on Medicaid than anything else, including K-12 education programs
Health Care Around the World

**United States**
- Medicare, Medicaid, Private sector system
- Government and private funding

**United Kingdom**
- Universal Health Care
- Tax and national insurance contributions

**France**
- Social Insurance system
- All citizens are covered
- Social health insurance funded

**Singapore**
- Dual system
- Public and Privately funded
- Medisave
Requirements of a Health Care System

Available to everyone
  • Available to unemployed
  • Available to those with low income

Fit into a government budget
  • Must not bankrupt Government
  • Needs to stay solvent

Needs to be affordable on an average citizen's salary
  • Reasonable prices

Must minimize potential for being abused
  • Limit overuse
Health Care Plan

Consumer would pay for minor/ordinary medical produces

• Pay for percent of prescriptions
• Payout of pocket for insufficient health issues

Major operations and medical expense will only cost patient a deductible

Government savings

• Medisave
• Those who can not afford insurance
  • Application process
• Allowance based on income and medical condition
  • Re file if new medical condition occurs
    • Publicly funded
Advantages

Limit consumers from over using
Hold consumers accountable for some of the cost
Keep health care prices reasonable
  • Lower cost for insurance companies
    • Lower insurance premiums
    • Lower rates for employers
    • Lower price for government
      • Lower taxes
Reduce abuse of health care system
Resources will be used more efficiently