Is Healthcare A Commodity or A Service?

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6-2 Reflection Paper: Is Healthcare A Commodity or A Service?

Understanding Access to Health Insurance and Healthcare as Rights

Access to health insurance and healthcare is a contentious issue often framed as a right. Healthcare refers to services provided to maintain or improve health, whereas health insurance is a contract that requires an insurer to pay some or all of a person's healthcare costs in exchange for a premium. A right is an entitlement that should be guaranteed to all individuals.

From a practical perspective, ensuring access to healthcare maximizes overall societal well-being by promoting a healthier population. On the other hand, deontological ethics argues that healthcare should be a right because it respects all individuals' inherent dignity and worth.

Relevant policies supporting this view include the Affordable Care Act (ACA), which expanded healthcare access in the U.S., and the Universal Declaration of Human Rights, which consists of the right to health (Kevin, 2018).

Generational Perspectives on Negotiability of Medical Services

Older generations often view medical services as non-negotiable, while younger generations tend to negotiate medical expenses more frequently (Dougherty et al., 2022).

Sociocultural factors play a significant role; older generations grew up with more paternalistic healthcare models where doctors' decisions were seldom questioned. Economically, they often had more stable jobs with comprehensive health benefits. In contrast, younger generations face economic instability, high healthcare costs, and a consumer-driven service approach (Kevin, 2018).

Surveys indicate that younger people are more likely to question and negotiate medical costs, influenced by the rise of high-deductible health plans and transparency tools. These differences reflect broader changes in the healthcare system, such as increased costs and the availability of price comparison resources.

Evaluating Trust in Lowest Bidder for Healthcare

Trusting healthcare to the lowest bidder raises significant concerns about quality and safety. Quality of care may suffer as providers cut costs to offer lower prices, potentially compromising patient safety and outcomes (Perry, 2017). For example, hospitals might use cheaper, lower-quality materials or reduce staffing levels, leading to higher rates of medical errors.

Comparing with other industries, such as construction, reveals similar risks. Cost-cutting often results in lower quality and safety standards. Therefore, prioritizing cost over quality in healthcare can lead to detrimental consequences for patient health.

Impact of Standard Practice of Price Shopping in Healthcare

If price shopping for healthcare services became standard, it could have mixed impacts on the profession.

On the positive side, increased transparency could drive competition, potentially lowering costs and improving service quality. Patients might become more informed and engaged in their healthcare decisions (Perry, 2017). However, it could also lead to fragmented care as patients prioritize cost over continuity and quality of care.

Examples from healthcare markets, such as elective procedures, where price transparency is standard, show benefits and drawbacks. While patients can make cost-effective choices, focusing on price can sometimes overlook crucial aspects of care quality and outcomes.

Analysis of Hospital Pricing Transparency

On the positive side, it empowers patients to make informed decisions, fosters competition and drives down prices (Dougherty et al., 2022).. However, it also has drawbacks, such as the complexity of healthcare pricing. Prices at Hospital A might include comprehensive services and higher quality care compared to Hospital B, which might not be immediately apparent to patients.

Examples from states like California, where pricing transparency laws have been implemented, show mixed outcomes. While transparency has led to some price reductions, it has also caused confusion among patients about what services are included in the listed prices.

Rural Hospitals and Pricing Challenges

Rural hospitals often charge more due to limited options and higher operational costs.

These higher costs are driven by fewer patients, higher per-patient overheads, and the necessity to offer a broader range of services with limited resources. This situation can exacerbate healthcare inequities as rural patients might forgo necessary treatments due to higher costs (Kevin, 2018).

Case studies from rural healthcare settings illustrate these challenges and highlight the ethical dilemma of ensuring equitable access to care while maintaining financial viability.

Case Study: EpiPen Price Inflation from a CEO's Perspective

Considering the EpiPen price hike, as a CEO, the decision to allow such inflation involves weighing ethical, economic, and social implications.

Ethically, significant price inflation can be seen as exploiting patients, especially those dependent on the medication (CBS News, 2017). Economically, while it might benefit shareholders in the short term, it risks long-term backlash and regulatory scrutiny. Socially, it damages public trust and exacerbates healthcare inequities.

Comparing the EpiPen case to similar situations in the pharmaceutical industry, such as insulin pricing, shows the importance of balancing profit motives with ethical responsibilities to patients and society.

Conclusion

This reflection on ethics in healthcare highlights the complexities of balancing economic considerations with ethical responsibilities. Access to healthcare, generational perspectives on negotiability, trust in cost-driven care, the impacts of price shopping, hospital pricing transparency, rural healthcare challenges, and the ethical implications of price inflation are all critical issues that require thoughtful analysis. The key takeaway is the need for a balanced approach that ensures equitable, high-quality healthcare for all while maintaining economic viability.

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