



CHAPTER 2

Current Operations of the U.S. Healthcare System

LEARNING OBJECTIVES

The student will be able to:

- Identify the stakeholders of the U.S. healthcare system and their relationships with each other.
- Discuss the importance of healthcare statistics.
- Compare the United States to five other countries using different health statistics.
- Discuss complementary and alternative medicine and its role in health care.

DID YOU KNOW THAT?

- According to the Bureau of Labor Statistics, the projection for job growth in the healthcare industry over a 10-year period is 9.8 million jobs by 2024.
- Most healthcare workers have jobs that do not require a 4-year college degree, but health diagnostic and treatment providers are the most educated workers in the United States.
- The healthcare industry and social assistance industry reported more work-related injuries than any other private industry.
- Life expectancy and infant mortality rates are an indication of the health of a population.

► Introduction

The one commonality with all of the world's healthcare systems is that they all have consumers or users of their systems. Systems were developed to provide a service to their citizens. However, the U.S. healthcare system, unlike many other systems in the world, does not provide healthcare access to all of its citizens. It is

a very complex system that is comprised of many public and private components. Healthcare expenditures comprise approximately 17.9% of the **gross domestic product (GDP)**. Health care is very expensive, and most citizens do not have the money to pay for health care themselves. Individuals rely on health insurance to pay a large portion of their healthcare costs. Health insurance is predominantly offered by employers.

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The government believes this is the result of the universal mandate for individual health insurance coverage. However, with the recent federal ruling stating that the universal mandate is unconstitutional, it is expected that the uninsured rate may increase.

In the United States, in order to provide healthcare services, there are several **stakeholders** or interested entities that participate in the industry. There are providers, of course, that consist of trained professionals, such as physicians, nurses, dentists, and chiropractors. There are also inpatient and outpatient facilities; the payers, such as the insurance companies, the government, and self-pay individuals; and the suppliers of products, such as pharmaceutical companies, medical equipment companies, and research and educational facilities (Sultz & Young, 2006). Each component plays an integral role in the healthcare industry. These different components further emphasize the complexity of the U.S. system. The current operations of the delivery system and utilization statistics will be discussed in depth in this chapter. An international comparison of the U.S. healthcare system and select country systems will also be discussed in this chapter, which provides another aspect of analyzing the U.S. healthcare system.

► Overview of the Current System Update

The United States spends the highest proportion of GDP on healthcare expenditures compared to any country. The system is a combination of private and public resources. Since World War II, the United States has had a private fee-for-service system that has produced generous incomes for physicians and has been profitable for many participants in the healthcare industry (Jonas, 2003). The healthcare industry operates like traditional business industries. Organizations designated as for profit need to make money in order to operate. The main goal of entities that are designated nonprofit is based on a particular social goal such as increasing healthcare access, but they also have to make money in order to continue their operations.

There are several major stakeholders that participate or have an interest in the industry. The stakeholders identified as participants in the healthcare industry include consumers, employers, healthcare and non-healthcare employers, healthcare providers, healthcare facilities, governments (federal, state, and local), insurance companies, educational and training institutions, professional associations that represent the different stakeholders, pharmaceutical companies,

and research institutions. It is also important to mention the increasing prominence of alternative therapy medicine. Each role will be discussed briefly.

► Major Stakeholders in the Healthcare Industry

Consumers

The main group of consumers consists of patients who need healthcare services from a physician, a hospital, or an outpatient facility. From an organizational perspective, the consumer is the most important stakeholder for an organization. The healthcare industry operates like a business. If a consumer has the means to pay out of pocket, from governmental sources, or from health insurance, the services will be provided. If an individual does not have the means to pay from any of these sources of funding, a service may not be provided. There is a principle of the U.S. healthcare system, **duty to treat**, which means that any person deserves basic care (Pointer, Williams, Isaacs, & Knickman, 2007). In some instances, healthcare providers will give care to someone who has no funding source and designate the care provided as a **charitable care or bad debt**, which means either the provider does not expect payment after the person's inability to pay has been determined or the efforts to secure the payment have failed (DiSalvatore, 2015). Businesses also take the same action. Many of them provide a community service or donate funds to a charitable cause, yet both traditional businesses and healthcare organizations need to charge for their services in order to continue their operations (**FIGURE 2-1**).

Employers

Employers consist of both private and public employers. The healthcare industry is the largest U.S. employer. According to the **Bureau of Labor Statistics (BLS)**, there are several segments of the healthcare industry, including ambulatory healthcare services, hospitals, and nursing and **residential care facilities**. Ambulatory healthcare services are comprised of physicians, dentists, other health practitioners, outpatient care centers, medical and diagnostic laboratories, home healthcare services, and other ambulatory care. The hospital segment provides inpatient services primarily, with outpatient as a secondary source. It provides general and surgical care, psychiatric substance-abuse hospitals, and other specialty hospitals. Residential care facilities include nursing care, mental health, substance abuse and mental disabilities, community care

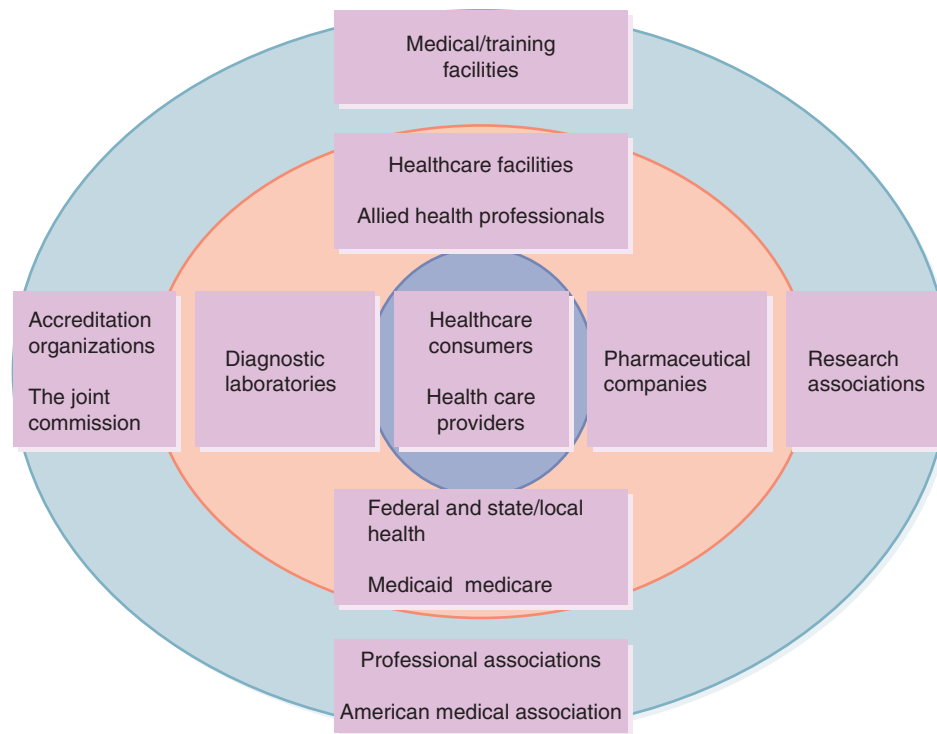


FIGURE 2-1 Healthcare Industry Stakeholders. There are also other consumer relationships in the healthcare industry. Consumers purchase medications either from their provider or over the counter from pharmacies. The pharmaceutical companies market their products to physicians who, in turn, prescribe their products to their patients. The pharmaceutical companies also market their products to hospitals and outpatient facilities to encourage the use of their medications in these facilities. Medical equipment companies also sell their products to facilities and individual providers.

for the elderly, and other residential care facilities (BLS, 2019b). Healthcare employment opportunities can be more easily found in large states, such as California, New York, Texas, and Florida (BLS, 2019c). Employers outside the healthcare industry are also stakeholders because they provide a large percentage of health insurance coverage to individuals nationwide.

Hospitals

According to the American Hospital Association, in 2017, there are approximately 6210 registered hospitals in the United States, of which 5262 are community hospitals (AHA, 2019). Hospitals provide total medical care that ranges from diagnostic services to surgery and continuous nursing care. They traditionally provide inpatient care, although more hospital systems are also providing outpatient care. Some hospitals specialize in treatments for cancer, children's health, or mental health. It is important to note that hospitals are an integral component of the healthcare system. Many uninsured and underinsured individuals present themselves at emergency departments (EDs) across the country and use EDs as their primary care provider. In 2016, more than 136 million individuals presented

themselves to the ED as their entry into health care. Nearly 64% of those visits were from the age group of 18–64 years. Approximately 29% of the visits were expected to be paid by private insurance, with Medicaid and Children's Health Insurance Program (CHIP) expected to provide 35% of the visits. Approximately 15% of the visits were uninsured individuals. The following five hospitals received the most ED visits:

Advent Health-Orlando (FL), Lakeland (FL) Regional Medical Center, Yale-New Haven (CT) Hospital, Genesys Regional Medical Center (Grand Blanc, MI), and Memorial Hermann Southwest Hospital (Houston, TX). During times of public health crises, hospitals are the backbone of providing care (Becker's Hospital Review, 2016).

► Nursing and Residential Care Facilities

These types of facilities provide nursing, rehabilitation, and health-related personal care to people who need ongoing care. Nursing aides provide the majority of care. Residential care facilities provide around-the-clock social and personal care to the elderly, children,

and others who cannot take care of themselves. Examples of residential care facilities are drug rehabilitation centers, group homes, and assisted-living facilities (BLS, 2019d).

Physicians and Other Healthcare Practitioners

In 2016, there were over 700,000 U.S. physicians. In the past, physicians traditionally practiced solo, but more often physicians work in a group practice setting to reduce administrative costs. In 2017, there were over 153,000 dentists. The job outlook for both physicians and dentists is very positive due to the aging of the U.S. population. Other healthcare practitioners include chiropractors, optometrists, psychologists, therapists, and alternative medicine practitioners (BLS, 2019e).

According to the National Cancer Institute, complementary and alternative medicine (CAM) is any medical and healthcare services or products that are not considered standard or traditional medical care (CAM, 2019). **Complementary medicine** is nontraditional medicine that is used in collaboration with traditional medicine. **Alternative medicine** is nontraditional medicine that is used solely for treatment (NCCIH, 2019). These complementary and alternative medicine (**CAM**) practitioners, who practice unconventional health therapies, such as yoga, vitamin therapy, and spiritual healing, are being sought out by consumers, who have to pay out of pocket for these services because they are currently not covered by health insurance companies. However, chiropractors and acupuncturists who are also considered alternative medicine practitioners are more likely to be covered by health insurance companies. Recognizing consumer interest in this type of medicine, in 1998, the **National Center for Complementary and Alternative Medicine (NCCAM)** was established within the National Institutes of Health (NIH). The purpose was to explore these types of practices in the context of rigorous science, train complementary and alternative researchers, and disseminate information. More medical schools are now offering some courses in alternative medicine. In a recent (2017) National Health Interview Survey, the use of yoga and meditation has increased in children. There was also an increase in chiropractic services by adults.

Home Healthcare Services

Home healthcare services, which offer medical care in the home, are provided primarily to elderly, chronically ill, or mentally impaired individuals. Mobile

medical technology allows for more home health care for medical problems. Home health care is one of the fastest growing components of the industry as a form of employment because of consumer preference and the cost-effectiveness of home medical care (BLS, 2019d).

Outpatient Care Centers and Ambulatory Healthcare Services

Outpatient care centers include kidney dialysis centers, mental health and substance-abuse clinics, and surgical and emergency centers. Ambulatory healthcare services include transport services, blood and organ banks, and smoking cessation programs (BLS, 2019e).

Laboratories

Medical and diagnostic laboratories provide support services to the medical profession. Workers may draw blood, take scans or X-rays, or perform other medical tests. This segment provides the fewest number of jobs in the industry (BLS, 2019f).

▶ Third Party Payers

Government

As a result of the Medicare and Medicaid programs, the federal and state governments are the largest stakeholders in the U.S. healthcare system. The government at both levels is responsible for financing health care through these programs as well as playing the public provider role through state and local health departments. The U.S. Department of Veterans Affairs medical facilities also provide services to those in the armed forces (Sultz & Young, 2006).

Insurance Companies

The insurance industry is also a major stakeholder in the healthcare industry. It is often blamed for the problems with the healthcare system because of the millions of underinsured and uninsured individuals. There have been many news reports highlighting the number of medical procedures that have been disapproved for insurance coverage, the cost of health insurance coverage, etc. There are traditional indemnity plans, such as **Blue Cross and Blue Shield**, but managed care, which is also considered an insurance plan, has become more popular for cost control. The Affordable Care Act placed restrictions on what health insurance companies can do regarding reimbursement restrictions.

Educational and Training Organizations

Educational and training facilities, such as medical schools, nursing schools, public health schools, and allied health programs, play an important role in the U.S. healthcare industry because they are responsible for the education and training of healthcare employees. These institutions help formulate behaviors of the healthcare workforce.

Research Organizations

Governmental research organizations, such as the NIH and the Centers for Disease Control and Prevention (CDC), not only provide regulatory guidance but also perform research activities to improve health care. However, there are also private research organizations, such as the **Robert Wood Johnson Foundation**, **Kaiser Family Foundation**, the **Pew Charitable Trusts**, and the **Commonwealth Fund**, that support research efforts through grants.

Professional Associations

Professional associations play an important role in healthcare policy. There are associations that represent physicians, nurses, hospitals, long-term care facilities, and so on. Most healthcare stakeholders are represented by a professional organization that guides them regarding their role in the healthcare industry. They also play a large role in governmental regulations because they often lobby at all governmental levels to protect their constituents. The following are examples of professional associations that represent some of the major stakeholder organizations in this industry.

- **American Hospital Association (AHA):** The AHA is the most prominent association for all types of hospitals and healthcare networks. Founded in 1898, the AHA, which is a membership organization, provides education and lobbies for hospital representation in the political process at all governmental levels (AHA, 2019).
- **American Health Care Association (AHCA):** Founded in 1949, the AHCA is a membership organization that represents nonprofit and for-profit nursing and assisted-living facilities, subacute-care providers, and facilities for developmentally disabled individuals. Their focus is to monitor and improve standards of nursing home facilities (AHCA, 2019).
- **American Association of Homes and Services for the Aging (AAHSA):** The AAHSA, which is a membership organization, represents nonprofit adult day care services, home healthcare services,

community services, senior housing, assisted-living facilities, continuing care retirement communities, and nursing homes. It lobbies at all governmental levels regarding legislation that can impact the industry and provides technical assistance for these organizations (AAHSA, 2019).

Pharmaceutical Companies

A functioning healthcare system needs medications that are prescribed by a provider or purchased as an over-the-counter medicine from a pharmacy. The pharmaceutical industry is integral to the success of a healthcare system. Innovative drugs have improved people's quality of life. There has been an internal division within the pharmaceutical industry between the manufacturing of **brand name drugs** and generic or "me too" drugs. A **generic drug**, which does not have name recognition, is a less costly alternative to a brand name drug. The generic drug manufacturer must provide the same active ingredients as the brand name drugs; however, the manufacturing process is less costly to makers of generic drugs because they do not have to file for a patent. Generic drugs account for 80% of prescription drugs on the market. However, the Food and Drug Administration (FDA) conducts a stringent review of generic drugs to ensure that the drugs meet these requirements (Generic Drug Facts, 2019).

Brand name drugs, such as Lipitor and Viagra, are typically more expensive than generic drugs because such drugs might cost a pharmaceutical company more than \$1 billion and take several years to develop. The FDA has traditionally upheld a very strict and lengthy approval process. However, recently, the FDA has removed red tape to expedite the process for drugs that can help serious diseases. When a patent is awarded, a pharmaceutical company typically has 20 years' patent protection to develop a drug. The time clock starts from the date of the patent application date. However, because of the length of time it takes to determine the safety and effectiveness of a drug, once the drug is available to the public, the life span of the patent may be reduced several years (Mandal, 2014). Once that patent protection has ended, there are more opportunities for generic drug companies to control the market (Herper, 2013).

Like health insurance companies, the pharmaceutical industry is often vilified because of the cost of some prescribed medications, which often precludes any consumers from purchasing these medications themselves without health insurance assistance. There has been public outcry over the continued increase in prescription drug costs nationwide, which has become

a bipartisan political issue. The industry's response is that it takes millions of dollars and years of research to develop an effective medication and that is a major reason why some medications cost so much. The pharmaceutical industry is represented by the **Pharmaceutical Research and Manufacturers of America (PhRMA)** (2018).

► Stakeholders' Environment

Working Conditions

Healthcare workers have many varied opportunities for workplace settings. Hospitals are a typical work environment, as are physician offices. As outpatient services have become more popular, healthcare professionals can work from their homes. Healthcare professionals can work in outpatient facilities, schools, laboratories, corporations, and other unconventional settings. They are exposed to serious health hazards, including contaminated blood, chemicals, drugs, and X-ray hazards. Depending on the job, there may be ergonomic issues due to lifting of patients and heavy equipment. This industry has one of the highest incidence of injuries and illnesses. In 2017, there were six injury and illness events per 100 full-time private industry hospital workers. Nurse assistants and nurses have the highest injury rates of all occupations (OSHA, 2019).

Projected Outlook for Employment

The healthcare industry's employment outlook is positive. By 2024, there is a projection of an additional 22 million jobs (BLS, 2018a). Growth will most likely be outside the inpatient hospital centers because cost containment is the major priority for health care. Health care will continue to grow for three major reasons: the aging of the U.S. population, advances in medical technology, and the increased focus on outpatient care.

► Healthcare Statistics

U.S. Healthcare Utilization Statistics

The **National Center for Health Statistics (NCHS)**, which is part of the CDC, produces annual reports on the health status of the United States. This publication, *Health, United States*, provides an overview of current data on healthcare utilization, resources, and expenditures. This publication examines all of the different aspects of the U.S. healthcare delivery system as well as assesses the health status of U.S. citizens. The

following information is summarized from the 2017 publication (CDC, 2017).

U.S. Demographics and Healthcare

Life expectancy rates are an indication of the health of a designated population. Between 2006 and 2016, life expectancy at birth in the United States for the total population increased 0.8 years—from 77.8 years to 78.6 years. Despite an overall increase in this 10-year period, life expectancy at birth decreased in recent years for the first time since 1993. Between 2006 and 2016, life expectancy at birth increased more for the non-Hispanic black population than for the non-Hispanic white population, thereby narrowing the gap in life expectancy between these two racial groups. In 2016, life expectancy at birth was highest for Hispanic persons at 81.8 years, compared to 78.5 years for non-Hispanic white persons and 74.8 years for non-Hispanic black persons.

Healthcare Expenditures

In 2016, personal healthcare expenditures in the United States totaled \$2.8 trillion—a 4.4% increase from 2015. The per capita personal healthcare expenditures for the total U.S. population was \$8788 in 2016—up 3.6% from \$8479 in 2015.

In 2016, expenditures for hospital care accounted for 38.2%, physician and clinical services accounted for 23.5%, and prescription medications accounted for 11.6% of personal healthcare expenditures, amounting to nearly 75% of total personal healthcare expenditures. The remaining expenditures included nursing care facilities and continuing care retirement communities (5.7%), dental (4.4%), home health care (3.3%), and other professional services (3.2%). In 2016, prescription medication expenditures totaled \$328.6 billion—up 1.3% from \$324.5 billion in 2015.

Healthcare Payers

In 2016, 35.1% of all personal healthcare expenditures were paid by private health insurance, 22.1% were paid by Medicare, and 17.8% were paid by Medicaid; consumers paid 12.4% out-of-pocket expenses; and the remaining expenditures were paid by other types of insurance, payers, and programs.

In 2016, the Medicare program had 56.8 million enrollees and expenditures totaling \$678.7 billion (preliminary estimates)—up from 55.5 million enrollees and \$647.6 billion in expenditures from the previous year. The expenditures for the Medicare drug program (Part D) were \$100.0 billion in 2016 (preliminary estimates)—up from \$89.8 billion in 2015.

Between 2006 and 2016, the percentage of Medicare enrollees in managed care increased from 16.9% to 32.5%. In 2016, the percentage of Medicare enrollees in managed care varied by state from 1.0% in Alaska to 55.6% in Minnesota.

U.S. and International Comparison of Health Statistics

Established in 1961, the **Organisation for Economic Cooperation and Development (OECD)** is a membership organization that provides comparable statistics of economic and social data worldwide and monitors trends of economic development. Currently, 35 countries, including the United States, are members of this organization. Their budget is derived from the member countries contributions; the United States contributes 25% of the budget. The OECD produces, on a continual basis, a health data set of the 35 member countries, as well as candidate and key partner countries when possible (Brazil, China, Colombia, Costa Rica, India, Indonesia, Lithuania, the Russian Federation, and South Africa) (Organisation for Economic Cooperation and Development [OECD], 2017). The following are highlights from the OECD health data (**TABLE 2-1**).

Health indicators, such as **infant mortality rates**, average life expectancy, and health risk behaviors, are used to evaluate the health status of a population. Because the United States spends the highest **per capita or per person** on health care in the world, it is expected that U.S. health indicators would rank superior to all other countries' health-care indicators.

OECD Summary of Countries' Health Status

Life expectancy and infant mortality rates are data used to assess the health of a country. **Life expectancy rates** calculate the average life span of an individual. It is typically calculated at birth, by ethnicity, age 65 and gender. **Infant mortality rates** are calculated by the number of deaths under one year of age among live births per 1000 births within a year. These rates speak to the type of health care that is provided or accessed at the beginning and end of life. These rates are used to assess the health of a designated geographic area.

The OECD data reflect that Japan, France, and Spain have the best overall health, with Hungary, Mexico, and the Slovak Republic consistently below the OECD average. The life expectancy has increased overall in all of the countries although there were dips

in life expectancy for 1 year in Japan, Italy, and the United States. Gender has an impact on life expectancy. Health expenditures per capita positively impact life expectancy, although the United States and the Russian Federation, which spends the most per capita on health, is not reflective of this association. Lifestyles, such as tobacco use, alcohol consumption, and obesity, impact health outcomes. Education, socioeconomic status, and air pollution also have an impact on health status, as well as access to care. If people do not have health insurance, their health status suffers because they do not routinely take care of their health. The following tables and discussion compare the U.S. health data with the other OECD countries (OECD, 2017).

In 2015, the average OECD life expectancy at birth is 80.6 years (**FIGURE 2-2**). Japan, Spain, and Switzerland have the highest life expectancy rates of 83.9 years, 83 years, and 82.9 years, respectively. Twenty-five of the OECD countries ranked above the OECD average life expectancy, and 17 of the OECD countries ranked below the OECD average, including the United States. The U.S. life expectancy of 78.8 years is below the OECD average. The lowest life expectancy was 57.4 years in South Africa. In comparison to the life expectancy rates in 1970, Korea's life expectancy increased by nearly 20 years from 62 years to 82.1 years. Turkey, although below the OECD average, increased their life expectancy from 54 years to 78 years. India also increased their life expectancy from 58 years to 68.3 years, as did China from 59 years to 76 years.

With the increased trends in longer life expectancies, the percentage of the population over 65 years of age increased to 17% in 2015, with an expected increase of 28% in 2050. This proportion will be large in Japan, Spain, Portugal, Greece, Korea, and China (OECD Health Data at a Glance, 2017). This increases the demand for long-term healthcare services worldwide.

The Dashboard on Health Status provides data on life expectancy by gender, age 65 years, and two impacts of life expectancy rates; ischemic mortality or prevalence of heart disease and dementia, a brain disorder that impacts the elderly population (**TABLE 2-2**).

The OECD average of heart disease death rates per 100,000 population in 2017 is 112. Four countries fell below the OECD average: France, Japan, Korea, and The Netherlands. Five countries exceeded the OECD average: the Czech Republic rate is 237, Estonia—211, Hungary—288, Latvia—328, and Slovak Republic—291. In general, heart disease mortality is the highest cause of death in these countries.

TABLE 2-1 OECD Country ISO Codes

Australia	AUS	Japan	JPN
Austria	AUT	Korea	KOR
Belgium	BEL	Latvia	LVA
Canada	CAN	Luxembourg	LUX
Chile	CHL	Mexico	MEX
Czech Republic	CZE	The Netherlands	NLD
Denmark	DNK	New Zealand	NZL
Estonia	EST	Norway	NOR
Finland	FIN	Poland	POL
France	FRA	Portugal	PRT
Germany	DEU	Slovak Republic	SVK
Greece	GRC	Slovenia	SVN
Hungary	HUN	Spain	ESP
Iceland	ISL	Sweden	SWE
Ireland	IRL	Switzerland	CHE
Israel	ISR	Turkey	TUR
Italy	ITA	United Kingdom	GBR
		United States	USA
<i>Partner Country ISO Codes</i>			
Brazil	BRA	Indonesia	IDN
China	CHN	Latvia	LVA
Colombia	COL	Lithuania	LTU
Costa Rica	CRI	Russian Federation	RUS
India	IND	South Africa	ZAF

ISO, International Organization for Standardization.

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555396047&id=id&accname=guest&checksum=38614FA08B7385B9B562059E90B1D54A.

According to the OECD, there was an average of 14.8 cases of dementia prevalence per 1000 population. Six countries easily exceeded the OECD average. Seven countries fell below the OECD average.

Mexico had the lowest dementia prevalence rate of 7.2. Japan had the highest dementia prevalence rate of 23.3. These rates are indicative of the longer life expectancies in these countries.



FIGURE 2-2 Life Expectancy at Birth Rates

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555402523&id=id&accname=guest&checksum=6B130BA42316E8DD83372599ACB87B5D

Women live longer than men. In 2015, the life expectancy for women was 83.1 years compared to 77.9 years for men. Iceland was the only country above the average life expectancy for men at 81.2 years. The average U.S. life expectancy for men is close to the OECD average at 76.3 years. There were six countries that were below the OECD average for men: The majority of the countries (27) were close to the OECD average. There were three countries—Spain, Japan, and France—that exceeded the OECD average of 83.1 years for the life expectancy of women. There were four countries that fell below the OECD average for women. The United States fell close to the OECD average of 81.2 years.

The OECD average for years of life at 65 is 19.5 years. This statistic means that people typically live to 84.5 years of age. This could be influenced by the type of lifestyle factors and healthcare access that the elderly have in that country. Three countries exceeded that average: France, Japan, and Spain. There were eight countries that fell below the OECD average. The United States was similar to the OECD average at 19.3 years.

A higher education level is associated with a higher income status. Educated individuals may also be open to healthier lifestyle adoption because of their exposure to education. Twenty-five countries with higher education levels have a six years longer life expectancy assessed at age 30. (See Table 3-5; **FIGURE 2-3**).

The average 2015 OECD infant mortality rate is 3.9 deaths per 1000 live births. The OECD country rates ranged from the lowest in Slovenia to the highest in India is 37.9 deaths per 1000 live births. The U.S. reduction in infant mortality rate has been slower than that of other OECD countries. The U.S. rate of 5.8 is higher than the OECD average. The infant mortality rates vary considerably across states. They range from 9.3 in Mississippi to 4.2 in New Hampshire (CDC, 2017) (**TABLE 2-3**).

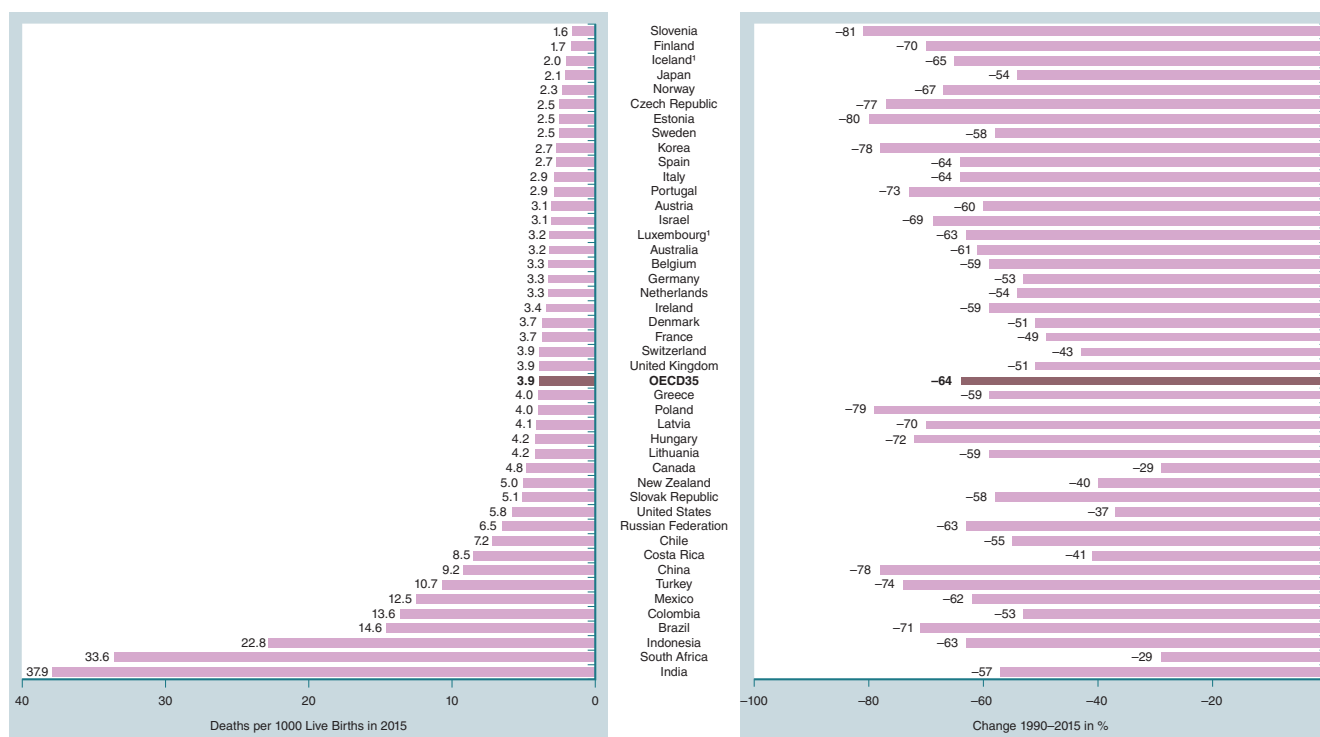
The OECD average of the percentage of the population who smokes daily is 18.4%. Six countries were below the OECD average, including the United States at 11.4%. The lowest rate was 7.6%, the only single digit percentage. There were seven countries that exceeded the OECD average, with Turkey and Greece being the highest at 27.3%. According to the World Health Organization, tobacco use kills 6 million people annually, of whom 600,000 are killed from involuntary smoking or second-hand smoking (Tobacco, 2018). It is the largest preventable risk factor. However, smoking rates have declined overall in most OECD countries due to public health campaigns, smoke-free-environment policies, and increased taxation on tobacco products. Of the OECD countries rated regarding low tobacco use, the United States ranks second, which illustrates the national focus on tobacco-free work environment and aggressive educational

TABLE 2-2 Dashboard on Health Status						
✔ Better than OECD Average ✖ Close to OECD Average ● Worse than OECD Average – Missing Data						
	Life Expectancy (M)	Life Expectancy (F)	Life Expectancy (65)	Ischemic Mortality		Dementia Prevalence
	Years of Life at Birth, Males	Years of Life at Birth, Females	Years of Life at Age 65, Total	Age-Standardized Rate per 100,000 Population		Cases per 1000 Population
OECD	77.9	83.1	19.5	112		14.8
Australia	80.4 ●	84.5 ●	20.9 ●	85 ●		14.2 ●
Austria	78.8 ●	83.7 ●	19.7 ●	131 ●		18.0 ●
Belgium	78.7 ●	83.4 ●	19.9 ●	54 ●		18.0 ●
Canada	79.6 ●	83.8 ●	20.2 ●	93 ●		13.0 ●
Chile	76.5 ●	81.7 ●	18.5 ●	64 ●		11.7 ●
Czech Republic	75.7 ●	81.6 ●	17.7 ✖	237 ✖		10.4 ✔
Denmark	78.8 ●	82.7 ●	19.4 ●	60 ●		16.4 ●
Estonia	73.2 ✖	82.2 ●	18.1 ✖	211 ✖		14.7 ●
Finland	78.7 ●	84.4 ●	20.1	147		18.5 ●
France	79.2 ●	85.5 ✔	21.5 ✔	39 ✔		19.7 ●
Germany	78.3 ●	83.1 ●	19.5 ●	106 ●		20.2 ●
Greece	78.5 ●	83.7 ●	19.9 ●	82 ●		19.6 ✖
Hungary	72.3 ✖	79.0 ✖	16.4 ✖	288 ✖		10.6 ●
Iceland	81.2 ✔	83.8 ●	20.4 ●	100 ●		13.0 ●
Ireland	79.6 ●	83.4 ●	19.7 ●	127 ●		11.5 ●
Israel	80.1 ●	84.1 ●	20.2 ●	64 ●		10.5 ●
Italy	80.3 ●	84.9 ●	20.6 ●	84 ●		22.5 ✖
Japan	80.8 ●	87.1 ✔	21.9 ✔	34 ✔		23.3 ✖
Korea	79.0 ●	85.2 ●	20.3 ●	38 ✔		9.6 ●
Latvia	69.7 ✖	79.5 ✖	16.6 ✖	328 ✖		14.6 ●
Luxembourg	80.0 ●	84.7 ●	20.4	59 ●		13.3 ●
Mexico	72.3 ✖	77.7 ✖	17.7 ✖	144 ●		7.2 ✔
Netherlands	79.9 ●	83.2 ●	19.8 ●	46 ✔		16.1 ●

New Zealand	79.9	•	83.4	•	20.4	•	129	•	13.5	•
Norway	80.5	•	84.2	•	20.3	•	72	•	15.1	•
Poland	73.5	✗	81.6	•	17.9	✗	98	•	9.9	✓
Portugal	78.1	•	84.3	•	19.9		55	•	19.9	✗
Slovak Republic	73.1	✗	80.2	✗	16.9	✗	291	✗	8.3	✓
Slovenia	77.8	•	83.9	•	19.5	•	82	•	11.8	•
Spain	80.1	•	85.8	✓	21.0	✓	53	•	19.4	✗
Sweden	80.4	•	84.1	•	20.2	•	95	•	18.1	•
Switzerland	80.8	•	85.1	•	20.9	•	78	•	17.2	•
Turkey	75.3	•	80.7	✗	17.8	✗	146	•	8.0	✓
United Kingdom	79.2	•	82.8	•	19.7	•	98	•	17.1	✓
United States	76.3	•	81.2	•	19.3	•	113	•	11.6	•

Note: All data refer to 2015 or nearest year, except for dementia prevalence, which refers to 2017. Indicators are taken from Chapter 3 (life expectancy, male and female; ischemic mortality) and Chapter 11 (life expectancy at 65; dementia prevalence).

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555396047&id=id&accname=guest&checksum=38614FA08B7385B9B562059E90B1D54A



1. Three-year average (1988-90 and 2013-15).

FIGURE 2-3 Infant Mortality Rates

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555402523&id=id&accname=guest&checksum=6B130BA42316E8DD83372599ACB87B5D

TABLE 2-3 Dashboard on Risk Factors for Health –Smoking, Alcohol, and Obesity

	✔ Better than OECD Average		● Close to OECD Average		✘ Worse than OECD Average		– Missing Data	
	Smoking		Alcohol		Obesity			
	% of Population Who Smokes Daily		Liters per Capita Consumed in a Year		% of Population with BMI > 30			
OECD	18.4		9.0		19.4			
Australia	12.4	✔	9.7	●	27.9	✘		
Austria	24.3	✘	12.3	✘	14.7	●		
Belgium	18.9	●	12.6	✘	18.6	●		
Canada	14.0	●	8.1	●	25.8	●		
Chile	–		7.2	●	–			
Czech Republic	18.2	●	11.5	●	18.7	●		
Denmark	17.0	●	9.4	●	14.9	●		
Estonia	21.3	●	10.3	●	18.0	●		
Finland	17.4	●	8.5	●	24.8	●		
France	22.4	●	11.9	✘	17.0	●		
Germany	20.9	●	11.0	●	23.6	●		
Greece	27.3	✘	7.5	●	17.0	●		
Hungary	25.8	✘	10.9	●	30.0	✘		
Iceland	10.2	✔	7.5	●	19.0	●		
Ireland	19.0	●	10.9	●	23.0	●		
Israel	19.6	●	2.6	✔	16.6	●		
Italy	20.0	●	7.6	●	9.8	✔		
Japan	18.2	●	7.2	●	3.7	✔		
Korea	17.3	●	9.1	●	5.3	✔		
Latvia	24.1	✘	10.8	●	23.2	●		
Luxembourg	14.9	●	11.1	●	22.6	●		
Mexico	7.6	✔	5.2	✔	33.3	✘		

Netherlands	19.0	●	8.0	●	12.8	●
New Zealand	14.2	●	8.9	●	31.6	✗
Norway	12.0	✓	6.0	✓	12.0	✓
Poland	22.7	●	10.5	●	16.7	●
Portugal	16.8	●	9.9	●	16.6	●
Slovak Republic	22.9	●	10.2	●	16.3	●
Slovenia	18.9	●	11.5	●	19.2	●
Spain	23.0	●	9.3	●	16.7	●
Sweden	11.2	✓	7.2	●	12.3	✓
Switzerland	20.4	●	9.5	●	10.3	✓
Turkey	27.3	✗	1.4	●	22.3	
United Kingdom	16.1	●	9.5	●	26.9	✗
United States	11.4	✓	8.8	●	38.2	✗

Note: All data refer to 2015 or nearest year. Indicators are taken from Chapter 4.

Obesity data report a mix of measured and self-reported weights, with measured data often being higher and more accurate compared to self-reported weight. Chapter 4 details the country coverage for each measure.

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555396047&id=id&accname=guest&checksum=38614FA08B7385B9B562059E90B1D54A

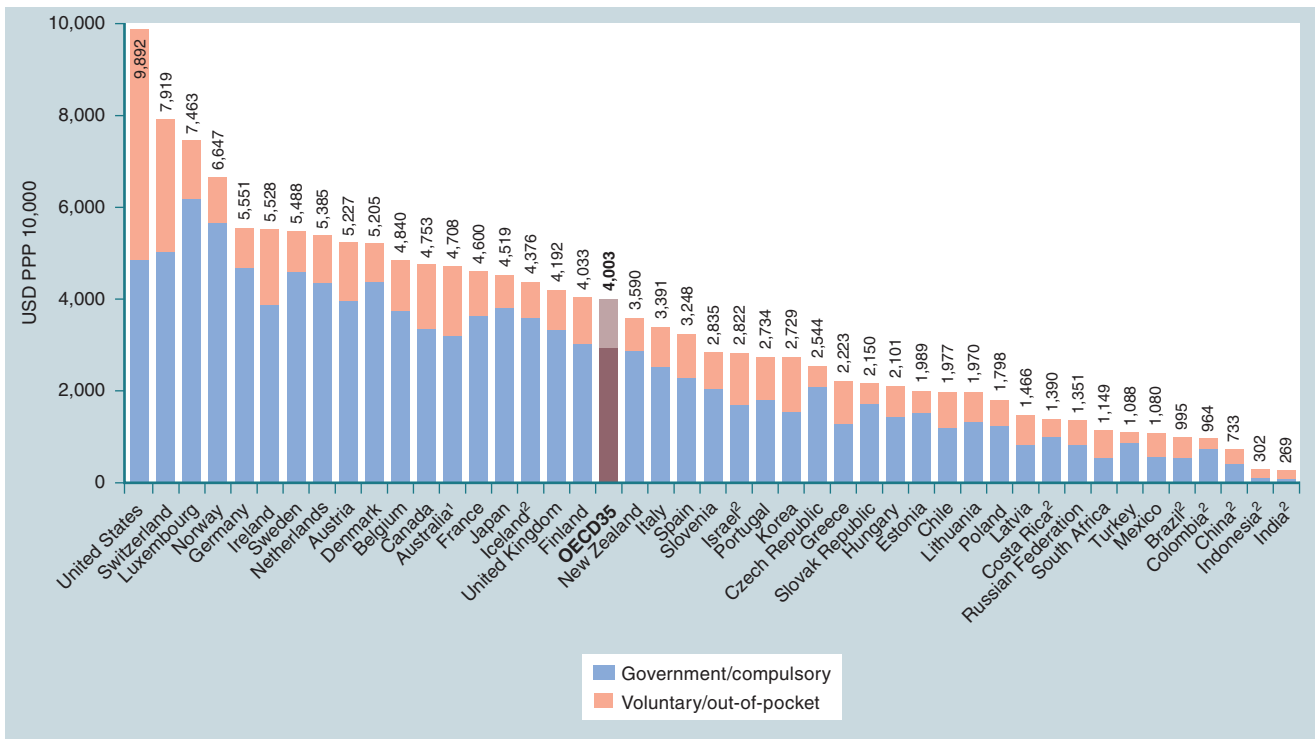
campaigns (OECD, 2017). However, a new U.S. public health issue is the use of e-cigarettes by teens (Table 2-3).

The OECD average of alcohol use is 2.4 gallons per person consumed in 1 year. Four countries had lower alcohol use, with the lowest in Turkey at 0.37 gallons per year. The highest rate of alcohol use per person is Belgium at 3.5 gallons per person. Most of the countries were close to the OECD average, including the United States. Over 10% of women and 30% of men binge-drink which consists of 6 or more drinks at least once per month over a year. Excessive drinking is associated with higher work absences and lower wages. Excessive alcohol use increases the risks of liver disease and strokes.

Overweight and obesity rates calculate individuals' weights that are considered health risks. Obesity rates have increased in most of the OECD countries. Over 50% of the OECD populations are overweight with nearly 20% considered obese. An overweight individual is assessed with a body mass index of 25 and obesity is classified as an individual

who has a body mass index of greater than 30. This calculation assesses an individual's weight in relation to their height. The average OECD percentage of the population is 19.4%. There were two countries that were better than the OECD average: Japan at 3.7% and Korea at 5.3% of the population. The U.S. rate is 38.2%, which is the worst rate of the OECD countries. In addition to the United States, Mexico (33.3%), New Zealand (31.6%), and Hungary (30%) were the top obese nations. Obesity is a risk factor for diabetes, heart disease, and cancer. Obesity has become a global health issue. Countries have developed several health awareness campaigns. There has been more transparency regarding food nutrients. However, this issue continues to be a problem.

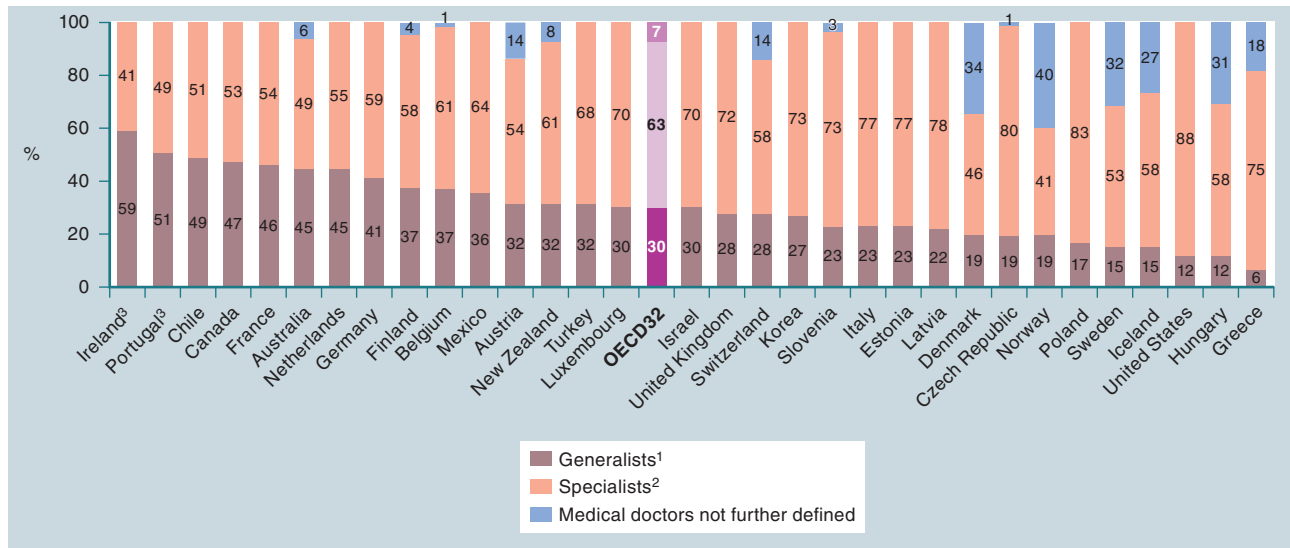
Healthcare resources include health expenditures, and access to health care (FIGURES 2-4 to 2-7, TABLES 2-4 and 2-5). Health expenditures per capita reflect how much money is spent on healthcare per person. These data include health care labor costs such as clinical salaries which are high in the United States. Figure 2-4 illustrates the amount of government resources,



Note: Expenditure excludes investments, unless otherwise stated.
1. Australian expenditure estimates exclude all expenditure for residential aged care facilities in welfare (social) services.
2. Includes investments.

FIGURE 2-4 Healthcare Resources

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555402523&id=id&accname=guest&checksum=6B130BA42316E8DD83372599ACB87B5D



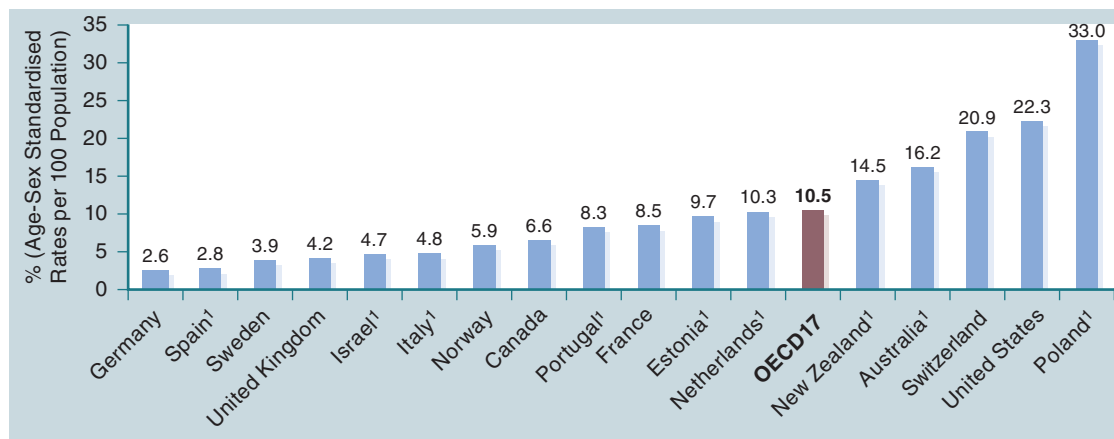
1. Generalists include general practitioners/family doctors and other generalist (non-specialist) medical practitioners.
2. Specialists include paediatricians, obstetricians/gynaecologists, psychiatrists, medical, surgical, and other specialists.
3. In Ireland and Portugal, most generalists are not GPs ("family doctors"), but rather non-specialist doctors working in hospitals or other settings.

FIGURE 2-5 Generalists and Specialists as Share of All Docs

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555402523&id=id&accname=guest&checksum=6B130BA42316E8DD83372599ACB87B5D

health insurance, and out-of-pocket resources spent on individual health care. The 2017 OECD average is \$4003 per person with the majority of funds derived from government resources. The United States spends

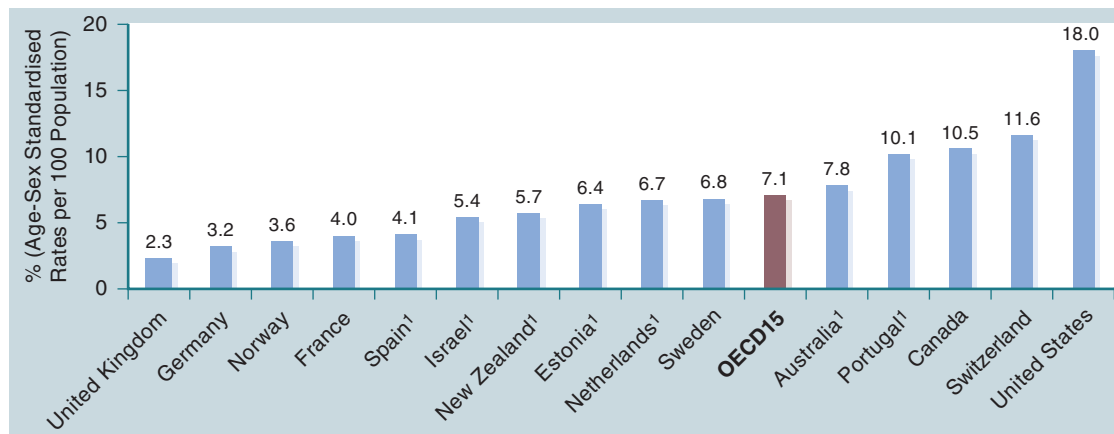
\$9892 per person, which is the highest allocation of the OECD countries—nearly 2.5 times the average of the OECD countries. The United States has an equal split of government (Medicare, Medicaid), private



1. National sources.

FIGURE 2-6 Consultations Skipped Because of Cost

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555402523&id=id&accname=guest&checksum=68130BA42316E8DD83372599ACB87B5D



1. National sources.

FIGURE 2-7 Prescribed Medications Skipped Due to Cost

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555402523&id=id&accname=guest&checksum=68130BA42316E8DD83372599ACB87B5D

insurance, and out-of-pocket resources for health-care expenses. Switzerland and Luxembourg are the second and third most expensive at \$7919 and \$7463, respectively. However, high healthcare expenditures per capita do not always translate to improved health outcomes as indicated by the U.S. poor infant mortality rate discussed earlier in the chapter. Efficiency of healthcare resources is also important to assess.

Having access to clinicians increases the ability for individuals to receive timely care. The average number of doctors and nurses for OECD countries is 3.4 and 9.0, respectively. The number of doctors per capita is relatively high in Greece (6.3), Austria (5.1), Portugal (4.6), and Norway (4.4). The number of nurses per capita is high in Switzerland (18), Germany (13), Norway (17.3), and Sweden (11.1). The doctors' rates in four countries and the nurses' rates in six countries were above the OECD average. The number of

doctors per capita in seven countries and the number of nurses per capita in four countries fell below the OECD average. The number of U.S. nurses per person is 11.3 per 1000 population, and the number of doctors per capita is 2.6, which are both around the OECD average. There continues to be a shortage of physicians and nurses in certain geographic areas in the United States, which negatively impacts access to care in those areas.

Thirty-three countries reported on the percentage share of generalists and specialists in their healthcare systems. The OECD average of generalists' share is 30%. Generalists are defined as family practitioners/family doctors and other general medical practitioners. Specialists are defined as obstetricians, surgeons, pediatricians, psychiatrists, and other specialties. The highest percentage of generalists is from Ireland at 59%. The United States has 88% defined as specialists

TABLE 2-4 Dashboard on Access to Care

Better than OECD Average Close to OECD Average Worse than OECD Average – Missing Data				
	Population Coverage		Share of out of Pocket Expenditure	
	% of Population Covered by Insurance		% of Final Household Consumption	
OECD	97.9		3.0	
Australia	100		3.1	
Austria	99.9		3.0	
Belgium	99.0		3.2	
Canada	100		2.2	
Chile	92.1		4.1	
Czech Republic	100		2.3	
Denmark	100		2.6	
Estonia	94.0		2.7	
Finland	100		3.0	
France	99.9		1.4	
Germany	100		1.8	
Greece	86.0		4.4	
Hungary	95.0		4.4	
Iceland	100		3.1	
Ireland	100		2.5	
Israel	100		3.4	
Italy	100		3.1	
Japan	100		2.6	
Korea	100		5.1	
Latvia	–		3.9	
Luxembourg	95.2		1.4	
Mexico	92.3		3.6	
Netherlands	99.9		2.4	
New Zealand	100		2.1	
Norway	100		2.9	
Poland	91.0		2.5	

Portugal	100	●	3.8	✗
Slovak Republic	93.8	✗	2.4	●
Slovenia	100	●	2.0	●
Spain	99.8	●	3.7	●
Sweden	100	●	3.3	●
Switzerland	100	●	5.3	✗
Turkey	98.4	●	–	
United Kingdom	100	●	1.5	✓
United States	90.9	✗	2.5	●

The values for Australia and Canada are reported in median number of days, rather than mean.

Note: Data on population coverage, share of OOP and waiting times refers to 2015, consultations skipped due to cost refer to 2016. Indicators are taken from Chapter 5.

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555396047&id=id&accname=guest&checksum=38614FA08B7385B9B562059E90B1D54A

TABLE 2-5 Dashboard on Healthcare Resources

▲ Above OECD Average ● Close to OECD Average ▼ Below OECD Average – Missing Data				
	Healthcare Expenditure*	Doctors per Capita	Nurses per Capita	Beds per Capita **
	Total Spending per Capita, USD PPP	Number of Practicing Physicians per 1000 Population	Number of Practicing Nurses per 1000 Population	Number of Beds per 1000 Population
OECD	4003	3.4	9.0	4.7
Australia	4708 ●	3.5 ●	11.5 ●	3.8 ●
Austria	5227 ●	5.1 ▲	8.1 ●	7.6 ▲
Belgium	4840 ●	3.0 ●	10.8 ●	6.2 ●
Canada	4753 ●	2.7 ●	9.9 ●	2.6 ▼
Chile	1977 ▼	2.1 ▼	2.1 ▼	2.1 ▼
Czech Republic	2544 ●	3.7 ●	8.0 ●	6.5 ▲
Denmark	5199 ●	3.7 ●	16.7 ▲	2.5 ▼
Estonia	1989 ▼	3.4 ●	6.0 ●	5.0 ●
Finland	4062 ●	3.2 ●	14.7 ▲	4.4 ●
France	4600 ●	3.3 ●	9.9 ●	6.1 ●
Germany	5551 ●	4.1 ●	13.3 ▲	8.1 ▲
Greece	2223 ▼	6.3 ▲	3.2 ▼	4.3 ●

(continues)

TABLE 2-5 Dashboard on Healthcare Resources

(continued)

⬆ Above OECD Average		● Close to OECD Average		⬇ Below OECD Average		– Missing Data	
	Healthcare Expenditure*	Doctors per Capita		Nurses per Capita		Beds per Capita **	
	Total Spending per Capita, USD PPP	Number of Practicing Physicians per 1000 Population		Number of Practicing Nurses per 1000 Population		Number of Beds per 1000 Population	
Hungary	2101 ⬇	3.1 ●		6.5 ●		7.0 ⬆	
Iceland	4376 ●	3.8 ●		15.5 ⬆		3.1 ●	
Ireland	5528 ●	2.9 ●		11.9 ●		3.0 ●	
Israel	2822 ●	3.4 ●		4.9 ●		3.0 ●	
Italy	3391 ●	3.8 ●		5.4 ●		3.2 ●	
Japan	4519 ●	2.4 ⬇		11.0 ●		13.2 ⬆	
Korea	2729 ●	2.2 ⬇		5.9 ●		11.5 ⬆	
Latvia	1466 ⬇	3.2 ●		4.7 ●		5.7 ●	
Luxembourg	7463 ⬆	2.9 ●		11.9 ●		4.8 ●	
Mexico	1080 ⬇	2.4 ●		2.8 ⬇		1.5 ⬇	
Netherlands	5385 ●	3.5 ●		10.5 ●		4.2 ●	
New Zealand	3590 ●	3.0 ●		10.3 ●		2.7 ●	
Norway	6647 ⬆	4.4 ⬆		17.3 ⬆		3.8 ●	
Poland	1798 ⬇	2.3 ⬇		5.2 ●		6.6 ⬆	
Portugal	2734 ●	4.6 ⬆		6.3 ●		3.4 ●	
Slovak Republic	2150 ⬇	3.5 ●		5.7 ●		5.8 ●	
Slovenia	2835 ●	2.8 ●		8.8 ●		4.5 ●	
Spain	3248 ●	3.9 ●		5.3 ●		3.0 ●	
Sweden	5488 ●	4.2 ●		11.1 ●		2.4 ⬇	
Switzerland	7919 ⬆	4.2 ●		18.0 ⬆		4.6 ●	
Turkey	1088 ⬇	1.8 ⬇		2.0 ⬇		2.7 ⬇	
United Kingdom	4192 ●	2.8 ●		7.9 ●		2.6 ⬇	
United States	9892 ⬆	2.6 ●		11.3 ●		2.8 ⬇	

Note: All data refer to 2015 or nearest year, except for healthcare expenditure, which refers to 2016. Indicators are taken from Chapter 7 (health expenditure), Chapter 8 (doctors and nurses per capita), and Chapter 9 (beds per capita).

* United States is excluded from the standard deviation calculation. ** Japan and Korea are excluded from the standard deviation calculation. For Ireland, private hospitals beds are excluded. OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555396047&id=id&accname=guest&checksum=38614FA08B7385B9B562059E90B1D54A

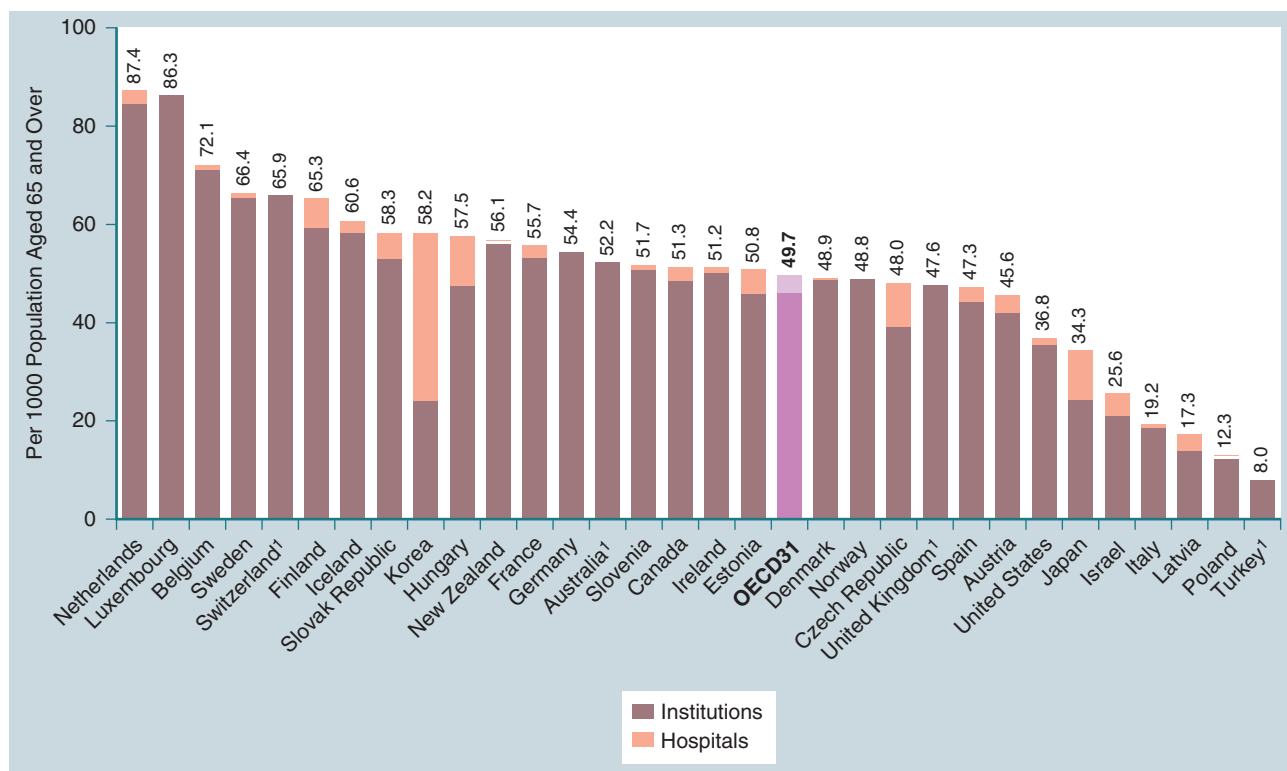
followed by Poland (85%) and Czech Republic (80%). In general, there is a global recognition that specialists receive more money. However, generalists play an invaluable role in many healthcare systems. They may be the gatekeeper for the patient and have the ability to assist a patient with specialty care, if needed.

Most OECD countries have universal healthcare coverage for essential health benefits. The OECD average is 97.9%. Seven countries have less than 95% coverage of these benefits—Greece (86%), Poland (91%), and the United States (90.9%) have population coverage. Seventeen countries have 100% population coverage of health care. Even with universal coverage, many users are paying more out of pocket for services. The OECD average for the percentage of out-of-pocket expenses is 3% of household expenses. Seven countries exceed that average. The United States is around that average with 2.5%. Four countries have less than the OECD average with 1.5%. Because of cost, 17 countries reported that a percentage of their population skipped going to the doctor because of cost. The United States reported that 22.3% could not afford to go to the doctor. Poland's percentage was 33%. The OECD average is 10.5%. Germany and Spain had the lowest percentages of 2.6% and 2.8%, respectively.

Sixteen countries reported that the OECD average of ignoring prescription medications because of cost is 7.1%. The United States had the highest percentage of 18% that could not afford to purchase their medications, followed by Switzerland at 11.6%. The lowest was the United Kingdom (2.3%) and Germany (3.2%). Even though many of these countries reported 100% universal coverage, these percentages indicated that healthcare needs are not being met because of out-of-pocket expenses (**FIGURES 2-8** and **2-9**).

With the increase in life expectancy, the cost of providing long-term care will be increasing in most countries globally. Many long-term care services are provided by government programs.

The average OECD number of long-term beds in facilities per 1000 population is 49.7 and 36.8 in the United States. The highest number of beds for long-term care is 87.4 in The Netherlands and 86.3 in Luxembourg. Turkey had the lowest average of 8. The limitation on these data is the different reporting from the countries. Some countries report these expenditures as health care, whereas other countries report this type of spending as social spending. Also, some countries have developed a structure for Long-Term Care (LTC) in the home. Despite these differences, it is important



1. The numbers of long-term care beds in hospitals are not available for Australia, Switzerland, Turkey, and the United Kingdom.

FIGURE 2-8 Long-Term Care Beds in Institutions and Hospitals, 2015

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555402523&id=id&accname=guest&checksum=68130BA42316E8DD83372599ACB87B5D



FIGURE 2-9 Long-Term Care Beds in Institutions and Hospitals, 2005–2015

OECD Health Statistics. (2017). Retrieved from https://www.oecd-ilibrary.org/docserver/health_glance-2017-en.pdf?expires=1555402523&id=id&accname=guest&checksum=6B130BA42316E8DD83372599ACB87B5D

to recognize that LTC has been recognized as a need for the populations. It is anticipated that LTC expenditures will continue to grow as the populations live longer.

► Conclusion

The U.S. healthcare system is a complicated system comprised of both public and private resources. Health care is available to those who have health insurance or who are entitled to health care through a public program. One can think of the healthcare system as several concentric circles that surround the most important stakeholders in the center circle: the healthcare consumers and providers. Immediately surrounding this relationship are health insurance companies and governmental programs, healthcare facilities, pharmaceutical companies, and laboratories, all of which provide services to consumers to ensure they receive quality

health care, as well as support providers to ensure they provide quality health care. The next circle consists of peripheral stakeholders that do not have an immediate impact on the main relationship but are still important to the industry. These consist of the professional associations, the research organizations, and the medical and training facilities.

It is important to assess the system from an international perspective. Comparing different statistics from the OECD is valuable to assess the health of the United States. Despite the amount of money spent on health care in the United States, the United States ranked lower on many measures than other countries that spend less on their healthcare systems. These statistics may point to the fact that there is a combination of influencing factors, such as the effectiveness of countries' healthcare systems, and different determinants of health, and that many of the OECD countries have universal healthcare systems that increase access to healthcare services.

Wrap-Up

Vocabulary

American Association of Homes and Services for the Aging (AAHSA)

American Health Care Association (AHCA)

American Hospital Association (AHA)
Blue Cross and Blue Shield

Brand name drugs	Kaiser Family Foundation	Per capita
Bureau of Labor Statistics (BLS)	Life expectancy rates	Pew Charitable Trusts
Charitable care or bad debt	National Center for	Pharmaceutical Research and
Commonwealth Fund	Complementary and	Manufacturers of America
Complementary and alternative	Alternative Medicine	(PhRMA)
medicine (CAM)	(NCCAM)	Professional associations
Duty to treat	National Center for Health	Residential care facilities
Generic drug	Statistics (NCHS)	Robert Wood Johnson
Gross domestic product (GDP)	Organisation for Economic	Foundation
Home healthcare services	Cooperation and	Stakeholder
Infant mortality rates	Development (OECD)	

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► Student Activity 2-1

In Your Own Words

Based on this chapter, please provide a definition of the following vocabulary words in your own words. DO NOT RECITE the text definition.

Duty to treat:

Infant mortality rate:

Life expectancy rates:

Charitable care or bad debt:

Complementary and alternative medicine:

Outpatient care centers:

Professional associations:

Real-Life Applications: Case Scenario One

Activity

Responses

[illegible]

Case Scenario Two

Your grandmother will be moving to a continuing care retirement community and is unsure of how to evaluate such facilities. She asked you for assistance.

Activity

Visit the American Association of Homes and Services for the Aging (AAHSA) to find out what information is available for continuing care communities. Give that information to your grandmother to help her make a decision.

Responses

[illegible]

You eventually would like to work for a pharmaceutical company. You decided to perform research on pharmaceutical companies, such as Pfizer and GlaxoSmithKline. You actually did not realize that there are brand name drugs and generic drugs.

Perform an Internet search on the difference between generic and brand name drugs. Discuss the differences between the two products.

[illegible]

Case Scenario Four

Your aunt has had back problems for years, and rather than have surgery, she decides to research alternative medicine. You had never heard of this type of medicine and was curious if it can help people.

Activity

You research the term “alternative medicine” and provide a summary of the types of treatments alternative medicine provides.

Responses

[illegible]

▶ Student Activity 2-3

Internet Exercises

Write your answers in the space provided.

- Visit each of the websites listed here.
- Name the organization.
- Locate the organization's mission statement on the website.
- Provide an overview of the organization's activities.
- How do these organizations participate in the U.S. healthcare system?

Websites

<http://www.who.int>

Organization Name:

Mission Statement:

Overview of Activities:

Importance of Organization to U.S. Health Care:

<http://www.commonwealthfund.org>

Organization Name:

Mission Statement:

Overview of Activities:

Importance of Organization to U.S. Health Care:

<http://www.phrma.org>

Organization Name:

Mission Statement:

Overview of Activities:

Importance of Organization to U.S. Health Care:

<http://www.oecd.org>

Organization Name:

Mission Statement:

Overview of Activities:

Importance of Organization to U.S. Health Care:

<http://www.diabetes.org>

Organization Name:

Mission Statement:

Overview of Activities:

Importance of Organization to U.S. Health Care:

<http://www.ahcancal.org>

Organization Name:

Mission Statement:

Overview of Activities:

Importance of Organization to U.S. Health Care:

► Student Activity 2-4

Discussion Questions

The following are suggested discussion questions for this chapter.

1. Which of the OECD statistics about the United States surprised you?

2. Identify three stakeholders and their role in the healthcare industry.

3. Do you feel the United States should have a universal healthcare system? Defend your answer.

4. Select one of the OECD countries and discuss three of its statistics. You cannot pick the United States.

5. Select three statistics for the United States and comment on their ranking among the other countries.

▶ Student Activity 2-5

Current Events

Perform an Internet search and find a current events topic over the last 3 years that is related to this chapter. Provide a summary of the article and the link to the article and explain how the article relates to the chapter.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

[illegible]