

**Unit 6: Economics of Health Care**  
**Z-Chapter 16**  
**ONLINE CONTENT (1 H)**

**Unit Objectives:**

- Define economics and health care economics. (5,7)\*
- Use a basic knowledge of health care economics to analyze trends in the health care delivery system. Explain and apply the five rights of delegation in nursing practice. (5,7)\*

**\*Course Objectives**

Review the You tube video “Why Medical Bills in the US are so expensive” on this website <https://www.youtube.com/watch?v=3NvnOUcG-ZI> and place your answers to the following questions in the Z-CH # 16 drop box by 0800 on March 14, 2024.

1. What are the most common ways individuals use to raise money for healthcare costs not covered by insurance? What are your thoughts on using social media to raise money for healthcare costs? What are some of the costs not covered by insurance?  
Some individuals use GoFundMe pages and or social media to fundraise money for healthcare costs not including in insurance coverage. Some individuals also travel abroad to receive care for less money. To me, I do not agree with using social media to raise money for bills because there are people who take advantage of others and come up with a fake illness or story and use people to gain money, like a scam. I think we need secure websites to raise money for bills, or have a hospital monitored page where scams are monitored for and not everyone can just access it and post a need. Some costs not covered by insurance include hearing, dental, some surgeries, medications, hospitals themselves, transfers such as from hospital to nursing home or rehab.
2. Who are all the entities fighting for monetary payment for healthcare services provided?  
Physicians, shareholders, pharmaceutical companies, hospitals, and insurance companies are all in a tug of war over expenses.
3. What are the metrics used to judge hospitals and do you think these are the appropriate metrics, explain your answer?  
The metrics used were profit, return on investment, and efficiency. I do think these are appropriate metrics because when we think about it, hospitals order millions of dollars’ worth of equipment and supplies for any situation, if the hospital does not pull in the patients to use everything, then why would the companies who own the hospital return the money back when money would only be lost. I also think efficiency is important because if the doctors are not turning over patients who are well and bringing in ones who are sick again and just sitting on the admitted patients, then there is no efficiency in the care.
4. Explain what “unbundling” is?  
Think like buying a plane ticket, you pay for the plane ticket itself but then you have all the extra charges added on such as \$30 for a checked bag, \$3 for water. Basically, there are extra charges added after the charges are added, for example, you are charged for a visit to the emergency room, but then we add charges from medications to gauze pads.
5. If you had the ability to create a health care system from scratch, what would you do differently?

If I had to build my own health care system, I would start by requiring the use of specific insurance companies such as Aetna, Medicare/Medicaid, and others. Doctors would all need to accept the same insurances and our equipment would need to come from one place and be covered by the insurances. I also would make sure to be transparent with patients from the start, this is the cost of baseline admission, this is what it costs for extra procedures, food, utilities, etc. and make sure that they are aware of this. Having medications all cost the same regardless of branding is a lot to ask, but having OTC Tylenol be more expensive than generic acetaminophen makes no sense to me. I would also want to set a standard of care and hire people with great background information and consider having resident physicians be a requirement and hire them after as physicians to train them on the systems in place. If a patient requires more medications or services in the event of an emergency, what would be the baseline cost of epinephrine pushed in a code, an intraosseous IV, etc. I would want that in writing, so the family knows what to expect in terms of billing for emergency situations. Also, for maternity if the hospital has an OB ward, what is the cost to stay, to deliver, and what is the baseline for that.

***In order to receive full credit (1 H class time) for this assignment, it must be completed in its entirety by the due date/time assigned. Any assignments not completed in its entirety by the assigned due date and time will result in missed class time.***