

The Government's Role in U.S. Health Care

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ABSTRACT

This paper will discuss the different aspects of the government's role in the United States health care system. It will look into private insurance, Medicare, Medicaid, and Obamacare which will point out how politics have become involved in the discussion of people's health and their lives. It will also discuss the health care system of the Canadian government, to compare and contrast the differences between the two systems. The purpose of this study is to understand how the United States government is involved in the health care system and how it can be changed for betterment of Americans. It will become clear after reviewing the United States and Canada, that if the US were to switch to a universal coverage system Americans would be better off because everyone would be covered. The information in this paper is a reflection of how one change can make the health care system of America beneficial to everyone.

Introduction

Imagine you just got out of emergency surgery after being in a car crash and your doctor comes up to you and asks about your health insurance. After providing them with your healthcare provider, you let it go and figure everything is under control. A few weeks later, you are at home and almost completely recovered, you go to check your mail and find something from the hospital. Opening the letter, you see that it is actually a bill for \$120,000, which is money that you do not have. So, you call around and make sure there wasn't a mistake with the insurance, they said this is not a mistake, insurance only covered so much of the bill and now you have to pay the rest. Due to chronic pain from the accident you lose your job, which means you just lost your health insurance. As this situation continues to escalate, you head towards bankruptcy as the only way out. This is just one possible example of what could happen to someone who has health insurance in America. Imagine what it's like if you don't have insurance at all. One day, one procedure, one sickness, can change your whole life.

There has never been a time where everyone in the United States has had health insurance. In 2018, 8.5% of Americans were uninsured. (Berchick, Barnett, Upton 2019) The United States government has attempted to come up with different ways to solve this problem, but none that have been 100% successful. It started with Medicare, then Medicaid, later Obamacare. Now imagine the same situation in a country with socialized medicine. After getting out of the same emergency surgery, you go home and recover, go back to work, and nothing changes.

This has become a partisan issue and with that the government's hands have been tied at different times depending on which political party is in controlling power. It's time to overcome the partisan politics and provide health insurance to the people of America. When comparing the US healthcare system to that of the Canadian healthcare system it becomes blatantly clear that there is a better way to care for our citizens.

Literature Review

Private Insurance

The main source of health care coverage in the US is private insurance, with 68% of people being covered through a private company. (Keisler-Starkey, Bunch 2020) There are quite a few benefits to private health insurance, such as having the choice to choose your doctor, which typically means you also get to choose your medical facility. There will typically be shorter wait times for surgeries because medical facilities will be less busy. Private facilities can also mean improved facilities with improvements like private bathrooms, phones, TVs, and even better food. (Seeto 2020) Of course with benefits there will be some disadvantages, mainly the fact that it costs a lot more than public health insurance. The private health insurance system creates inequality and room for discrimination on wealth, race, and gender. (Seeto 2020) There is also no perfect private health insurance plan, there will never be a plan that can cover everything for one individual.

Private health insurance will cover anyone who can afford it. The more you can pay, the better insurance and benefits you will receive. If you are self-employed, unemployed, a young adult, retired, or a part-time employee, private health insurance is most likely going to be your form of health insurance. (Fontinelle 2020) The way private health insurance works is you decide which company to choose, look at their benefits and costs, pay a monthly fee, and then if you ever need any form of health care you provide your physician with your insurance and they will cover a portion of the fees. Using private health insurance falls short when you think about just how much you have to pay every single month for them to only cover a portion of your medical fees when you actually become sick or injured.

Medicare

Now, here is where the government comes into play. If we didn't have things like Medicare, there would be no government involvement in health care. Typically, Medicare is free with small out-of-pocket payments. The cost each month is considerably lower than any private health insurance payments. Medicare also offers additional coverage and has allowed for an increase in medical standards. (Fisher 2020) The largest disadvantage of Medicare is that it costs a high amount to administrate. With a total spending of \$730 billion dollars in 2018, which is 15% of the overall federal budget. (Cubanski, Neuman, Freed 2019) If you have Medicare and poor health, it can end up costing you more out-of-pocket payments than a healthy individual. Even with Medicare, a stay at the hospital will still end up costing a lot of money that won't be covered. Many older people with Medicare are seeing the cost continue to rise. Lastly, Medicare is costing taxpayers a large amount considering the funds come from payroll tax.

People who are 65 or older automatically qualify for Medicare. Those with disabilities or end-stage renal disease also qualify, which is helpful for those with low-income and disabilities. Medicare does provide these people an option that helps them think about one less thing, it even helps the younger family members feel better about the older family members because Medicare helps them to be independent. There are multiple parts to the Medicare program and the different parts relate to different services that Medicare will cover, going up to Part D which covers prescription drugs. (Rosenblatt 2017) Medicare is a good government program that provides a specific part of the population health insurance, even though it may not be perfect.

Medicaid

Another government health program is Medicaid, which provides a medical insurance program for those with a limited income and provides more services that aren't usually covered by the typical health insurance program. Medicaid focuses their services mostly on elderly and those with disabilities and generally have the lowest out-of-pocket payments. Medicaid also offers their services through privately managed healthcare facilities rather than public ones, which typically means access to better health care. (Rudowitz, Garfield, Hinton 2019) The qualifications for Medicaid can vary between states, not all low income persons will be able to receive Medicaid depending on where they live. If you have Medicaid and end up in the emergency room, you may be treated differently and not be able to receive the same level of care as others. Elderly with Medicaid are found to be discriminated against more often than those with

other forms of health insurance. If you are set to receive an experimental or unnecessary procedure under Medicaid, you are more likely to be denied that procedure. (Martin, 2006-2021)

While Medicaid does help those with lower income and the elderly, it can't help all of them because of qualifications. Overall, Medicaid had been beneficial to those who can get coverage, with lots of extra benefits. It falls short when those with Medicaid are trying to find health care providers because there are limited options for reputable providers that will accept Medicaid. (Martin, 2006-2021)

The Affordable Care Act “Obamacare”

In 2010, the Affordable Care Act, also known as Obamacare, was signed into law. Because of Obamacare, more Americans now have health insurance. Now that insurance companies have to spend more on medical care and improvements, the overall cost of health insurance is more affordable. Under the Affordable Care Act, no one with a preexisting health condition can be denied health insurance. (Amadeo, 2021) Along with no longer being denied care, there are also no more time limits on care. In the past, insurance companies would set limits on the amount of money they would give to someone with a chronic health issue. If you go in for a preventative screening for something like diabetes or breast cancer, your insurance will most likely cover it.

One of the largest complaints about Obamacare is the fact that because insurance companies are now providing a wider range of benefits the cost of premiums for those with private health insurance has risen. (Amadeo, 2021) If you don't have health insurance, you can be fined by the government. The main goal of the ACA was to make sure everyone had health insurance, so if you don't have it, you pay the government for not being covered. Many are also upset that taxes have gone up as a result of the ACA. Lastly, more businesses are cutting their employee hours just so they meet the mark where they won't be required to cover their health insurance.

The Affordable Care Act was a huge step for the government regarding health insurance and health care. Before this the government only had options for the elderly, low-income, and end-stage renal failure patients. Now, there is a government program with regulations on the health care system.

The Current Canadian Health Care Program

The health care system in Canada is simply universal health care coverage for medically necessary health care services provided based on need and not the ability to pay. (Government of Canada 2019) They base their system off of fairness and equity along with the willingness to share resources. The system is based on the Canadian Constitution where they divide responsibilities between the three branches of government. Unlike the US, where the government has a very small role and doesn't have designated roles in health care for each branch of government. In Canada, it is the federal governments role to administer the national principles, financially support the different provinces, and the delivery of primary and supplementary services to certain groups of people. (Government of Canada 2019) The provincial and territorial governments administer and deliver most of all the health care services, with all of their health insurance plans expected to meet the national principles. Most hospitals are funded through annual budgets that set overall targets and limits that are negotiated with the ministries of health. Additional services, such as dental, vision, or medical equipment may or may not be covered. Those services and their coverage depend on where in the country you are, if those services are not covered, you either pay out-of-pocket, or through private health insurance plans. This aspect of the Canadian health system is similar to that of Americas, except for the fact that most Canadians have private health insurance through their employers.

Unlike the US, the Canadian health system adapts and changes to fit the needs of its citizens. As their elderly population rises, more chronic diseases appear, and other changing trends in health care, the system adapts by implementing more services for the citizens. (Government of Canada 2019) They build more community primary care centers, on-call doctors, promote a healthy lifestyle and how to prevent illness or injury, and an increase in the coordination and integration of health services for all different needs. They put money towards smaller things like reducing

wait times, increasing patient safety, and increasing the working environment of front-line health care workers. Through strategic budgeting, the Canadian health care system has been a successful way to provide universal coverage to all its citizens. While the system itself is not perfect, the United States could use a lesson from Canada on how to improve their health care system so it works for everyone.

Conclusion

Now go back to that same story, you were in a car crash and just got out of emergency surgery. They don't ask you for your insurance, because everyone has insurance no matter who you are, where you work, if you work, or how much money you have in the bank. After you leave the hospital, you go home, go back to work, save enough money and eventually you buy a house. Life is great. This is an example of what could happen to someone if the United States had universal health care. People's lives wouldn't be ruined because of one procedure that saved their life.

Even though the Canadian Healthcare System may not be perfect, it is leaps and bounds above the United States. If the US switched over to universal health care for primary and emergency services, the process would be simpler and there would be a set way of doing things and funding services. After researching everything about the United States Government's role in the health care system and researching the Canadian health care system, it should be clear that the United States needs to overcome partisan politics and provide health insurance to the people of America by switching to health care system like that of Canada.

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