Middle class americans and the issue of health care essay

Business, Accounting

IntroductionThe following essay will discuss the issue of health care for middle-class Americans. The subject of the essay then will follow how health care is being supplemented in America and how Americans are being treated in an unfair capacity. The essay will present certain facts and figures based of race when dealing with healthcare to allow for a discussion of how Americans are being treated in this profession.

Also, a range of the concept of middle-class American will be brought to the context of the paper such as age, and race within this dynamic and the different aspects of each in regards to health care. As the problems for middle-class Americans and health care arise avenues and choices for the future in health care will be presented so that the prospects of the future of healthcare can be known. The position of the paper will be one that follows the thesis of health care being a large problem for middle-class Americans and this hypothesis will be based largely on the idea of money and the inequality provided because of lack of money. Health Care SpendingUnlike all other major nations of the world, the United States does not have universal health care, the health care it does have is over priced, and by many accounts, ineffective. There are several issues which need to be addressed in order remedy the poor status of American health care. Among the key issues are; the current laws regarding the development and pricing of medication, the lack of access of a large section of Americans to quality and necessary health care, the lack of federally subsidized treatment options and the high price placed on health care in general. Another major problem regarding health care in the United States is that, while our nation spends

more actual dollars on health care, the American public as a whole is less healthy than those nations which spend only a fraction of that amount.

One example of this is seen in the comparison of the United States with the life expectancy of Japan. While Japan spends an average of about $2000 per person, per year, they see a life expectancy of more than eighty one years. In the year 2000, the United States spent, on average, more than $4500 per person per year, yet only sees an average life expectancy of seventy seven years. This same survey reveals that Cuba, the nation which spent the least amount of money on national health care has an overall life expectancy almost equal to that of the Untied States. In fact, the majority of nations surveyed, all of which spend substantially less than the United States, have substantially higher overall health conditions. (University of California) This disparity illustrates the problem that faces the United States health care system – as well as one of the more popular misconceptions about the cause of its inadequacy. As a nation, the United States spends almost 50% more per person per year than its closest competitor, yet many Americans feel that not enough is spent.

In 2004, the cost of American health care rose 7. 9% – more than three times the rate of inflation. (NCHC) This brought the total annual cost of American health care to 1. 9 trillion tax dollars. This amounts to nearly $6300 per person per year in 2004. The cost of health care has consistently increased each year; however the quality of health care has not seen the same increase. Insurance & Race“ Despite a modest two-year decline during the

boom years of the late 1990s, the number of Americans without health insurance has been steadily increasing.

Today nearly 40 million Americans–roughly 14% of the population–have no health insurance coverage" (Young " Surmounting the Cost Barrier" 20). The lack of insured coverage creates another problem in the United States health care system. Evidence shows that the morality rates for the uninsured in hospital care are worse than that of the insured. (Cutler 32) While the cost per individual increases outside of the ability of the uninsured to pay, they are increasingly forced to carry their burden without or with little aid. Overall, they have the lowest number compared to Latinos, Blacks, or Whites.

Also, Asians have the least number of people below the poverty line. There is a definite schematic to these numbers and mortality rating. One could conjecture that poverty leads to infant mortality. This should not automatically make one consider that because a person is poor their child will die, but rather that money leads to a better educated person, which leads to being knowledgeable about how to proceed with birth, as well as proper infant care at home once the child and mother are released from the hospital (Budrys 2003). It must be stated that money leads to better education and women who attend or have matriculated at a college are less likely to become mothers, or when they do become mothers, they are introducing a child into a well maintained home where there are two incomes, and possibly health insurance. Advances in health care in America have significantly lessened infant mortality, but this is still a large

problem on a global scale. The leading nations for infant mortality are Bulgaria (36, 000) and Romania (37, 000) (in 2002) (Maugh).

Although America has a striking number at 28, 000 a researcher must also question how many infant mortality rates are correlated with poverty.
In the issue of race the study done by Satcher et al. In this study Satcher, emphasizes that even among the race gap of mortality between Whites and Blacks, the standardized mortality ratios for African American women as compared to African American males is far less.

The significance of this study in relation to race is that African Americans are almost always under the poverty line and have little access to Medicaid or Medicare. Also, infant mortality rates among African Americans are much higher than any other race (disregarding the statistics on Bulgaria and Romania and only focusing on Americans) (Satcher 2006). Although healthcare in general has seen an improvement in recent years among the African American population, there are still major steps that need to be seen to counteract the high standardized mortality rates that Satcher presents in his article. Cost Care of the Patient In Wilson et al.'s study of patient care for ill and HIV children the stats for financing reflects a tremendous burden, ".. in-home care for ill children (ranging from approximately $19, 000 to $36000) is higher than that of hiring caregivers for healthy children (approximately $10, 000)" (2005).

This burden is further emphasized for the family if they are not equipped to pay a professional care-giver and are dependent upon themselves for such

care; this issue raises the other issues of job attendance (some families pass up promotions, decline extra working hours, or quit their jobs entirely in order to care for the ill which makes the financial burden that much more potent). Further in Wilson et al.'s study they reveal the numbers involved in American care-giver homes, " It is estimated that 10% to 18% of US children (6 to 10. 8 million children) are chronically ill.

According to our cost estimates, the total value of care ranges from $155 to $279 billion per year" (2005). In an at home environment the dangers of lack of funds arise and the emotional stress on family members and spending time with each other (either children, wife, or husband) and the noncompliance from other family members in putting the patient/loved-one in a home can be daunting. The care-giver burden here is clear.

When a family member who isn't equipped physically or professionally to take care of the ill, then an alternative way must be found and is found with nurses, and the high cost of in-home care, as Jenkin and Faulkner state in The State Children's Health Insurance Program (2002), " Nation wide it is estimated that 11 million children do not have health insurance. Children without insurance coverage are less likely to receive basic preventive care and immunizations, are less likely to seek care from a health care provider for both acute and chronic illness, and are more likely to delay care and require hospitalization when seen in the emergency department" (438). Thus, because of the initial lack of health care due to insurance reasons children are more likely to suffer from chronic problems which were simpler at their beginning stages but because of lack of professional help have

worsened over time. These conditions include asthma, ear infections, and children without insurance are without eyeglasses and necessary prescribed medication. DrugsThe majority of cost disparity remains in the cost of prescription drugs. The rate of difference in drug prices outside the United States, in comparison to the same drugs being sold in the United States, by US companies has increased by drastic amounts every year for several decades. (Sager 1) The rate of difference in 2002, the most recent year available, " was a 78% price excess".

No country which purchases American drugs from American companies pays as much as Americans for the same drugs. While there are substantial amounts of American tax dollars fed into the United States health care system, these increasing costs are keeping uninsured Americans from benefiting from the full capability of the American health system. This is further exacerbated by the new laws which disallow American citizens from purchasing medication form outside of the Untied States. The market share of total world drug market has more than doubled in recent years for American drugs companies. (Sager 4) This has translated to a real dollar increase of nearly 500% in drug costs for American from 1990 to 2003. Middle Class American Bankruptcy & Other Health Care ProblemsFurther evidence of the mishandling of health care funding in the United States comes from bankruptcy courts throughout the nation.

A survey conducted by Harvard University revealed that as much as fifty percent of all bankruptcy filings in the United States were at least partly caused by the medical expenses of the individuals or families. (NCHC 3) This

type of event means that should an otherwise economical stable but uninsured family, have one of its members require an extended hospital stay, the stability of the entire family could be at risk. Another problem that arises from the lack of universal health care is the inability to adequately survey the American population for health facts.

Despite the overwhelmingly higher amount of moneys spent on American health care, there are millions of Americans who go without any form of medical exam or treatment every year. This can have adverse affects on the study of disease communicability, treatments, and the overall health of the nation. Forty-five percent of American workers are uninsured, and of those, many reside at or below the poverty line. Because of this, there is often no money within the family unit available to use towards medical treatments, and as Young states, For those with incomes from 100% to 200% of the federal poverty level–45% of whom have employment-based coverage–it is neither necessary nor wise to replace private coverage with a government program.

Instead, the HIAA proposes refundable tax credits or vouchers worth up to 75% of an average premium. If employer-sponsored coverage were offered, the money would be used to offset the worker’s share of the premium. If no employer coverage were offered, the money would be used to help purchase health insurance in the private market. (Young “ Surmounting the Cost Barrier 20). The becomes an increased problem as many of these individuals are financially forced to avoid medical treatment until the last possible times – which often translates to increased medical costs as illnesses have

progress, or caused increased damage due to lack of treatment, and as Young states, “ But one factor doesn’t get nearly the attention it should: mandates. Every time lawmakers require that a certain condition or procedure be covered, even if the consumer buying the policy doesn’t want it, it drives up the cost of health insurance. In Maryland, 22% of claims costs stem directly from mandates, according to a study by the General Accounting Office” (Young “ Surmounting the Cost Barrier” 20).

The counter-productive nature of the American health care system has caused many Americans to suffer needlessly, and/or die before they would have done otherwise. The United States purchases just over fifty percent of all manufactured drugs on the world market; however the majority of its citizens are unable to afford their costs. This continues to affect Americans until they are unable to avoid medication due to severe illness.

Prospects for the FutureThere are several ways in which it is possible to fix the problems which ail the American health care system. First of all, there is room to introduce federal legislation which would control the prices of prescription drugs on the American market, as Holloway states in Opportunities for PSOs, “ Experience also shows that in communities where hospitals have made significant turnarounds, it often has been a case of the hospital administrator recognizing the value of admissions and putting physicians in meaningful leadership roles. Relinquishing some control may be threatening to some hospital administrators, but others will attest that when they have given physicians serious input into the decision-making process, the hospital has benefited considerably” (75). By reducing the

overwhelming cost to the patient of the drugs which are necessary for treatment, more patients would be able to be treated – ergo, more units of the drugs would be sold. This would offset the loss of profit to the company, and as Young suggests, The Health Insurance Association of America has recommended a detailed blueprint for expanding health insurance coverage that mixes some government help with reliance on the private market.

It starts with very low-income Americans, those below the federal poverty level. For this population, the HIAA recommends building on existing programs to expand coverage. Where possible, we encourage funds to be used to subsidize private, employer-sponsored plans. But because only 18% of non-elderly Americans in this income range have employment-based coverage, government programs must play a role as well. (Young " Surmounting the Cost Barrier" 20).

Another way in which the United States can alter its current health care system would be to ensure that all Americans are able to receive all necessary care. " Some efforts by lawmakers to address the problem have been small-scale, such as providing help to workers who have lost their health insurance because of international trade. Other proposals are grander in scope, from President Bush's decision to set aside $95 billion to provide health tax credits to the uninsured to Sen. Edward Kennedy's bill requiring all businesses with more than 100 workers to offer health insurance to their workers. What all proposals share in common is an understanding that the biggest barrier to expanded coverage is cost" (Young " Surmounting the Cost Barrier" 20). The annual loss of production of workers due to improper or

inadequate health care has been increasing steadily as well. Because of this, the instances of several preventable diseases and causes of death (such as heart disease, and certain forms of cancer) go undetected and are not found until they begin to have profound effects on the health of an individual – which usually results in early death or disability. The current dollar amounts being spent annually on health care in the United States are more than enough to supply necessary health care to every American citizen.

The current average of 2004 sees more than the equivalent of $6300 for every American being spent. With proper oversight and restructuring, this amount would more than pay for the medical needs of most Americans. However, due to the lack of proper structure, most of the money is lost to over-priced procedures, prescription drugs and other wasteful paths. In Jenkins and Faulkner's study the presentation of CHIP (Children's Health Insurance Program) has made remarkable progress, " The Children's Defense Fund (CDF) (2000) reported that in 1999 10. 8 million children ages 18 and under lacked health coverage which was less than 11. 9 million in 1998. This 1.

1 million decrease was the first decline in the number of uninsured children since 1995. Further, more than 90% of the improvement in coverage between 1998 and 1999 occurred among children whose family income was under 200% of the federal poverty level suggesting that CHIP is making progress in increasing coverage" (440). With the success of other nations providing health care to their entire populations, and at far lower costs than the annual expenditure in the United States, it is apparent that

are ways in which the United States can implement universal health care. The overall benefits to the nation as a whole would more than offset the immediate costs of such a move, as Young states, “ Finally, for those without employer-sponsored coverage who don’t qualify for coverage in the individual health insurance market, we recommend federal matching funds for state high-risk pools. Individuals who can afford to pay a premium, or have a voucher or credit to help them pay a premium, need a mechanism that guarantees access to coverage when their health status makes it impossible to get coverage elsewhere” (Young “ Surmounting the Cost Barrier” 20). The increased individual performance of healthier Americans would mean greater productivity and lower prices on products. A well maintained health care system would lower the employer’s burden for supplying of health care insurances to their employees – which translate to millions of dollars per company each year.

By lowering or removing this burden, wages could increase, and/or the market price of goods could lower – thereby increasing the buying power of the American worker. While there are several aspects which affect the costs of American health care, by addressing some of the most problematic. AbstractThis paper will deal with several issues of health care in the United States. The problems with health care will be directed as cost of health care for the patient of middle class American but the poverty line will also be a factor. Other issues will include health insurance, the cost of this to the middle class American, the lack of insurance and the reasons why children are suffering health problems because of lack of insurance. The issue of race

will briefly be discussed as an issue that involves health care risks for certain races and reasons behind this problem. The cost of healthcare will be the major focus of the essay in aspects of the cost of healthcare in different fiscal years and the lack of cost benefits for workers. The future of health care will also be examined through the Children's Health Insurance Program and its detrimental effects of the state of health insurance for children.

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