

HEALTH CARE POLICY

Unit 2 SHORT ESSAY

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- Federalism: James Madison proposed the people knew what was best for them and their country. This was called Federalism, argued at the Constitutional Convention by Mr. Madison in *the Federalist Papers (1)*. He advocated for a Democratic Republic, governed by rule of law. In order to maintain this government by rule of law, as opposed to the rule of special interest, the people must elect representatives who will uphold their interests. In return, government officials must be kept an eye on by the people from becoming too powerful. The people have the power of the vote to decide who has the job of representing them. For example, health care programs; the laws and regulations may be formed at the highest level, but the people will know what they need at the local level.
- Instrumentalism: Also known as “incremental decision-making” according to Auburn University, Department of Political Science (2), where thought lies “at the margin”. Of what? Well, of the person making the decisions, of changing the policies, or the one who is supposedly analyzing public programs. This is what has happened to many organizations and policymakers. There is less of a negative or political

impact when a small degree of change is going to occur. Again, special interest groups are attracted to the outcomes, and probably have a part in the decision making

- James Madison's "Federalist 10": "The Utility of the Union as a safeguard Against Domestic Faction and Insurrection". (continued)  
This was written by James Madison to the Constitutional Convention (3) in 1787 as he argued that "*ambition must be made to counteract ambition*". (4). He warned of a major concern in a well construed Union. To break apart the dominating and mischievous "faction" by control of its effects, or removal of causes. He looked to the old world of European countries, with their failures in policies from greed and centralized governments.

Then he ventured to the Constitution as the result of the New World's response to the evils that it hoped to avoid. James Madison proposed a 4<sup>th</sup> Branch of Government, based on liberty and the freedom of the vote. The branch would be known as the people of the United States.

- Social Security Act of 1935: SSA for short, consisted of Titles I through XI in 1935, and was enacted August 14<sup>th</sup> in that year. But prior to 1930, medical insurance programs were nonexistent. Public Health was available due to the unsanitary conditions, unemployment, lack of

antibiotics, etc. Then during the depression, a need for social insurance became available to the public in the form of unemployment compensation, old age pensions, and other benefits. That was the Social Security Act of 1935(5) and the early legislation included a health insurance package, too. But President Roosevelt felt that health care added on would jeopardize the whole project at that time. Instead, more public health initiatives were added onto the bill, which were probably valuable indeed.

- European countries had medical programs in place: As I mentioned above, the European countries did have health/medical programs in place before the United States did. Their policies are what we based our checks and balances on. They had tyranny and oppression, controlled by the elite and minority without any policy or decision making from the people. The legislature of the Republic of the U.S.A. remembered why we had all travelled here in the first place. The European countries had no liberty, no freedom to choose, no rights to vote or refuse. So the lawmakers took this into account when planning the Republic's health care plans.

- 1946 Hill-Burton Act: \*\*\*\*\* (Server is down at Kaplan at this time.

Ticket number is 1575609 for maintenance. I will finish without online sources from Kaplan) \*\*\*\*\*Along with America's growing health policies, health boards and departments were widespread over the country. Unlike our foreign counterparts, the Federal government in the U.S.A. took no action on health care until it became a Federal issue and could not be denied any longer. Over a 16 year period of war and bed shortages, from 1930 through 1946, no hospital construction took place. Then in 1946, Congress passed legislation to provide federal funding to subsidize construction of hospitals for bed shortages, mainly in the farming communities. This bill was called the Hill-Burton Act of 1946 or The National Hospital Survey and Construction Act, Patel et al, page 41. What does this tell us? The Hospital Survey may have found that most hospitals in larger cities were either full or not needed. Or, that many war victims who came home injured were from the country, and that is where the hospitals needed to be built. In either case, it takes a political move, a judgment after an ideation is observed, to develop a policy. You can't base a policy on a plan that never has been subjected to review or investigation. In this case, unfortunately, war was the cause, more hospitals beds were the effect. James Madison called it "checks and balances" in the government that makes it run smoothly.

- Blue Cross and Blue Shield Plans: We haven't mentioned the American Medical Association's (AMA) beginnings in 1847, when most medical sources dealt with public health services and the people problems. While we lagged behind our foreign counterparts in establishing insurance programs, it was because the AMA viewed the government as a threat to health care, Patel et al, page 39. However, Blue Cross came into effect in 1929, allowing prepaid billing to Hospitals. Blue Shield also joined forces for prepayment to physicians services while in the hospitals, especially surgical services, in the 1930's. These plans became very successful to the private person and the tax payer; it allowed for increased visits to physicians as they were tax deductible; and they gave one a sense of peace with a steady income.
- Medicaid: In 1965, the Ginsburg Model of providing assistance to the needy was adopted, *Public Insurance Programs: Medicare and Medicaid, 1988(6)*. Medicaid promotes medical needs of a group who unassisted may go without any healthcare. Some of the benefits include Aids to Families with Dependent Children (AFDC) and Women, Infants and Children (WIC) (7). More services fall under eligibility, where providers within the Medicaid program include hospitals, intermediate care facilities, nursing homes, and physicians. In South Dakota, a family of three must have an income, after deductions, of less than \$750.00 per month to qualify. (Same as food stamps).

- Medicare: In 1965, when President Johnson signed the Social Security Act as an amendment to the Social Security Program, he set in motion the wheels for health insurance for all citizens over 65 years of age. Now, some 56 years later, legislative additions have included those citizens with certain disabilities and special needs. He also sign a number of other bills into law, concerning health care.

This caused a miss match of funds going out, and less coming into the Federal Government. Let us look at each one of the plans below to see how each one fared.

Medicare Part A was specifically designed to cover hospital expenses and can be included in at least an overnight stay. Beneficiaries are overed for semiprivate rooms, meals, required tests, and doctor's fees. Part A will also cover brief stays in a skilled nursing home for convalescence, provided that certain criteria are met. Most hospitals will accept what Medicare covers if you are indigent, by filling out paperwork for low income. They have funding available.

Medicare Part B usually covers most other medical services, such as Physician's services and other outpatient services. This is where the expense can open up. Physicians can accept Medicare payment, and then they are considered a "Provider". However, if they are agreeable, usually the deductible is about \$250. per year. Always carry your card

on you, and report it stolen immediately if you do lose it.(8) I do know from personal experience that they are very good at replacing the cards, dialing the number that you should always have listed nearby(9).

Medicare Part D was covered very nicely in discussion. Medicare Part D provides prescription drug coverage for both generic and brand name prescription drugs. Prescription drug coverage also provides protection for people who are dealing with high drug costs and from unexpected prescription drug bills. President Clinton started the concept during his reign, but Part D didn't pass go until President Bush put the final touches on the Plan. The arguments were heavy on both sides, as we discussed in class. I have a feeling the Nation's Health Plan will go the same way.

- Redlining: During the Depression, Franklin D. Roosevelt developed a program called the WPA which gave a lot of the unemployed men a job rebuilding America. They built sidewalks, railroads, schoolhouses, etc,. The man in Illinois who worked hard to create a name for himself was R. J. Kelly, mayor fo Chicago from 1933 to 1947 (that is a long time). He won over the black voters, and there were more than a few, changing Chicago from a Republican town to a Democratic town, as was a good thing.(9)



- SCHIP: This program starts at the Federal level and is designed to assist a very large group of our youth, who are either uninsured through poverty, or because they are unable to get insurance by health reasons. What was created is called the State Children's Health Insurance Program which is part of the 1997 Balanced Budget Act, and actively resides under the Social Security Act's Title XXI. Federal funds are matched to State funds, so after our readings this past two weeks, we can imagine the problems we are facing now and in the future. On a final note, my 18 year old son is a Senior in High School, and is on the States Chip program.

## References

- (1) <http://www.constitution.org/fed/federa10.htm>
- (2) <http://www.auburn.edu/~johnspm/gloss/incrementalism>
- (3) James Madison, *The Federalist #10*, The Daily Advertiser, Thursday, November 22, 1787,
- (4) Patel, K. & Rushefsky, M. E. *Health care politics and policy in Africa* (2<sup>nd</sup> ed.). Armonk, NY: M.E. Sharpe.
- (5) The *Social Security Act* (Act of August 14, 1935) [H. R. 7260]  
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- (9) Bales, Roger. "Edward J. Kelly: New Deal Machine Builder." In *The Mayors: The Chicago Political Tradition*, ed. Paul M. Green and Melvin G. Holli, 1987.