

Affordable Care Act and Its Achievements

Topic: [Affordable Care Act](#) Words: 600 Pages: 3

The Affordable Care Act and Medicare

The most important change introduced by the Affordable Care Act (ACA) is the change in the new payment system. The fee-for-service model common before the establishment of the ACA has several flaws, including the possibility of needless treatment, also termed overutilization. The ACA substitutes it with the accountability-based model, where the healthcare providers are responsible for the quality of care as well as for the total cost. Another change introduced by the ACA is the possibility to choose the benefits of Medicare through private plans. Such conditions will likely decrease the costs of Medicare, as the providers would seek competitive advantage by adjusting the prices to the existing ones. Finally, the ACA encourages the providers to test the new payment methods, which opens up additional opportunities for cost reduction, and the extended Medicare Trust Fund protection policies will close the gaps in funding, thus preventing the Medicare costs from growing.

Aside from that, the ACA is expected to improve the quality of healthcare services in general. First, the competition with the private plans described above will create the need to improve the quality of services to improve the reputation. Second, the overall increase in demand for the services, triggered by the improved accessibility, is expected to boost the quality of offered services. Another possible outcome is the decrease in the cost of hiring a new employee, which will streamline the HR policies in the field and stimulate job growth (Whaley et al., 2014). Besides, the distancing from the fee-for-service model will contribute to the promotion of integrated care, as the clinicians will no longer be interested in provided separate treatments. The additional care coordination introduced by the ACA is expected to

provide individual clinicians with more resources to provide better treatment, although this option is obviously dependent on the initiative of the provider.

Article Analysis

The article deals with a fairly widespread phenomenon of the closure of rural hospitals. The study observes three cases of closure in 2015. Of the three closures, only one occurred in the Medicaid expansion state – the Parkway Regional Hospital in Fulton, Kentucky (Wishner, Solleveld, Rudowitz, Paradise, & Antonisse, 2016).

The case study allows us to isolate several external factors. The most prominent and common is poverty: the welfare of the rural population is traditionally insufficient for healthcare services. Medicare and Medicaid costs are also relatively high. Thus the majority of the population is uninsured. The economic setup is equally unwelcoming, with the high unemployment rate resulting from the decline of local industries. The young tend to leave the area, further aggravating the demographics. As a result, the population of the region is gradually dwindling. Finally, many residents seek health care services in other areas, further depriving the hospital of resources.

The first strategy the hospital could have benefited from would be the improved accessibility provided by the ACA. Medicaid notably leaves the poorest social strata out of its scope, and the Kentucky hospital was suffering from the high poverty rates. Admittedly, such change needs to be rapid enough to provide timely intervention and raise the number of patients seeking treatment. Another strategy would be improved communication with the population. Admittedly, the social media platforms would be of limited use in the area where the elderly population is prevalent, so instead, a simple, dedicated mobile app could be introduced to provide the necessary information on the hospital's services. This would overturn unsubstantiated rumors regarding the incompetence of the local personnel and create better

demand, which, combined with the more affordable costs, would gradually improve the position of the hospital.

References

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