

Summary Health Policy (PLS 202, Dluhy)

I. Medicare is an entitlement where

- People pay into the trust fund through out their work life
- General fund pays for part of physicians cost, but none of hospital costs
- People are deserving, over 62, paid their own way, not means tested
- Covers hospital and MDs but not nursing home and prescriptions

II. Medicaid is an entitlement where

- All costs are paid out of general funds, clients are means tested
- Covers all indigents regardless of age
- Does not cover working poor
- Clients criticized as undeserving, they do not pay anything
- Coverage is broad including nursing homes
- Heavy utilization of HMOs

III. Cost containment, improving access, and increasing coverage are key issues

IV. Interest group politics has dominated health care policy since 1950s. The pragmatic/incremental decision making model has predominated. The health industry including hospitals, insurance, intermediate care facilities, nursing homes, AMA, other professional groups, and big business have opposed national health insurance. Only the unions have pushed for national health insurance. Public opinion pools have supported national health insurance and regulation of HMOs.