**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 Chapter 16 and 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 3/12/2026.**

1. What methods do individuals commonly use to obtain funds for healthcare expenses that are not covered by insurance? How do you feel about the use of social media-based fundraising for medical costs, and what types of expenses typically fall outside insurance coverage?
   **-Individuals pay for health care through a mix of public and private systems. Even with insurance, patients are responsible for copayments, deductibles, coinsurance, premiums, and services not covered under their policy. Patients sometimes cannot afford prescription medications, some cut medications in half to make them last longer, some choose not to fill prescriptions, some look for generic medication at lower cost, and some use hospital programs that provide lower-cost medication. Individuals may also use payment plans, negotiate bills, borrow money, use saving or credit, or turn to social media-based fundraising. Expenses that fall outside insurance coverage is routine dental care, dentures, hearing aids, eye exams for prescribing glasses, cosmetic surgery, certain medication not on formularies, care outside the United States, and custodial or long-term nursing home care. Patients to afford medications and cutting pills in half is actually very sad. It reflects gaps in coverage and financial strain. Social media fundraising highlights how patients must rely on external support when insurance and coverage reimbursement systems do not fully meet their needs.**

2. Which stakeholders or organizations are involved in seeking payment for the healthcare services they deliver?

**-Medicare and Medicaid, private insurance companies, employer-sponsored insurance plans, hospitals and health care organizations,**

**managed care organizations, payers, patients (copays, deductibles, and coinsurance)**

3. What performance metrics are used to evaluate hospitals, and do you believe these measures are appropriate? Provide a rationale for your answer.

**-Length of stay, patient days, acuity, admissions, discharge, and transfers, average daily census, prevention of "never events", prevention of hospital acquired infections. Prevention of falls, cost per fall injury, avoidable complication cost. Medicare does not pay for certain preventable "never events" aka falls, pressure ulcers, or hospital acquired infections. I think these measures are important because they encourage prevention of complications, promote evidence-based practice, and reinforce fiscal responsibility.**

4. Describe the concept of "unbundling" within the context of healthcare billing.

**-Unbundling refers to separating services that are typically grouped together and billing them individually. In health care, when services are not bundled, separate charges may be generated for components of care.**

5. If you had the opportunity to design a healthcare system from the ground up, what changes or innovations would you implement?

**-I would design a system that focuses on complications (falls, infections, pressure injuries), use evidence -based practice to improve quality and reduce costs, use budget planning, and ensure documentation supports appropriate reimbursement**

***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.***