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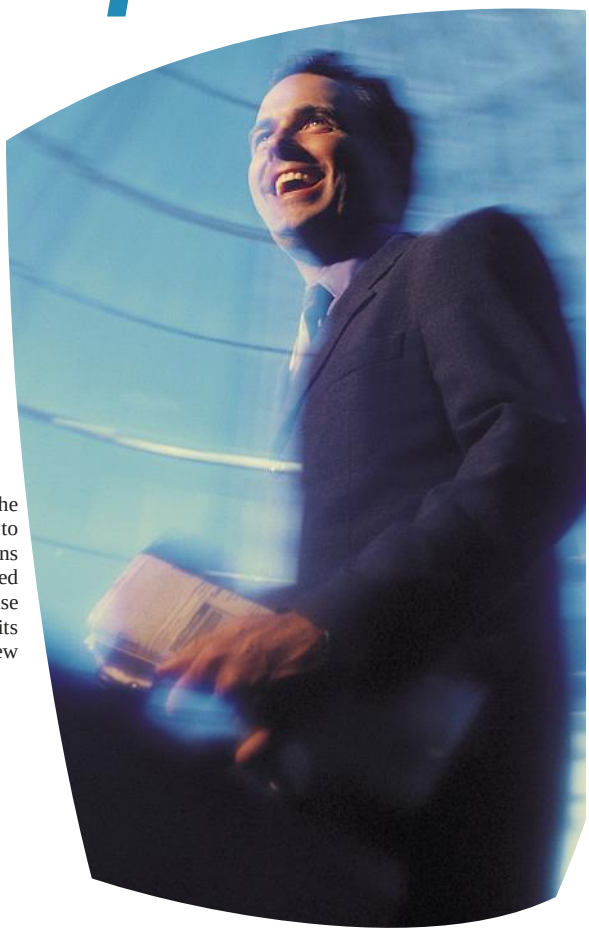
Patient focus

ADDRESSING THE IMPACT OF AFFORDABLE CARE ACT ON VARIOUS STAKEHOLDERS IN USA



This paper explores the Patient protection and Affordable care Act (PPACA) commonly referred to as Obama care , gives an overview of the social economic and political challenges it faces and provides a fairly robust report card of its effectiveness and future as a US Federal

Overview of Affordable Care Act

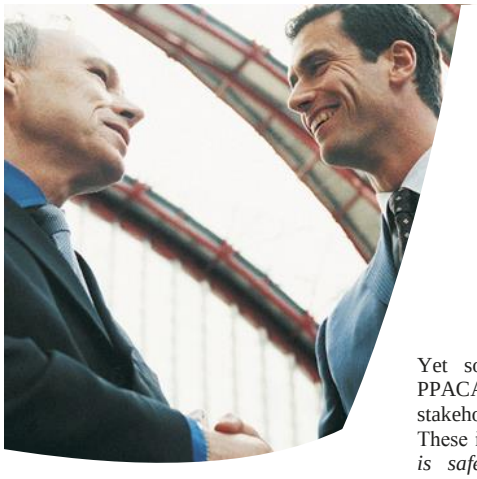
On March 23, 2010 President Barack Obama signed into law, the patient protection and Affordable care Act (Kaiser Family Foundation, 2013) that included a "prevention and public health Fund" designed to provide health coverage to many uninsured people among a largely uninsured US population (Procter and Smith, 2009).

The PPACA was enacted to increase the quality and affordability of health insurance, lower the uninsured rate by expanding private and public insurance coverage, in addition to reducing healthcare costs for individuals and the government ("Public Law 111–148", 2010). Affordable insurance was defined as that costing less than 8% of one's annual income. Furthermore, the essence of affordability was premised on the use of tax credits and out of pocket subsidies to save close to 60% of the escalating costs of premiums then, in order to meet the demands of up to 23 million Americans (www.obamacarefacts.org). State based exchanges -created to enable people purchase health insurance, also offered cost sharing credits to individuals/families and imposed new regulations that provided consumer protections.

KEY BENEFITS

- Provide access to healthcare through the health insurance market place
- Improve the quality of health and lower healthcare costs
- Instil new consumer protections through effective regulatory systems

Despite challenges at launch, the PPACA has started showing signs of success. For example, close to 3.4m uninsured people got insurance in California (KFF, 2014) of which 25% got it through Medicaid, 12% through employment, and 9% through covered California. Much as progress is being made in the coverage, the affordability component poses a significant threat.



Concerns

However, concerns over equity of the policies and quality services continue to be raised probably due to cost control issues and efficiency..

Wilfred Dolfsma and Robert McMaster (2011) argue that in the US, the emphasis on biomedical paradigm is still very significant. They posit that *"health care practices are increasingly standardized in a path-dependent fashion, into a narrow suite of codifiable procedures in order to accommodate the measurability demands of policy. For instance, following diagnosis patients are offered particular treatment pathways without sufficient regard to their circumstances and socio-economic background"* (pg.6).

Yet some critics argue that the PPACA has failed to align stakeholder incentives (Feld, 2014). These incentives include: "*care that is safe, effective, patient-centred, timely, efficient, and equitable*". There's a school of thought that posits that stakeholders in the US healthcare system except consumers have always tried to maximize profit at the other's expense making healthcare expensive.

Suffice it to say, folks who subscribe to this ideology don't have a problem receiving monthly stipends from social security administration, a federal funded government program. They see no problem in the increase of Medicaid payments to PCPs of no less than 100% of the rates in 2013 and 2014 for primary care services funded fully by the federal government (HHS, 2014). This same contradictory stance is shown towards the cover they receive through Medicare, another single-payer government system many on the right have termed "socialized medicine" (Stoller, 2011)

Government may not legitimately coerce people if its goal is to protect them from themselves

John Stuart Mills

Political concerns of the PPACA

Yet ethical questions abound as to who decided health care for the US population. . Others -including some PCPs have opted to close shop rather than be a party to the implementation of the law. The individual mandate which offers no exceptions to the requirement that every adult must have health insurance – to these critics, is some form of government paternalism (Why Nudge?, 2014 p.6).

Kaiser Family foundation a leader in health policy analysis wrote that *"a tax penalty of the greater of $695 per year up to a maximum of three times that amount ($2,085) per family or 2.5% of household income"* would be levied (KFF, 2013).

Nevertheless, the notion of freedom of choice has been a forbearing principle of American society, a component of the American way. Robert Moffit (2014) reinforces this notion by saying the PPACA violates personal liberty and federalism (The Heritage Foundation, 2011).

At the same time, because social welfare called for a strong response to bridge the inequality gap in health care, the Affordable Care Act law appears justified more so on cost-benefit grounds. The automatic enrolment in the PPACA for example, appears to have been designed to affect health outcomes without altering people's beliefs and attitudes. The unemployed, or the employed wouldn't have to do much, except be subjected to an automatic enrolment when the individual mandate kicked in.

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