

Health Insurance Counseling and Advocacy Program

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Introduction

The healthcare industry is now a vital part in the business world. As technology advance, profound discoveries in medical research introduced a new variety of machines, drugs, and new ways of practicing medicine. It was no surprise that Americans were becoming healthier and their lifespan increased due to the better care they could afford. With such abundance came convenience. Nutrition suffered as people became less physically active and more dependent upon fast foods. During this time the Federal government started legislating healthcare for the poor and needy. Since the forming of our nation, no legislature was able to socialize healthcare, but in 1965 president Lyndon Baines Johnson introduced a form of socialized medicine when the house of senate passed the Medicare and Medicaid health reform legislation. This legislation covered major segments of the public with health insurance and it was paid for with higher taxes. By 1969, 50% of all medical billing fees were being paid by insurance plans. By 1980, the US

government had become the largest buyer of the healthcare services and a new right emerged in the American society – “The Right to Healthcare” (McLeroy et al., 1988).

Discussion

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Ten years ago, the US healthcare system was declared "broken," and it has not improved. Fixes promised by managed care have not materialized. Premiums are rising. Hassles for patients and physicians abound. Nearly 45 million Americans are uninsured. Over the next decade, these problems will worsen and new challenges will arise. Although new technology will increase efficiency, the cost of new tests and treatments will outweigh the savings (Quadagno, 2005). As physicians get better at treating problems, they will lengthen patients' lives and increase the number of people requiring care.

The Health Insurance Counseling and Advocacy Program (HICAP) is a volunteer supported program that helps Medicare beneficiaries of any age make informed choices and provides advocacy when their health care benefits and rights are threatened or denied. Individual appointments are available throughout the county with trained volunteer counselors who are registered with the California Department of Aging.

Concept of Self –Funded. Self-funded health care is a self-insurance arrangement whereby an employer provides health or disability benefits to employees with its own funds. This is different in relation to completely insured plans where the employer gets an insurance agency to cover the employees and dependents. In self-financed health insurance, the executive accept the immediate danger for installment of the cases for profits. The terms of eligibility and coverage are set forth in a plan document which includes provisions similar to those found in a

typical group health insurance policy. Unless exempted, such plans create rights and obligations under the Employee Retirement Income Security Act of 1974 ("ERISA") (McLeroy et al., 1988).

Services Only. Self-funding is an approach many large corporations use to control health care costs. With Assurant Self-Funded Health Plans, self-funding comes within reach for your small business. We've done all the work of setting up a complete self-funding program, making it easy to establish and fund your own health benefit plan.

You just pay a monthly bill and get:

- A complete package of self-funding products and services including premier health care benefits and insurance that protects your business from larger-than-expected claims
- A cost that is determined up front and won't change for a full year
- All plan administration details managed for you so you can focus on running your business

With this plan, you could see immediate monthly savings, overall costs that stay lower year to year and the chance each year to get back the funds you don't use. An Assurant Self-Funded Health Plan combines a self-funded employee health benefit plan with plan administration and employer stop-loss coverage, all of which are regulated by federal law.

The employer stop-loss coverage is an insurance product that is also regulated by the state in which the coverage is issued. Employer stop-loss insurance for Assurant Self-Funded Health Plans is provided by Time Insurance Company and John Alden Life Insurance Company. In self-funded health insurance, you are not subject to state mandates. When you're self-funded, you have to hold your reserves. When you're fully-insured, your fully-insured carrier holds your reserves. In self-funded health insurance, you completely participate in your experience-through payments. When you're fully-insured, you have level premiums.

Quality of Care. It is a broad term that has many definitions. A basic way of explaining quality health care is that it is the right care, for the right person, at the right time. The Institute of Medicine (IOM) further defines the quality of health care as “the degree to which health services for individuals and populations increase the likelihood of desired health outcomes and are consistent with current professional knowledge. The IOM lists six characteristics of quality care: health care needs to be timely, safe, equitable, efficient, effective, and patient-centered.

The health care system in the United States is perhaps the most debated in the world. As one of the richest countries on the planet, it would follow logic that the U.S. health care system reflected this wealth, and in many cases it does. The U.S. offers some of the best quality care in the world, however to a small percentage of those that can afford expensive treatments (Myers, Sweeney & White, 2002). For the rest of the citizens that cannot afford such treatment, they are often at the mercy of their insurance companies, that may or may not cover certain treatments, may disqualify patients from treatments of previous conditions, or may drop patients from their insurance programs altogether. The capitalistic nature of the health care system in the United States certainly creates an environment in which the health care buyer gets what he or she pays for, nothing more and nothing less. The unfortunate side effect of this system is that millions of the poorest U.S. citizens are not covered by any health care. Estimates suggest that almost fifty million U.S. citizens do not have health insurance, including around nine million children, and as the economy continues to worsen and the population continues to increase, those numbers only stand to continue rising (Hummer, 2010). In the U.S. it is a fact that citizens get what they pay for; and those without the money to pay for expensive health care service most often go without. So, despite having some of the most cutting-edge technology and most educated physicians, the health care system in the U.S. is a clear example of the haves benefiting at the expense of the

have-nots: “[The system] compensates for higher spending on insiders, in part, by consigning more people to outsider status--robbing Peter of basic care in order to pay for Paul's state-of-the-art treatment" (Olson, Tang & Newacheck, 2005). While this may seem to suggest that the health care system in the U.S. is deficient, it is a highly profitable industry that continues to make record profits every year and the media machine that lobbies on its behalf has amassed considerable support.

Conclusion

The main resistance to universal health care in the U.S. comes not just from conservatives and libertarians that wish to see the government uninvolved in all affairs, but also from the medical industry that stands to lose a great deal of money and influence if the government mandated universal coverage. From 2000 to 2008, the U.S. economy grew \$4.4 trillion, and about a quarter of that was spent on one or another health care service (Myers, Sweeney & White, 2002).

These immense costs cover everything from expensive preventative tests to pharmaceuticals, which have become one of the most profitable industries within the U.S. health care system. The costs of health care in the U.S. are higher than most countries, and while the government pays for Medicare and Medicaid, the private individuals of the country are the ones that bear the brunt of the health care cost burden: “U.S. health care is so expensive that our government spends more on health care than the governments of other advanced countries, even though the private sector pays a far higher share of the bills than anywhere else” (Quadagno, 2005). Health care in the U.S. is a large, privatized cash cow with limited regulations and maximized profits, including the massive insurance companies that hold the most influence in the system. Criticisms continue to come from both sides of the U.S. healthcare issue, as many

oppose the reforms outright, while many other feel the reforms do not go far enough. Only time will tell whether these reforms continue to lead towards socialized health care or whether its opponents will continue to hold significant sway over the debate.

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