

Government and the Health Care System



Companion to Jonas & Kovner's Health Care Delivery in the United States, Chapter 2, "Health Policy and Health Reform"

PHC 4630

Understanding U.S. Healthcare

Presentation Objectives

- Review the federal government's role in the U.S. healthcare system
- Describe the roles state and local government in the U.S. healthcare system
- Identify the roles of the legislative, executive and judicial branches of government
- Articulate the role of 'fourth branch' in U.S. government
- Relate the Affordable Care Act to the policymaking process described above

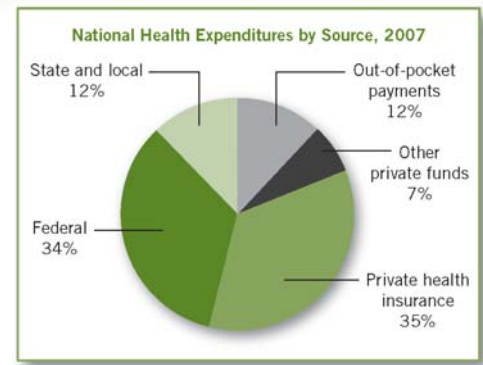
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Government Involvement in Healthcare

- High compared to other industries in U.S.
- Low compared to other industrialized countries
- Historical role of government
 - Sanitation
 - Communicable disease

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Government Pays for Almost Half in U.S.



Percent of funds contributing to national health expenditures, by source, 2007.
Source: Hartman, M., Martin, M., McDonnell, P., Catlin, A., & the National Health Expenditure Account Team. (2009). National health spending in 2007: Slower drug spending contributes to lowest rate of overall growth since 1998. *Health Affairs*, 28, 246-261.

Government as Payer

- Federal
 - Medicare
 - Share of Medicaid & SCHIP
- State
 - Medicaid & SCHIP
- Local
 - Hospital taxing districts
 - Voter-approved health care district

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Government as Regulator

- Federal
 - Testing and approval of pharmaceuticals
 - Access to emergency care
- State
 - Certificate of Need
 - Regulates health insurance companies
 - Licenses physicians, nurses, hospitals
- Local
 - Water supplies and waste disposal
 - Food inspections

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Government as Provider

- Federal
 - Veteran's Administration and Tricare
 - Indian Health Service
- State
 - Community health centers
 - FQHC
 - The health care "safety net"
 - State hospitals
- Local
 - Healthy Start / WIC

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Other Government Roles

- Health care research
- General medical education (GME)
- Federal tax subsidy for employer-based insurance

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Three Branches of Government

- The Legislative Branch
 - Creates the legislation
 - Oversight of law
- The Executive Branch
 - Regulation of law
 - Administration of program financing
- The Judicial Branch
 - Interprets of the law

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Fourth Branch of Government

- Special interests
- Media
- Public

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Example: ACA

- Most important legislation of our generation(s): Affordable Care Act
- Legislation
- Regulation
- Judiciary

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Conclusion

- Very complex
- Multiple levels
- Many stakeholders
- Government deeply involved in U.S. health care system

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