



Medicare News and Updates

Issue #90 - August, 2009

From the Health Insurance Counseling and Advocacy Program

Healthcare Reform

Healthcare refers to the treatment of illnesses and injuries as well as the maintenance of health through preventive practices. **Universal health-care** simply means that all of these services are available to every person in an area (nation, state, city, etc.) or segment of a population who is eligible. It says nothing about the systems by which the healthcare is provided or the sources and methods of financing the healthcare.

More is spent per person on healthcare in the United States than in any other country. Except for the Marshall Islands, we spend a greater portion of our gross domestic product on healthcare than any other U.N. nation. Yet, according to the National Academy of Sciences, the U.S. is the "only wealthy, industrialized nation that does not ensure that all citizens have coverage". So it is not surprising that the majority of Americans agree that some type of healthcare reform is absolutely necessary. However, there are disagreements related to how a healthcare system that provides for everyone should be structured and how it should be paid for.

In order to understand the debates taking place regarding healthcare reform, it is good to clarify some of the terms being used.

The initial definition of **socialized medicine** applied only to systems in which the healthcare providers work for the government which also runs the facilities. Examples would be the hospital trust system in England and the United States' Veterans Health Administration. Recently "socialized medicine" has been expanded by some authorities to refer to any healthcare system that is partially or totally funded by the gov-

ernment, even if the professionals and hospitals operate as nongovernmental entities. This broader concept includes Canada's publically-funded, universal health care system in which most services are provided by the private sector. In the U.S. it would include Medicare, Medicaid, and the civilian care component of the Military Health System called TRICARE.

TRICARE also is an example of a **single-payer healthcare system**. Such a system is simply one in which the health care providers are paid from one source of money. That source could be the government or any other entity such as an insurance fund. The scope could be national or limited to a community or segment of the population. It definitely does not mean that health care is necessarily delivered or controlled by the government or a government agency.

National health insurance refers to a program that guarantees that every member of a population is insured for the costs of healthcare. While it usually is created by national legislation, it does not mean there necessarily will be government run or government financed healthcare. It could be administered publically (by the government), privately, or through a combination.

President Obama has proposed creating a **health insurance exchange** to provide national health insurance. It would be a "one-stop" with public and private plans available. People then would choose the insurance that's best for them without the risk of being turned down.

It's our health. We need to stay informed!

Bob Petty, Director of Community Education

For Medicare assistance contact HICAP at the Alliance on Aging

From anywhere in Monterey County: 1-800-443-0222

www.allianceonaging.org