Medicaid and the uninsured

Medicaid and the Uninsured In response to the article by Kathleen Day (2006), it has to be said that she portrays a shocking picture of the ofmedical care, suggesting that those most in need are being deprived and possibly cheated out of their right to health care. She uses sweeping statements and emotive language such as:" the law is so vague that nonprofit hospitals have been able to exploit it.." (Day, 2006) However, the article raises many questions and supports the allegations with references to research and senate investigations. Looking further in response to what she wrote shows that there is a lot of truth in what she alledges.

Two of the major sources for access to healthcare for low-income citizens are Medicaid and the State Children's Health Insurance Program (SCHIP). Both of these, according to the Kaiser Family Foundation have been " successful at helping to reduce the number of low-income children and moderate the increase in the uninsured population." (kff. 7488). However, it seems that the Deficit Reduction Act (DRA) (2005) poses a threat to those families who might use Medicaid and SCHIP. Reasons include the imposition of cost sharing, the complications involved in levels of income and percentage of cost demanded, and the need for individual families to keep records that determine what percentage to pay. This is difficult and complicated, as many such families' incomes vary a lot. Research also shows that imposing premiums makes people stop paying or applying for cover. Having such tight budgets already, this represents a further demand on limited resources. Knowing that treatment may be refused if one cannot pay is yet another deterrent. Restrictions on adults without children, enrolment processes, and the lack of knowledge of what is available are other factors preventing both adults and parents taking up insurance for themselves or their children.

Christopher P. Tompkins, Stuart H. Altman and Efrat Eliat, (2006) attempt to clarify a situation where uninsured patients pay more than insured. Their research asserts that hospitals have been inflating prices for services so that charges are higher than costs, in a bid to keep revenue flowing. The chargemaster (catalog of retail list prices) plays a part, in this, and money is shifted around, while the poorer patient pays more. In the 1990s, Medicare and Medicaid reduced payments and hospital surpluses dwindled, insurers negotiated better contracts and discounts, and private payer numbers dropped. Price lists went higher as hospitals responded to market forces, getting revenue wherever they could, charging self-payers high prices, as they had no bargaining power or insurer to stand up for them. " Patients who had the least ability to pay for their health care were charged the highest prices." (Tompkins et al, 2006).

Such a system seems illogical and unfair, neither sensible nor ethical. Research by Hadley and Holahan (2003) identified that the Medicare and other government subsidies were available to put in place a program that would allow everyone to have health insurance. They suggested that the sensible thing would be to transfer funds " to a new program to subsidize the cost for providing coverage for the uninsured" (Hadley & Holahan, 2003) They outlined the benefits for hospitals, physicians, federal, state, and local governments and for the low-income uninsured. Describing the status quo as a " patchwork of programs", they suggested instead that a " targeted insurance program" would let payments move with the people, and so go straight to those providing the care. This seems sensible, given that the funding already exists. From an ethical viewpoint, those who need help the most could have it, without paying more than richer people, and a fairer

more equal healthcare system would exists. However, this research took place in 2003, the DRA applied from 2005, so the sense and ethics of it seem somehow to have been lost, which is a great shame.

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