

The demand for health insurance



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Institute of affiliation: Demand for Health Insurance Most of the times healthcare policies are intended to aid one precise group of the whole population, with the assumption that it will not harm other groups. However, as practice shows it, that is not always the case. As early as 1990s health insurance reforms has been directing their focus on not only the increase of the consumer choice but also the integrated competition of the health plans. Here some of the policies are the managed competition model where menu of health plans provides a choosing criterion for the customers. In such a system, it is argued by the experts that customers tend to sort themselves in a situation that will favor them, for instance, they sort themselves in a place like high quality plans as well as lower cost (Nyman 12).

The above, is a source to the production of the strong incentives by the customers to the plans of the health care. It follows that the affiliate providers of the health care collaborates in the controlling of the increased quality and costs for the competition of the enrollment. The above policy literally favors the customers and that the health care organizational management face a tough time in dealing with the same. Managed competition model is not recognized as a national policy; therefore, many large employers have opted to arrange the health benefit program based on the same principles. Another policy involves the market-oriented solutions regarding the health insurance. It is pertinent to note that some customers when they are given an opportunity to choose healthy insurance options, customers tend to sort themselves in certain situations for instance, those who are in a less costly and low risk will sort themselves together while others will attract sick customer and elderly. The above individuals are regarded as difficult customers to insure.

Alarming policy is the policy involving market-oriented solutions regarding the health insurance. Since customers have the habit of sorting themselves in certain groups, the talks on how to change the policy is based on the aborting criterion (Morrisey 87). Here, strategies should be put in place so that all level of customer should be favored and that they should not sort themselves in groups. In doing the above, the strength part of it is that all the customers will benefit equally. Weakness here is that customers are hard to understand and they tend to oppose the whole procedure for their own benefits.

In most cases, health care policy in the developing country entails a government-sponsored clinics and hospital networks. The above has a goal of primarily providing access of the universe. Often, the above exists alongside the private providers systems for which pockets are paid off by individuals. In addition, it is evident as per the researchers that another health care policy includes health care clinics being prioritize, increasing success, and certain special funds being made available (Manning 4). The above is seen when President Nixon Richard decided to tackle cancer, and he planned to channel some millions of dollars to cater research work. Similarly, other health issues like the aids, small pox just to mention but a few are other forms of health policy that Medicaid put up for the fight of the health care issues.

The graph below shows health insurance rate in us

Mostly, it is worth noting that many health care policies are made based on the access of the universal healthcare (Cultice, 8). Here, the above policies are based on some rules as the single payer system and social insurance system. Single payer system is basically used in countries like Canada and

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the united states while social insurance system was used in countries such as Germany and Japan.

In concluding, I recommend that those who tend to amend market-oriented solutions regarding the health insurance should use matrix procedures to sort who is qualified for the health care insurance benefits. It is worth to note that, the above essay has primarily evaluated the topic demand for health insurance relating the issue above with health care economics.

Works Cited

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