

AH111 Healthcare Delivery Systems

VIP – Week 1

Week 1 Objectives:

This week you will examine the development and growth of contemporary healthcare delivery systems.

Upon successful completion of this Lesson, the student will be able to:

1. Examine the development and growth of contemporary healthcare delivery systems.
2. Review the uses and interpretation of statistical healthcare data.

Make sure to utilize the "My Notes" section to organize your thoughts with regard to what is the most important information within the lecture that is being imparted. Focus on factual information relevant to each discussion topic.

Reading Assignment and Lecture Key Points:

Read Shi, L. & Singh, A. (2013) 3E. *Essentials of the U.S. Health Care System*. Burlington, MA: Jones & Bartlett Learning Chapters 1-2.

Listen to the W1 audio lectures: "Introduction," "Chapter 1," and "Chapter 2."

Key Points:

Subsystems of U.S Health Care Delivery:

1. Managed Care
2. Military
3. Vulnerable Populations
4. Integrated Delivery
5. Long-Term Care
6. Public Health

Characteristics of Managed Care:

1. Seeks to achieve efficiently by integrating the basic functions of Health Care delivery.
2. Determines the price at which the services are purchased and how much the providers get paid.

Enrollee: A member covered under a health plan.

Health Plan: Contractual arrangement between the MCO and Enrollee; has a life of health services to which the enrollees are entitled; uses selected providers.

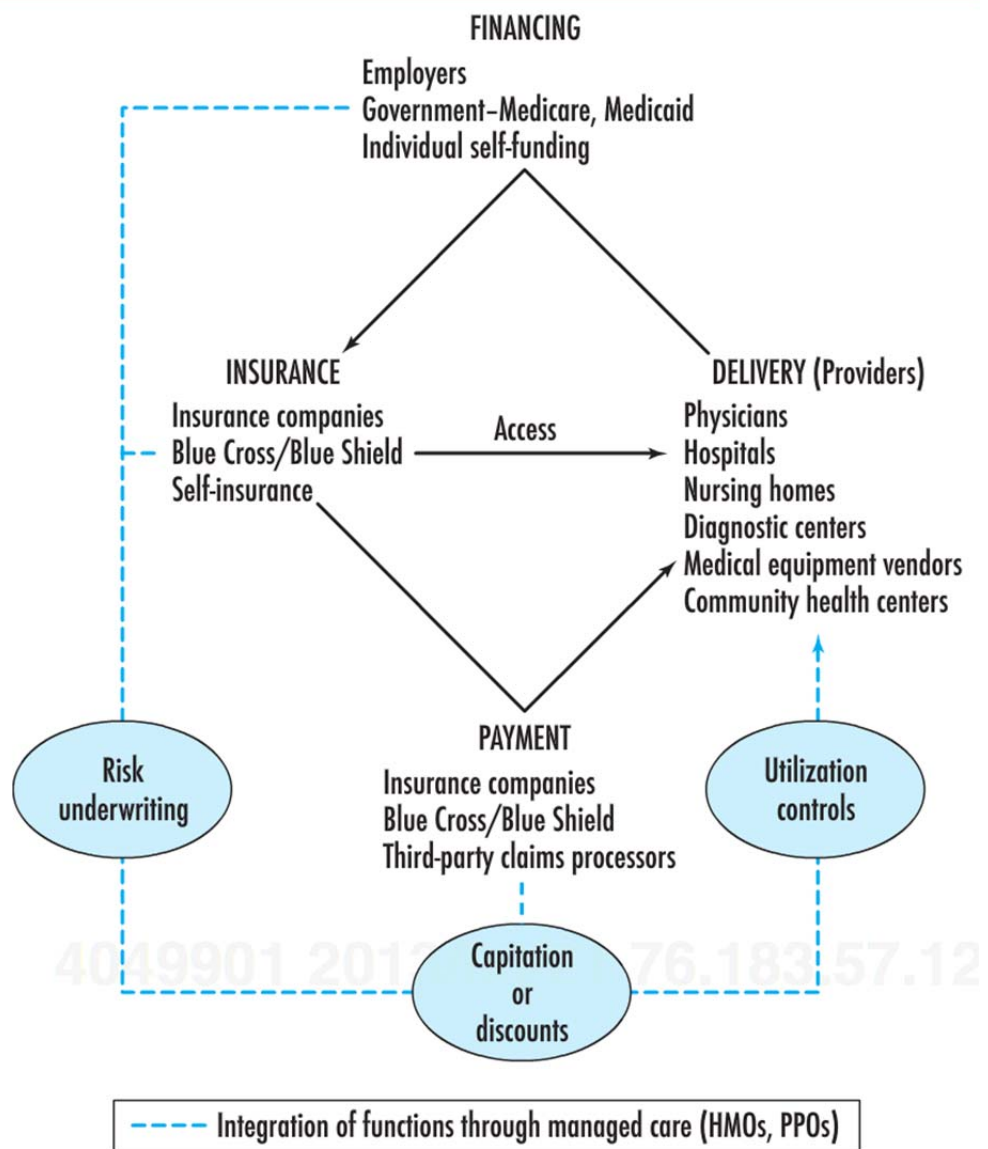


Figure 1.1 Managed Care: Integration of Functions

Military: well organized; highly integrated; comprehensive.

1. Available free of charge to:
 - a. Activity duty military personnel
 - b. Certain non-military services such as public health services
2. **Tricare:** covers families, dependents and retired military.
3. **Veterans Administration (VA):** Covers retired veterans, focus on hospital, mental health and long-term care.

4. **Veterans Integrated Service Networks (VISN's):** Networks for providing military healthcare.
 - a. Coordinate its own service

Vulnerable Populations: Medicaid

1. The poor, uninsured, minorities and immigrants.

Integrated Delivery: A network of organizations that provide or arrange to provide a coordinated continuum of services. A goal of the US health care industry to have one healthcare organization deliver a range of services.

Long-Term Care: Consists of medical and non-medical care that is provided to individuals who are chronically ill or have a disability. This is expected to grow to more than 12 million Americans

Public Health Characteristics:

1. Monitoring health status to identify and solve community problems
2. Diagnosing and investigating health problems and hazards
3. Informing and educating people about health problems and hazards
4. Mobilizing the community to solve health problems
5. Developing policies to support individual and community health efforts
6. Enforcing laws and regulations to support health safety
7. Providing people with access to necessary care
8. Assuring a competent and professional health workforce
9. Evaluating the effectiveness, accessibility and quality of personal and population-based health services
10. Performing research to discover innovative solutions to health problems

Key Characteristics of the U.S. Health Care System:

1. No Central Governing Agency
2. Little Integration and Coordination
3. Technology-Driven and Focuses on Acute Care
4. High on Cost, Unequal in Access, and Average in Outcomes
5. Imperfect Market Conditions
6. Government as Subsidiary to the Private Sector
7. Market Justice vs. Social Justice
8. Multiple Players and Balance of Power
9. Quest for Integration and Accountability
10. Access to healthcare selectively based on insurance
11. Legal Risk influences practice behavior

Comparison with other countries:

Table 1.1 Health Care Systems of Selected Industrialized Countries

	United States	Canada	United Kingdom	Germany
Type	Pluralistic	National health insurance	National health system	Socialized health insurance
Ownership	Private	Public/private	Public	Private
Financing	Voluntary, multipayer system (premiums or general taxes)	Single-payer (general taxes)	Single-payer (general taxes)	Employer–employee (mandated payroll contributions and general taxes)
Reimbursement (hospital)	Varies (DRGs, negotiated fee-for-service, per diem, capitation)	Global budgets	Global budgets	Per diem payments
Reimbursement (physicians)	RBRVS, fee-for-service	Negotiated fee-for-service	Salaries and capitation payments	Negotiated fee-for-service
Consumer copayment	Small to significant	Negligible	Negligible	Negligible
Life expectancy for women	83	82.7	81.8	80.4
Infant mortality per 1,000 live births	5.1	3.9	4.7	6.8
Expenditures as a percentage of GDP	10.0	8.4	10.5	16.0

Note: DRGs, diagnosis-related groups; RBRVS, resource-based relative value scale.

Data from Organization for Economic Cooperation and Development. OECD health data. OECD Health Statistics [database], 2010. doi: 10.1787/data-00350-en. Accessed June 30, 2011.

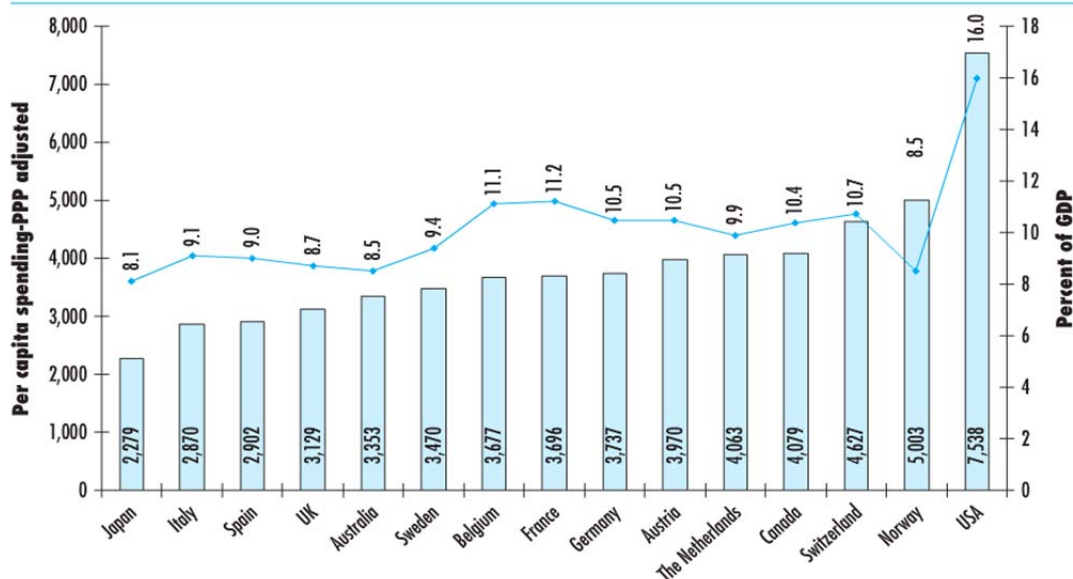


Figure 1.2 Total Health Expenditure per Capita and as a Share of GDP, United States and Selected Countries, 2008

Source: Data from Organization for Economic Cooperation and Development. OECD health data. OECD Health Statistics [database], 2010. doi: 10.1787/data-00350-en. Accessed June 30, 2011.

Curative Medicine: Medicine or therapy that cures disease or relieves pain. Traditional curative medicine has decreasing returns in health improvement with increased healthcare expenditures. There is recognition of the benefits to moving more to promotion of health and prevention.

Beliefs and values in the US

1. Have remained mostly private.
2. Opposed to a tax-financed national HC program
3. Strong forces against fundamental changes in the financing and delivery of healthcare
4. Social norms explain how we view illness and expectations.

Health is the absence of illness and disease

Optimum health exists when a person is free of symptoms and does not require medical treatment.

U.S. Healthcare's medical/biomedical model:

1. Presupposes the existence of illness or disease
2. Emphasizes clinical diagnosis and medical interventions to treat disease or its symptoms

Holistic Health:

1. Treats the whole person
2. Incorporates "alternative" therapies
3. Incorporates physical, mental, social and spiritual aspects
 - a. Literature shows that religious and spiritual belief has a positive impact in overall well-being

Illness:

1. Identified by a person's perception and evaluation of how that person is feeling.
2. People are ill when they infer a diminished capacity to perform tasks and roles expected by society.

Disease:

1. Based on professional evaluation.
2. Requires therapeutic intervention.
3. Classifications:
 - a. Acute conditions are relatively severe, episodic, and often treatable. It is subject to recovery, and treatment is provided in a hospital.
 - i. *Example:* heart attack
 - b. Subacute conditions lie between the acute and chronic extremes. Subacute conditions can require post-acute further treatment after a brief hospital stay.
 - i. *Example:* head trauma

- c. Chronic conditions are less severe but of a long and continuous duration. It is often controllable. It may lead to complications.
 - i. *Examples:* asthma

Determinants of health in a population:

1. Genetic makeup predisposes people to certain diseases
2. Behavior/lifestyle encompasses diet, exercise, stress levels and risk behaviors
3. Medical practice largely depends on access
4. Environment encompasses the physical, socioeconomic, sociopolitical, and sociocultural dimensions of life.

Healthy People 2020 10-Year Plan:

1. **Objective:** Integration of medical care and prevention, health promotion, and education.
2. **Overarching Goals:**
 - a. Attaining high-quality, longer lives free of preventable disease, injury and premature death.
 - b. Achieving health equity, eliminating disparities and improving the health of all groups.
 - c. Creating social and physical environments that promote good health for all
 - d. Promoting quality of life, healthy development and healthy behaviors across all life stages.

Social vs. Market Justice:

1. **Theory of Justice:** Equitable access to health services is addressed by theories of market and social justice.
2. **Market Justice:** Medical services distributed on the basis of people's willingness and ability to pay; people consult with their physicians, who know what is best for them; works best without governmental interference.
3. **Social Justice:** Healthcare should be based on need rather than cost. Government can better decide through planning how much HC to provide and how to distribute it among all citizens.

Table 2.1 Comparison of Market Justice and Social Justice

Market Justice	Social Justice
Characteristics	
<ul style="list-style-type: none">• Views health care as an economic good• Assumes free market conditions for health services delivery• Assumes that markets are more efficient in allocating health resources equitably• Production and distribution of health care are determined by market-based demand• Medical care distribution is based on people's ability to pay• Access to medical care is viewed as an economic reward of personal effort and achievement	<ul style="list-style-type: none">• Views health care as a social resource• Requires active government involvement in health services delivery• Assumes that the government is more efficient in allocating health resources equitably• Medical resource allocation is determined by central planning• Ability to pay is inconsequential for receiving medical care• Equal access to medical services is viewed as a basic right
Implications	
<ul style="list-style-type: none">• Individual responsibility for health• Benefits are based on individual purchasing power• Limited obligation to the collective good• Emphasis on individual well-being • Private solutions to social problems• Rationing based on ability to pay	<ul style="list-style-type: none">• Collective responsibility for health• Everyone is entitled to a basic package of benefits• Strong obligation to the collective good• Community well-being supersedes that of the individual • Public solutions to social problems• Planned rationing of health care

Determinants of Health: The framework is meant to balance on social and medical determinants that lead to better health.

1. Social Determinants:
 - a. Personal demographic e.g., race or age, contribute to vulnerability levels.
 - b. Personal behavior e.g., smoking or exercise, also contribute. However, this behavior is rarely isolated from the social and environmental contexts in which choices are made.
2. Medical care determinants are focused primarily on treating illness and poor health through preventative and primary care through contributions to the general health status.

Social and Medical Points of Intervention:

1. Social or medical care policy.
2. Community-based intervention reflects the priorities of a local population and are often managed by members of the community. Minimize cultural barriers.
3. Health care interventions are designed to improve the quality and efficiency of services provided and reduce disparities across groups

4. Individual Interventions are attempts to intervene and minimize the effects of negative social determinants of health status; altering behaviors that influence health is often the focus of these interventions:

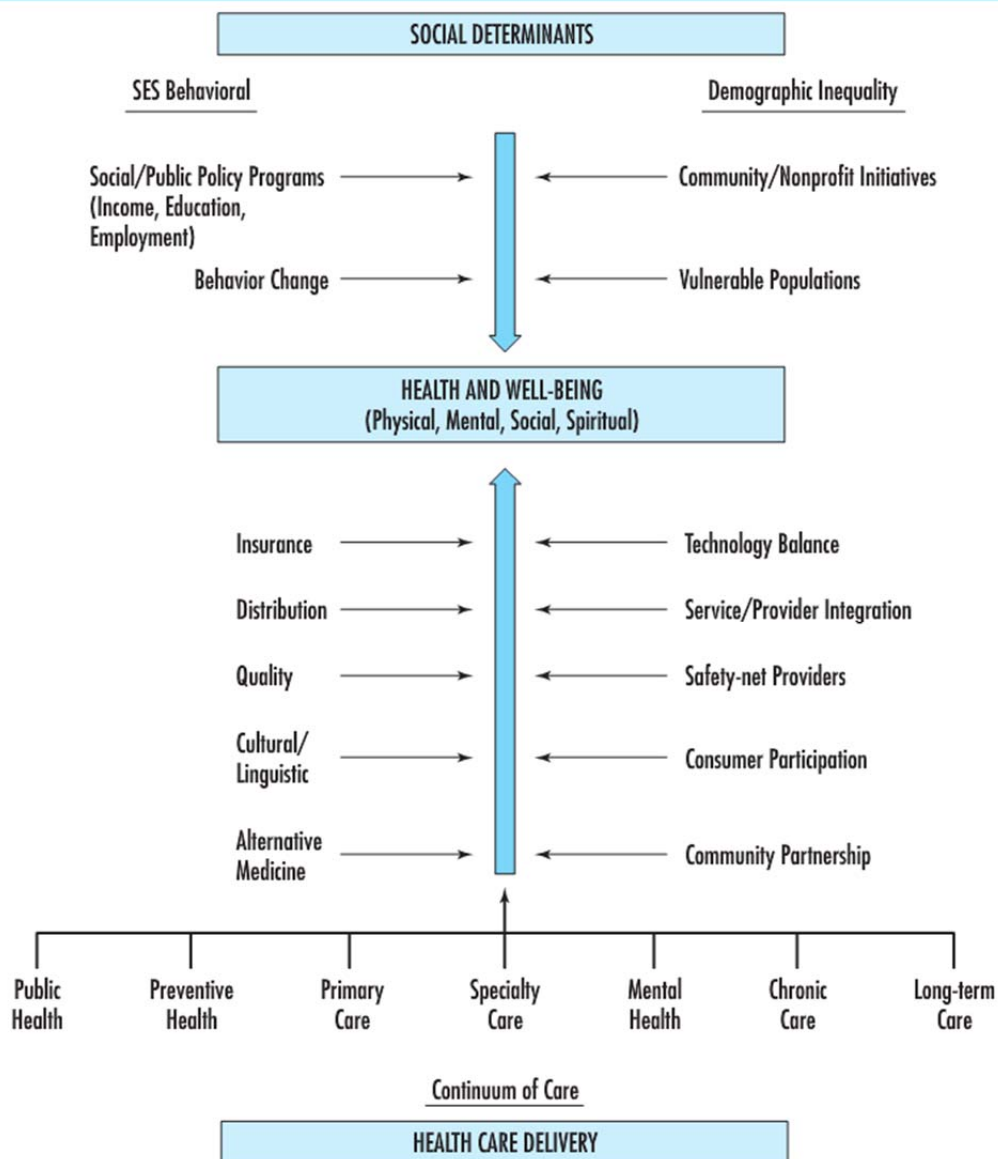


Figure 2.4 Health Determinants and Strategies to Improve Health

W1 Discussion “Welcome to the Course”

Answer one or both of the following questions:

Question A

Tell us about yourself so you can meet and greet other fellow Grantham University students within your course. Include what you believe to be your current knowledge level of this course topic and what you hope to learn before the course is over.

Question B

This course provides an introduction to Healthcare Delivery Systems and is required for students in the AAS, Medical Coding and Billing (MCB) degree, and in the BS, Health Systems Management (HSM) degree. Whether you know a little or a lot about the degree you've chosen, in this post 1) identify if you are an MCB or HSM major, then 2) explain the role(s) MCB or HSM plays in the healthcare field by giving examples of MCB and HSM in the healthcare workplace (role(s) you know of, have heard of --you may search the internet, also). When you reply to your fellow students' posts, do you agree with their posts, why or why not? Did they list some examples you didn't list, that might be an eventual job source for you and why?

W1 Assignment "US Healthcare"

Read Chapters 1 and 2. Answer the questions in your own words (typing sentences directly from your text is not accepted) and submit your document in the drop box. Substantive answers are required in order to receive full points for the assignment.

1. List the U.S. healthcare subsystems of health insurance and identify which one(s) you and your family are currently participating in? b. What do you like and dislike about your healthcare coverage? c. If you wanted to change coverage and services, what would you change if you could and how would you change it?
2. Most Western European countries have national health care programs that provide universal access. How does the National Health Insurance system, such as the one adopted by the country of Canada differ from the National Health system, such as the one structured in Great Britain?
3. List the 4 health determinant categories and provide an example of how the US government is improving help in each determinant.
4. Explain with examples how the U.S. has both market & social justice aspects of healthcare.

US Healthcare System

1. No Central Governing Agency;
2. Little Integration and Coordination
3. Technology-Driven and Focuses on Acute Care
4. High on Cost, Unequal in Access, and Average in Outcomes
5. Imperfect Market Conditions
6. Government as Subsidiary to the Private Sector
7. Market Justice vs. Social Justice

8. Multiple Players and Balance of Power
9. Quest for Integration and Accountability

Healthcare Systems of Western European Countries

1. Health care is financed through government-mandated contributions by employers and employees
2. Health care delivered by private providers
3. Sickness funds collect and pay for services
4. Insurance and payment is closely integrated
5. Delivery characterized by independent, private arrangements
6. Government exercises overall control

Consider the following:

Refer to the material above. Pay particular attention to the charts and lists referring to cross-country comparisons of health care systems, subsystems in the US for delivering health care, the health determinants, and the material on social justice vs. market justice.

Additional Material on Health Care:

[The textbook's Website](#)

[Health Policy Explained](#)

[Healthy People 10-Year Plan](#)

[Comparing the U.S. and Canadian Health Care Systems](#)

Resource Sites on Studying Strategies:

[Effective Study Skills](#)

Resource Sites on Writing Strategies:

[Writing Essays and Papers](#)

Cite your Sources:

[General guidelines on citing Websites](#)

[American Psychological Association \(APA\) style](#)

[Chicago style](#)

[Modern Language Association \(MLA\) style](#)
[Turabian/Harvard style](#)
[American Medical Association](#)

Spelling and Vocabulary Tips:

[Spelling strategies](#)

English spelling rules are complex, with many exceptions...

[Spelling rules & exercises](#)

American spelling rules and exercises...

[Common misspelled words](#)

Words commonly misspelled or spelled correctly but not used properly...

[There | They're | Their](#)

pronounced the same, but spelled differently according to usage...

[Too | Two | To](#)

pronounced the same, but spelled differently according to usage...

["Y" with suffixes](#)

When "y" is the last letter in a word...

[Prefixes and root words](#)

As you go through this exercise, note that a word's root or stem is its foundation...

[Suffixes and silent "e"](#)

If a word ends with ...

[Mapping vocabulary](#)

The exercise will help you remember, use and understand a vocabulary word...

[Picturing vocabulary](#)

Use your mouse to draw what comes to mind about the given word...

[American alphabet recited](#)

Actor James Earl Jones recited the alphabet in 1.5 minutes as a test pilot for Sesame Street...