

# **HEALTHCARE SYSTEM IN THE UNITED STATES OF AMERICA**



**PRESENTED BY:**

**ISABELLA MANRIQUE CHACON**

**SEVENTH GRADE**



**PARAISO ANTARES GYMNASIUM SCHOOL**

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## SUMMARY

Despite the fact that the United States of America is one of the richest developed countries in the world, its health system does not have universal coverage. Its healthcare model is the free market where healthcare is managed by private companies and insurance companies and, to a lesser extent, public ones. Thus, its Department of Health and Human Services (HHS) is the main agency responsible for the care of citizens. Currently, more than 45 million people do not have any health care.

The aim of this paper is to help disseminate the American healthcare model by offering the reader the advantages and disadvantages of the free market in public health. That is why I have consulted different official websites such as the United Nations, the Pan American Health Organization and the American Ministry of Health UNICEF, the OECD, the Ministry of Health of the United States of America along with the official websites of Medicare, Medicaid and the State Children's Health Insurance Program, from which I have taken the most relevant information on health policy. Public health, management and development of the healthcare model in the last two decades.

The conclusions have been that the healthcare system in the United States is of high quality in terms of technology and innovation, but its accessibility and costs are persistent problems. The quality of medical care varies, depending on the region, type of coverage, and other factors.

***"Health should be accessible and affordable for all"***

## INTRODUCTION

In a universal coverage scheme, there is no payment that exceeds a threshold of availability of resources, usually equal to zero for the poor and the most disadvantaged. The purpose of universal coverage is for everyone to get the services they need at a cost that is affordable for themselves and the nation as a whole.

The United States of America is a country located in the northern part of the American continent where 322 million people live, divided into 50 states with governments that share their sovereignty with the federal government. It is regarded as one of the richest developed countries on the planet and the center of the global economy, as well as multiple international health organizations.

In 1978, with the collaboration of the World Health Organization and 134 countries, the first international conference on primary health care was held in the city of Alma-Ata, where the urgent need to protect and promote health for all people in the world was expressed by all governments and health professionals in the world.

However, it is the only developed country without universal health coverage, with an estimated 45 million people without any type of health protection, which represents 15% of the country's total. Together with Poland and Greece, they form the three OECD member countries without a guaranteed set of basic services.

Its healthcare model is based on the free market so that the healthcare system is managed entirely by private companies supported by government networks, its Gross Domestic Product dedicated to healthcare is 16% as well as spending per person is \$9000,

both values are the highest in the world in their respective categories. On the contrary, 45,000 people die every year due to lack of health care.

Private insurance can be direct or managed, the former allows you to go to any doctor's office in addition to being managed by the beneficiary or by their work agency. The managed model offers cheaper coverage than direct coverage, but you can only go to a certain network of hospitals and centers, otherwise you will have to pay a higher rate.

On the other hand, there are what Americans call public health care included in the Medicare, Medicare or veterans' association programs where the country's public agencies administer and distribute economic funds, but do not provide medical care because they lack a network of public hospitals. But they will have to pay about 20% of the bill and a monthly fee. For people without a job or without a minimum monthly income, there is Medicaid, where 34 million adults are currently enrolled. Finally, the State Children's Health Insurance Program provides health coverage to children whose families do not qualify for Medicaid but cannot afford private insurance. Medicaid and the State Children's Health Insurance Program serve 35 million children.

# **HEALTHCARE SYSTEM IN THE UNITED STATES OF AMERICA**

## **Organization and Legislation**

Healthcare in the United States is not protected by the U.S. Constitution itself. In fact, neither the 1787 U.S. Bill of Rights nor the rest of the articles or amendments address the health of the population. The U.S. healthcare system is governed by a complex public-private payment structure where the private sector dominates all public reimbursement mechanisms. This can be summed up in the interaction between four main infrastructures: government, private insurance, providers, and regulators. Since the creation of health care in the 1930s, the private sector has led the creation of private health insurance systems as well as federal programs.

When it comes to state government, the Department of Health and Human Services plays the largest administrative role in the United States. It has broad responsibilities to carry out the instructions of Congress and the White House regarding finance, planning, coordination, and the provision of health services. 25% of public spending on health goes to this department, which also encompasses other key organizations such as: the Centers for Medicare and Medicaid Services, the Agency for Healthcare Research and Quality, the Centers for Disease Control and Prevention, the Food and Drug Administration, and finally the National Institute of Health.

## **Medical Coverage**

In the United States, health coverage can be obtained in three ways: through the publicly funded programs themselves, from the employer, or by purchasing individual insurance. In 2011, 55 percent of working-age Americans received employer-sponsored insurance, 10 percent purchased individual insurance in the private market, and 12 percent received assistance through public programs. The rest of the working-age population did not receive health coverage. Anyone can stay on their parents' insurance as a beneficiary until the age of 26.

In order for healthcare to be employer-sponsored, the employer must meet a number of criteria, as well as offer to pay your healthcare premiums since your employer is not required to pay for your healthcare. Regarding the contracting of individual insurance, it occurs when your employer does not normally provide you with health coverage. This system has several disadvantages such as the payment of administrative costs, necessary health examinations, lower coverage of services and the inclusion of the insured in an actuarial group characterized by poor health.

## **Government-Funded Health Programs**

The private, publicly-funded programs are primarily Medicare, Medicaid, and the State Children's Health Insurance Program. Also noteworthy are the programs of the veteran's association and the Department of Defense.

**Medicare:** Medicare is the federal health insurance program that provides coverage to nearly all Americans over the age of 65, as well as most people with disabilities.

**Medicaid:** This is a federal and state program that aims to provide health care for those population levels with lower incomes and less assets, as well as for the disabled and seniors who have exhausted their financial resources. It is a key service for population health and covers around 60 million people.

**State Children's Health Insurance Program:** The State Children's Health Insurance Program is a partnership between the federal and state governments that provides low-cost health coverage to children from families who earn too much money to qualify for Medicaid, and in some states, it also covers pregnant women. The age limit is 19 years old and in the event that the person responsible for the minor does not have insurance, they are covered by this service. Eligibility depends on income, number of people in the family, and each state's federal restrictions. Depending on income, premiums will be higher or lower, as well as added costs reaching a maximum of 5% of annual family income.

**Tricare:** The Department of Defense's health insurance program for people in the military and some of their family members offers a number of different plan options to provide health coverage, as well as plans for certain people who are in the military reserve. For some of the beneficiaries, there are dental and pharmaceutical plans, among other special services. Unlike insurance plans that are governed by the Affordable Care Act, Tricare has its own regulations for young adults. It only covers children on their parents' plans up to the age of 21.



## **Civilian Health and Medical Program of the Department of Veterans**

**Affairs:** The Veterans Administration's Civil Health and Medical Program that is available to certain spouses or widows and their children who are not eligible for Tricare. It provides coverage for the spouse, widow, and children of veterans who have been disabled, maimed, killed in the line of duty, or permanently disabled where the Veterans Administration bears much of the health care costs. The program is administered by the Veterans Administration Health Administrative Center.

## **Financing**

The United States invests far more money in health care per capita than any other country, in fact, its spending is 53% higher than the second country in the world which is Norway. In total, the United States spends 16.8% of GDP on health spending, which translates into \$3.11 trillion. In fact, U.S. health spending could cover 34 OECD countries, with their combined population being three times that of the United States. Of the total health expenditure, 48% is borne by the government, 40% is paid by private insurance companies and 12% is paid individually. Public spending is financed by taxes on millions of taxpayers and private spending by monthly or annual payments made by policyholders and by all businesses.

## **Human & Social Resources**

In total, approximately 3.5 million nurses work in the health sector. The ratio of nurses per population is 11 nurses per 1,000 inhabitants. In the field of rehabilitation, the rate of occupational therapists is 0.35 per 1,000 inhabitants. According to the Bureau of

Labor Statistics, there are 2.3 physicians per 1,000 people in the United States, or about 775,000 physicians nationwide.

In the pharmaceutical sector, three private pharmaceutical chains stand out: Walgreen's, Rite Aid and CVS. Between the three of them, there are more than 20,000 pharmacies throughout the country, to which should be added those of other smaller chains and private businesses. In total, the rate of pharmacists in the United States is 0.9 per 1.0000 population.

### **Provision of services**

Medical care in the United States is primarily performed in specialty care facilities. Primary care exists, but it doesn't work in the right way since it depends on whether it's in your insurance portfolio. This implies that health workers are concentrated in areas where incomes are higher, since the population will have Primary Care in its portfolio of services.

The most widespread model created in 1960 is the Patient Centered Medical Home with around 10,000 throughout the country. It is a concept of payment where comprehensive patient care is carried out through the relationship with the doctor and prevention measures for chronic and acute diseases.

All hospitals in the country are fee-based, either through health insurance or public programs. In 2009, there were 5,795 hospitals in the United States. In the event of an out-of-hospital emergency, if you are not covered by your insurance, the hospital will pass on the full cost of care to you. Consequently, health care is responsible for more than 60% of the country's bankruptcies.

## **Quality of the healthcare system**

The HAQ Index ranks the United States as the twenty-second country with the best quality of health care with a total score of 89 points out of 100. According to The Lancet, they score highest in diseases such as diphtheria, pertussis, tetanus, measles, epilepsy, appendicitis, and Hodgkin's lymphoma. In addition, it achieves notable marks in other diseases such as skin cancer, colon cancer, testicular cancer, peptic ulcer, hernias, gallbladder, diarrheal diseases, maternal disorders, neck cancer and rheumatic diseases. On the other hand, it scores worst for diseases such as high blood pressure (55 points) and chronic kidney diseases (54 points).

## CONCLUSION

The pandemic should have opened America's eyes to how hard they have to work to repair the cracks in the foundation of their health care. Unfortunately, it seems that they went ahead without paying due attention to this issue, where they fall short despite being one of the richest and most developed countries in the world. Well, it was in the United States where more people died from the Coronavirus than in any other high-income country.

It is outrageous that the health care system does not have universal coverage in the United States and that inequities continue to exist in the quality of health care, based on race, age, socioeconomic status, and other variables.

Where the U.S. seems to be doing well was in cancer prevention and early cancer treatment. Together with Sweden, it has the highest number of breast cancer screenings among women aged 50 to 69, and exceeded the OECD average in terms of cancer detection rates.

But as long as the U.S. model continues to focus on global innovation in research, without looking toward public community care, poor results in indicators and debts for sick people will continue year after year.

***"Health is a basic human right"***

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