

## **Research Topic:**

### **Privatizing Health Care and the Role of Health Organizations**

#### **I. Abstract**

The informing premise at for this proposed study is that health care has been reduced into being a privilege and no longer a right of the people. This will be buttressed in relation to the larger issue of privatization of social services where health service is a part. Given this setup, healthcare quality can only achieve concord in relation to the paradigm offered by the current privatized economy. Instead of being given to the people at an affordable cost as compensation for the taxes they pay the government, health care and other related services are now being privatized and put under the neoliberal framework of privatization and deregulation. As a result, only the well-off and the middle class are being able to afford quality health services. For this paper, I will subsume healthcare services as part of the “humans service systems,” those basic rights of the people that should be delivered by the state in the form of services. Included in these rights that the people must acquire from the state are the health benefits. Alternatives such as those posed by non-governmental efforts will be discussed in this paper.

#### **II. Index Terms**

Healthcare, privatization, social services, non-government organizations

#### **III. Introduction**

As stated above, my premise for this paper is that given the privatization of the healthcare service, they become less accessible to the general public, especially among the less privileged sectors of society. This disparity in terms of access is, I believe, mainly determined by

the capacity to pay. This is all anchored in the ineffectiveness of the social service system which turns these supposedly public and institutionally recognized rights of citizens into commercial ventures. The pharmaceutical industries are right in the midst of this setup where majority of the citizens are not able to obtain their rights to an appropriate health service. I think that this is coming from a skewed reading of the societal setup wherein it is treated as composed of homogenous sectors of people, with no crucial differences when it comes to levels of familiarity when it comes to health benefits and rights and more vitally, the ability to pay for such services. This background can also help us understand in fuller light the prominence and proliferation of various groups, organizations and advocacies which seek to fill in the gaps in the services provided by the nation-states which are mostly in the thrall of the neoliberal paradigm. While one can argue that the endeavors of these independent organizations are more cobbling work and that instead of demanding accountability from the state, they only reinforce its inutility, it cannot be denied that their contributions are worth-something.

#### **IV. Sections**

##### **A. Figures and Tables**

Consider the following financial statements for MPA HMO, a not-for-profit managed care plan			
<b>MPA HMO</b>		<b>MPA HMO</b>	
<b>Statement of Operations and Change in Net Assets</b>		<b>Balance Sheet</b>	
<b>Year Ended June 30, 2014</b>		<b>June 30, 2014</b>	
<b>(in thousands)</b>		<b>(in thousands)</b>	
<b>Revenue:</b>		<b>Assets:</b>	
Premiums earned	\$26,682	Cash and cash equivalents	\$2,737
Co-insurance	1,689	Net premiums receivable	821
Interest and other income	242	Supplies	387
<b>Total Revenue</b>	<b>\$28,613</b>	<b>Total Current Assets</b>	<b>\$3,945</b>
<b>Expenses:</b>		Net property and equipment	\$5,924
Salaries and benefits	\$15,154	<b>Total Assets</b>	<b>\$9,869</b>
Medical supplies and drugs	7,507		
Insurance	3,963	<b>Liabilities and Net Assets:</b>	
Provision for bad debts	19	Accounts payable-medical service	\$2,145
Depreciation	367	Accrued expenses	929
Interest	385	Notes payable	141
<b>Total Expenses</b>	<b>\$27,395</b>	Current portion of long-term debt	241
<b>Net Income</b>	<b>\$1,218</b>	<b>Total current liabilities</b>	<b>\$3,456</b>
<b>Net assets, beginning of year</b>	<b>\$900</b>	Long Term Debt:	\$4,295
<b>Net assets, end of year</b>	<b>\$2,118</b>	<b>Total Liabilities</b>	<b>\$7,751</b>
		<b>Net assets (equity)</b>	<b>\$2,118</b>
		<b>Total liabilities and net assets</b>	<b>\$9,869</b>
Complete the above CAFRs and <b>calculate</b> following ratios for BestCare. Then compare to Industry Average and interpret.			
	Industry Average	best care	
Return on assets (ROA)		8.0%	
Current ratio		1.3	
Days Cash on Hand		41 days	
Return on Equity (ROE)		25.50%	
Debt-to equity ratio		2.2	
Total margin		3.80%	

This helps us understand the contributions of non-governmental organizations. For one, the Healthcare Facilities Accreditation Program (HFAP) is an organization that ensures the standards are met in the practices of health institutions and facilities in America. It carefully and judiciously comes up with regularly updated criteria when it comes to the rendering of health services in the country. Then, it proceeds with the accreditation process of institutions and facilities which are able to comply (White 1995, 90). What the HFAP is doing is significant because it maintains that the quality of health services is tantamount to preserving the lives and well-being of its citizens. Aside from them, other organizations also pitch in their share. There is the Healthy People 2020 which is an undertaking that seeks to reset the benchmarks when it comes to health considerations among Americans. Its overall mission is to foster a healthy

society based on the criteria it continually develops. It has a longitudinal dimension as it seeks to monitor cases and data in order to test their hypothesis and assess the aptness of their criteria for healthy living. Established in 2010, Healthy People 2020 envisions a healthy society and with the utilization of its resources, researches and other information, intends to contribute in improving the health of the Americans (Duncan, Ginter and Swayne 2001, 133).

## **V. Conclusion**

Finally, the envisioned program will hopefully help in ensuring that the citizens of the nation are safe and medically fit. In addition, services such as this should less likely be tainted by profiteering motives and instead be in the hands of the government. This is not to say that making such transfer of responsibilities will automatically make health care systems democratic and accessible for in the past, we have seen how governments have been sleeping soundly when it comes to their duties to their constituents. However, transferring the control and supervision of healthcare provision to the government can enable the citizenry to be more involved and proactive when it comes to forwarding demands to the government as regards the way the pharmaceutical aspect of health service is being handled. Ultimately, that can be a springboard to the more genuine practice of democracy that will work towards ensuring that people can access the right medicines when they need to and need not fret about high prices in the market as is the case when pharmaceutical industries are at the hands of private owners.

## **VI. References:**

Duncan, Jack W, Peter Ginter and Linda Swayne. 2001. *Strategic management of health care organizations*, 2<sup>nd</sup> ed. Cambridge Massachusetts: Blackwell.

Morley, David, Jon E. Rohde and Glen Williams, eds. 1983. *Practising health for all*. Oxford: Oxford University Press.

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