

Instructor Resources Sample

This is a sample of the instructor materials for *Introduction to Health Policy*, Third Edition, by Leiyu Shi, DrPH.

The complete instructor materials include the following:

- PowerPoint slides
- Test bank
- Question answer guides

This sample includes the materials for chapter 1.

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Chapter 1

Overview of Health Policy

Learning Objectives

- ▶ Define key terms related to health policy
- ▶ Comprehend the underlying values of health policy
- ▶ Appreciate the influence of health determinants
- ▶ Understand the framework of health policy formulation
- ▶ Identify the stakeholders in health policy
- ▶ Describe the major types of health policies
- ▶ Discuss the importance of studying health policy

Overview of US Healthcare System

- Healthcare spending at 18.5% of GDP in 2020
- Health status ranks 37th among 191 countries (WHO 2010)
- Health indicators rank last among six selected countries in a survey (Australia, Canada, Germany, Netherlands, New Zealand, and UK) (Commonwealth Fund 2010)
- US mortality rate was worse than other similar nations during COVID-19

Key Terms Related to Health Policy

Health Defined

- A state of complete **physical, mental, and social well-being**, not merely the absence of disease or infirmity (WHO 1946)
- The result of personal characteristics and choices

Key Terms Related to Health Policy

Health Defined (cont.)

- Physical health
 - Life expectancy
 - Mortality
 - Morbidity
 - Disability
 - Quality of life

Key Terms Related to Health Policy

Health Defined (cont.)

- Mental health
 - Mental conditions
 - Behaviors
 - Perceptions
 - Satisfaction
 - Services received

Key Terms Related to Health Policy

Health Defined (cont.)

- Social well-being
 - Socioeconomic status (SES)
 - Income, education, and occupational status
 - Quality of life
 - Social contacts and social resources

Key Terms Related to Health Policy

Public Health Defined

“The science and the art of preventing disease, prolonging life, and promoting physical health and efficiency through organized community efforts for the sanitation of the environment, the control of community infections, the education of the individual in principles of personal hygiene, the organization of medical and nursing service for the early diagnosis and preventive treatment of disease, and the development of social machinery which will ensure to every individual in the community a standard of living adequate for the maintenance of health.”

—Winslow (1920)

Key Terms Related to Health Policy

Public Health Defined (cont.)

- Two main goals (American Public Health Association):
 - “The practice of preventing disease and promoting good health within groups of people”
 - Research and surveillance to better understand the health issues facing a group and, in turn, to be able to craft good health policy

Key Terms Related to Health Policy

Policy Defined

A decision made by an authority about an action—either one to be taken or one to be prohibited

- To promote or limit the occurrence of a particular circumstance in a population
- Public policy intended to serve the interests of the public at large
- Private policy affects the private organization only

Key Terms Related to Health Policy

Health Policy Defined

- Legislation pertaining to individuals, organizations, or society with the goal of improving health for populations or subpopulations
- May influence each component in the determinants-of-health framework directly or indirectly
- Affects groups or classes of individuals and organizations

Key Terms Related to Health Policy

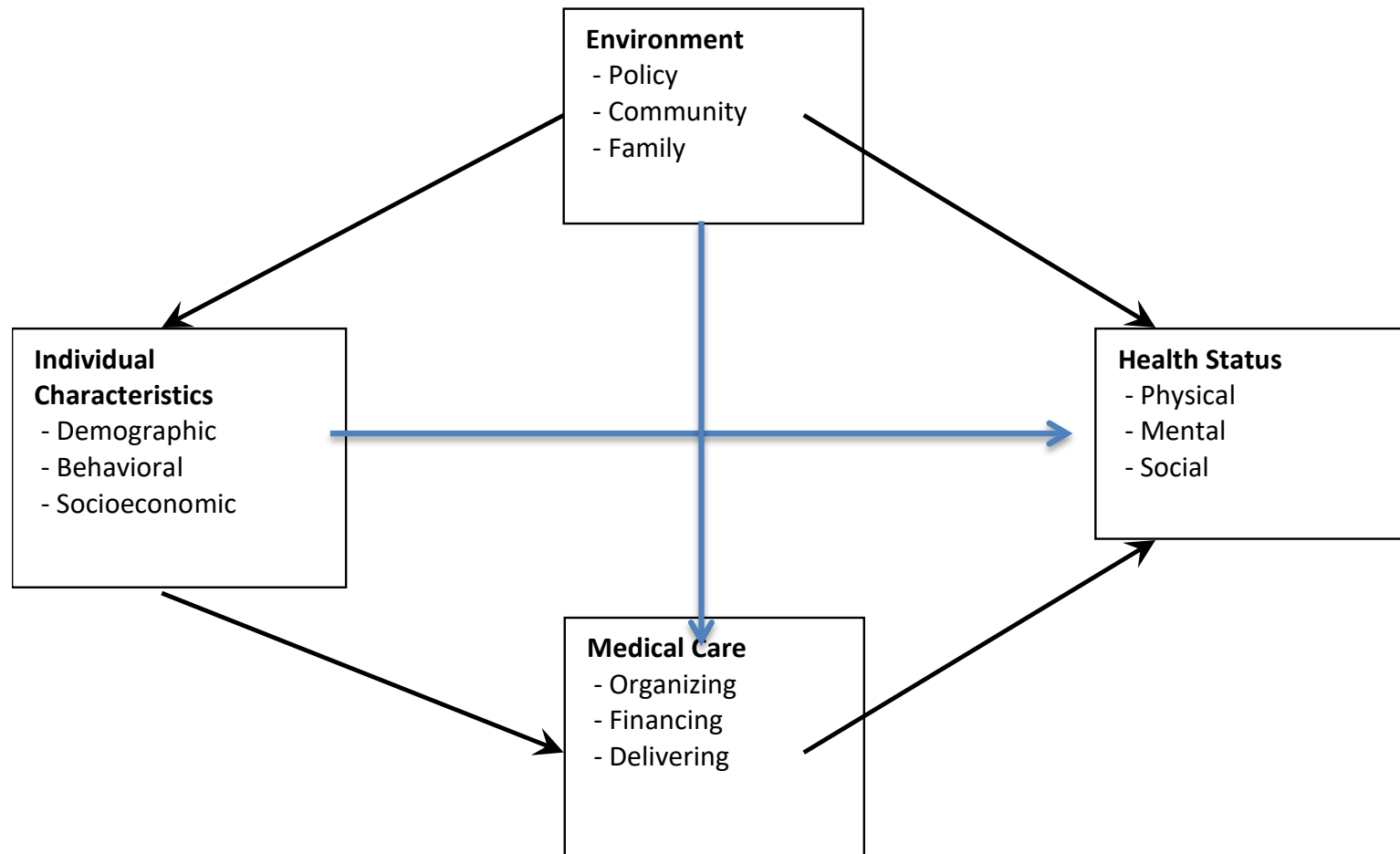
Healthcare Policy Defined

- Part of health policy focusing on healthcare
- Pertains to the financing, organization, and delivery of care
- Goals typically are to provide equitable and efficient access to, and ensure the quality of, healthcare services

Underlying Values of Health Policy

- US healthcare system (complexity, high cost, and systemic disparities) is a reflection of the underlying foundational values of market and social justice.
- A market justice approach means that healthcare is distributed based on a person's willingness to pay.
- A social justice approach allocates care according to need rather than ability to pay.

Influence of Health Determinants



Influence of Health Determinants

Determinants of Health—Environment

- Physical dimension
 - Air, noise, water pollution, etc.
 - Contains health hazards resulting from human activity
- Social dimension
 - Reflected in a nation's political, economic, and cultural preferences
 - Includes behavioral health factors and demographic trends

Influence of Health Determinants

Determinants of Health—Individual Characteristics

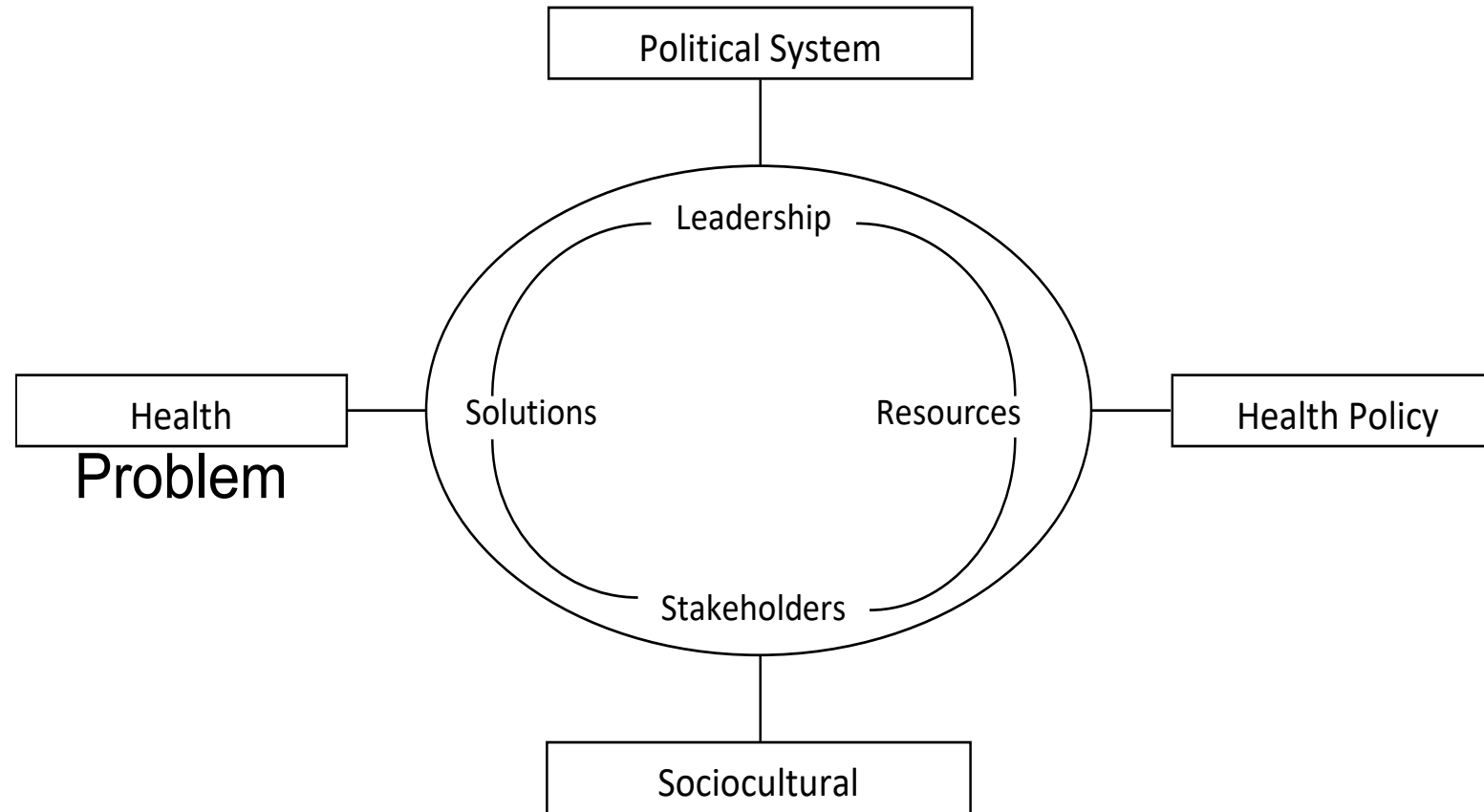
- Demographics
 - Age, gender, race, and ethnicity
- Behaviors
 - Leisure activity risks (less control/regulation)
 - Consumption risks (less control/regulation)
 - Employment participation and occupational risks (more control/regulation)
- Socioeconomic status (SES)
 - Income
 - Education
 - Occupational status

Influence of Health Determinants

Determinants of Health—Medical Care

- Medical care is different from other goods and services
 - Demand is derived from health needs
 - Agency relationship
 - Healthcare pricing varies according to who pays the fees
 - Provision is influenced by the environment

Framework of Health Policy Formulation



Framework of Health Policy Formulation

Broad Determinants of Health Policy:

- The nature of the health problem
 - Magnitude
 - Severity
- Sociocultural norms
 - Reflect the accepted values, beliefs, attitudes, and behaviors of a society or group
- Political system
 - Democratic versus single party

Framework of Health Policy Formulation

Narrow Determinants of Health Policy:

- Potential solutions to the identified health problem
- Views and efforts of stakeholders
- Demonstrated leadership of policymakers
- Availability of resources needed to implement the policy
 - Financial feasibility
 - Administrative feasibility

Stakeholders in Health Policy

- Stakeholders
 - Entities or individuals who have a direct or indirect role in the development of policy
- Stakeholders influence:
 - Formulation of health policy
 - Implementation of health policy
 - Modification of health policy

Stakeholders in Health Policy

- Interest group
 - Individuals or entities that at least nominally present a unified position on their preferences regarding a particular health problem or its solution
 - Lobbying by organized interest groups is a common component of the political process in a democracy

Stakeholders in Health Policy

- Consumers and patients
 - Intended beneficiaries of health policy
- Healthcare providers
 - Autonomy
 - Prestige and expertise associated with their careers
- Healthcare organizations
 - Deliver care to patients
 - Financial well-being

Stakeholders in Health Policy

- Payers and insurers
 - Private insurance: to maintain their share of the health insurance market
 - Public insurance: to ensure coverage for vulnerable populations at reasonable costs
- Regulators
 - Availability of basic services
 - High quality
 - Contained cost

Stakeholders in Health Policy

- Payers and insurers
- Medical device and pharmaceutical manufacturers
 - Payment for use of their products
- Educational and research institutions
 - Type and quantity of healthcare providers to be trained
 - Types of research to be conducted
- Business and corporations
 - Minimize the cost of health insurance as a benefit for their employees

Major Types of Health Policy

- Regulatory health policies
 - Regulatory tools that call on government to prescribe and control the behavior of a particular target group by monitoring the group and imposing sanctions if it fails to comply
 - Private health policies can also be regulatory
- Allocative health policies
 - Distributive policies spread benefits throughout society
 - Redistributive policies take money or power from one group and give it to another

Importance of Studying Health Policy

- The first step toward influencing policy
- Allows one to engage in efforts to improve it
- Health policy influences population health because:
 - It is an integral component of health determinants
 - It influences other determinants of health

Summary

- Health
- Public health
- Determinants of health
- Policy
- Health policy
 - Values
 - Framework
 - Stakeholders
 - Types
 - Importance of studying health policy

Chapter 1: Overview of Health Policy

Discussion Questions

1. How is *health* defined?
WHO (1946) defines health as “not merely the absence of disease or infirmity but a state of complete physical, mental and social well-being.” Health is also the result of personal characteristics and choices.
2. What are the underlying values of health policy in the US?
The conflicting values of market and social justice principles contribute to the current status of US health policy and healthcare as a result. The market justice principle believes that healthcare is just like a market product determined by individual wants and ability to pay and government should not intervene or only intervene as a last resort. This explains why government only plays a secondary role in US healthcare in terms of both financing and delivery. The social justice principle believes that healthcare is a social good determined by individual needs rather than ability to pay. Examples include universal health insurance such as Obamacare or Medicare for the elderly and Medicaid for the poor. The interplay of those conflicting values and resulting policies explain why US healthcare is various, expensive, and complicated.
3. What are the major determinants of health? How do they interact?
The major determinants of health are environment, health status, medical care, and individual characteristics. The framework in exhibit 1.3 shows the interactions among these determinants.
4. What is health policy, and what are its determinants?
Health policy is legislation on individuals, organizations, or society with the goal of improving health for the population or subpopulations. Broad determinants include the nature of the health problem, the sociocultural norms that influence the perception of the problem, and the political system within which policy is formulated. The narrower determinants include potential solutions to the identified health problem, views and efforts of the stakeholders, demonstrated leadership of the policymakers, and available resources needed to implement the policy.
5. Who are the stakeholders of health policy? What kinds of concerns does each of these stakeholders have about the current US healthcare system?
 - Consumers and patients. They are typically the intended beneficiaries of health policy because they bear the consequences of a health problem that could be the target of health policy.
 - Healthcare providers. They value autonomy and the prestige and expertise associated with their careers, in addition to maintaining a high level of income.
 - Healthcare organizations. They are concerned with how to better serve their customers and deliver high-quality care, while maintaining their financial well-being and the competitiveness of their institutions.

- Payers and insurers. For private insurance, the main concern is maintaining their share of the health insurance market. For public insurance, the main interest is ensuring coverage for vulnerable populations at reasonable costs.
 - Regulators. They regulate the healthcare system to ensure the availability and quality of basic services, and to control the overall cost.
 - Medical device and pharmaceutical manufacturers. Their main concern lies in the sales and profits from their products, as well as the competitiveness and market share of the company.
 - Educational and research institutions. Health policy affects the type and quantity of healthcare providers to be trained, as well as the types of research to be conducted.
 - Business and corporations. These stakeholders seek to manage the costs they incur for providing health insurance as a benefit to their employees.
6. What are the major types of health policies? Cite an example of each type.
The two major types of health policies are regulatory health policies and allocative health policies. Examples of regulatory policies include prohibition of smoking in public places, licensure requirements for medical professions, and processes related to the approval of new drugs. Allocative health policies can be distributive policies or redistributive policies. Examples of distributive policies include the funding of medical research through the National Institutes of Health, the provision of public health and health promotion services, the training of medical personnel, and the construction of healthcare facilities. Examples of redistributive policies include means-tested social insurance programs such as Medicaid, the welfare program, and public housing.
7. Why is it important to study health policy?
Understanding the development of health policy is the first step toward influencing policy. The study of health policy enables people to engage in efforts to improve it. Furthermore, health policy is an integral component in the framework of the determinants of health. It influences not only health but also the other components in the framework. Therefore, to study health policy and subsequently improve policy development and implementation can significantly improve population health and enhance the whole health system.
8. Why is it important to have an international perspective in health policy development?
Learning from other countries' best practices can help improve healthcare delivery in the United States. As international health policies and global trends align, the emphasis of developing countries on basic and community-based public health and primary care can serve as a lesson for developed countries.

Case Study Questions

Case Study 1

After researching how market and social justice approaches clash in American health policy, answer the following questions:

1. Why are there both market and social justice values in the United States?
The United States is a melting pot, including people from different countries of origin with different cultural, political, and religious beliefs. As the United States is a democratic

country, the diverse beliefs are largely tolerated so long as they don't collide with the prevailing laws and regulations.

2. How have the United States' values and history led to the current healthcare structure (or subsystems) we see today?

The competing beliefs result in different social and health policies depending on which state one lives in. Generally, Democrats (or those living in "blue states") tend to embrace social justice principles reflected in more social welfare policies and programs. Republican (or those living in "red states") tend to embrace market justice principles reflected in more pro-market policies and programs.

Due to these conflicting values between market and social justice, national-level healthcare reform tends to be slow and incremental as a result of balancing the competing values. Major reform (change) typically happens as a result of a national calamity.

3. How does understanding the foundational values behind healthcare improve its policy development?

An understanding of the foundational values behind healthcare improves its policy development for the following reasons. First, the policy would take into account the prevailing values in its formulation since policy with significant deviations from the prevailing values would unlikely succeed. Second, to the extent policy is conflicting with certain foundational value, groundwork is necessary to educate the public as to the necessity of the policy even though it is in conflict with certain foundational value. The adverse consequence of not enacting the policy needs to be clarified. Finally, an incremental approach towards policy development might be formulated to allow gradual but real progress.

Case Study 2

After researching the events surrounding the healthcare reform initiatives undertaken by the Clinton, Obama, and Trump administrations, answer the following questions:

1. What factors might explain why the Obama plan succeeded? What events may have caused the Clinton plan and Trump's initial attempts to repeal and replace the ACA to fail?

For Obama, the skyrocketing healthcare expenditures and the number of uninsured Americans reflected both the magnitude and the severity of the problems in the US healthcare system. These issues triggered renewed interest in and heated debate of healthcare among all kinds of stakeholders. Healthcare reform was a key focus of presidential campaigns in both parties. Furthermore, the example of healthcare reform in Massachusetts offered one potential solution for the problem.

As for the Clinton plan, the administration was ambitious but significantly "underestimated the opposition and overestimated the support" (Oberlander 2007). The administration failed to gain support from any major stakeholders, Congress, hospitals, providers, pharmaceutical companies, and the public. The insurance industry even created an ad, "Harry and Louise," and successfully pushed public opinion against the plan. One major difference between the strategies employed is the speed with which the process was handled. Whereas Clinton "took time to build a consensus," which never happened, Obama "rushed through" the process to

seize the “window of opportunity.” Trump’s efforts to “repeal and replace” the Affordable Care Act (ACA) were unsuccessful.

2. How do you think the failure of the Clinton healthcare reform effort influenced the outcome of the congressional election that followed?

The failure weakened the Clinton administration and the Democratic Party and, therefore, emboldened Republicans, which contributed to their win in the congressional election.

3. Why does health reform continue to be controversial despite widespread opinion in favor of change?

The healthcare system is resistant to change, even though the consequences associated with the failure to reform are enormous. In a broader sense, although the problems within the healthcare system are severe and widespread, the divided sociocultural norms and political system pose significant challenges to health reform. In a narrower sense, the healthcare system is so complicated that no change associated with a solution is inevitable (Oberlander 2007).

Furthermore, a variety of stakeholders with contradictory and conflicting interests pose additional barriers to the reform efforts. Interests may be divided even within a single interest group. Moreover, a wide range of resources will have to be invested to implement a reform, which may threaten the feasibility of the reform effort. Finally, policymakers are deeply concerned by the problems within the system, but the political will to change is undermined by vigorous opposition from all forces. Under such circumstances, healthcare reform continues to be controversial.

Case Study 3

After researching current developments in healthcare reform, answer the following questions:

1. What are the similarities and differences in the ACA between the Obama administration, the Trump administration, and the Biden administration?

The ACA, drafted by the Obama administration, became law in 2010 and focused on reform of the private health insurance market and Medicare coverage. In the beginning of the Trump administration, numerous failed attempts were made to repeal or alter the ACA. Republicans tried to replace it with the American Health Care Act (AHCA) and with subsequent amendments, called the Better Care Reconciliation Act and Health Care Freedom Act, but they were unsuccessful. However, under Trump, the Tax Cuts and Jobs Act became law in 2017, thus repealing the ACA individual mandate that all Americans have health insurance.

2. Why do the Republican and Democratic parties have sharp disagreements over how healthcare reform should be enacted in the United States? Which segments of the American public do they represent?

Republicans tend to favor lower taxes and prefer not to require individual and employer mandates for health insurance coverage. Democrats favor taxing the rich (as in the proposed financing of the ACA with a high tax on “Cadillac” insurance policies to help cover those uninsured) and support the idea of universal healthcare insurance coverage. Although national opinion has strongly favored healthcare reform during recent administrations, Democrats have been opposed by medical and insurance companies and by antitax rhetoric.

Overall, Republicans tend to be conservative and favor less social spending, whereas Democrats tend to be liberal, progressive, and more attentive to vulnerable populations.

3. Why is healthcare reform so arduous in the history of the United States? In addition to the presidency and Congress, what are the other determinants for successful healthcare reform? Health reform is a deeply partisan issue, with efforts hindered by political tensions within an increasingly polarized Congress. For example, the Republicans repeatedly attempted under the Trump administration to repeal or modify the ACA, which was an achievement of the Obama administration. The failure of the Republican and Democratic parties to achieve consensus has made reform efforts difficult. Other determinants of healthcare reform beyond the ACA include bipartisan support and cooperation between both major political parties.

Reference

Oberlander, J. 2007. "Learning from Failure in Health Care Reform." *New England Journal of Medicine* 357: 1677–79.

Suggested Essay Test Questions

1. Who are the stakeholders of health policy? What kinds of concerns does each of these stakeholders have about the current US healthcare system?
2. What are the determinants of health policy?

Answers

1. Stakeholders include the following:
 - Consumers and patients. They are typically the intended beneficiaries of health policy, because they bear the consequences of the health problem that is the target of the policy.
 - Healthcare providers. They value autonomy and the prestige and expertise associated with their careers, in addition to maintaining a high level of income.
 - Healthcare organizations. They are concerned with how to better serve their customers and deliver high-quality care, while maintaining their financial well-being and competitiveness of their institutions.
 - Payers and insurers. For private insurance, the main concern is maintaining their share of health insurance market. For public insurance, the main interest is ensuring coverage for vulnerable populations at reasonable costs.
 - Regulators. They regulate the healthcare system to ensure the availability and quality of basic services, and to control the overall cost.
 - Medical device and pharmaceutical manufacturers. Their main concern lies in the sales and profits from their products, as well as the competitiveness and market share of the company.
 - Educational and research institutions. Health policy affects the type and quantity of healthcare providers to be trained, as well as the types of research to be conducted.
 - Business and corporations. These stakeholders seek to manage the costs they incur for providing health insurance as a benefit to their employees.
2. Broad determinants include the nature of the health problem, the sociocultural norms that influence the perception of the problem, and the political system within which policy is

formulated. The narrower determinants include potential solutions to the identified health problem, views and efforts of the stakeholders, demonstrated leadership of the policymakers, and available resources needed to implement the policy.