To What Extent Does the American Health Care Market Represent a Market Failure?

The American healthcare market is a market worth $3.4 Tn, a market that represents around 18% of Total GDP (economic output). American Healthcare has seen rising costs like many healthcare systems and is based on a private insurance rather than state insurance system. Of the subtypes of health insurance coverage, employer-based insurance covered 55.7 percent of the population, followed by Medicaid (19.4 percent), Medicare (16.7 percent), direct-purchase (16.2 percent), and military coverage (4.6 percent). Around 12% of Americans have no health insurance and this number has risen from a low of 10% in 2016.

The history of government provision of health insurance systems has developed in several phases. Read the following article to find out more:

<https://online.regiscollege.edu/blog/8-important-regulations-united-states-health-care/>

In groups of no more than 3 you should prepare a presentation on the title:

To What Extent Does the American Health Care Market Represent a Market Failure?

Your presentation should:

1. Analyse each type of Market Failure that you have studied and apply ideas to different parts of the healthcare market
2. Include at least 5 diagrams that you have studied and apply these effectively to different parts of the healthcare market, ensure that your labelling and explanations are specific to the market for healthcare
3. Look at alternative models for healthcare; single payer/universal coverage and examine the pros and cons of each and directly compare to American Healthcare
4. Draw conclusions as to the extent of the market failure

How to begin:

* Complete research on the American Healthcare market

1. Make sure that you know what the following key terms mean; employer based insurance, Medicaid, Medicare, Obamacare (Affordable Care Act 2009), Obamacare mandate, increased premiums
2. Find out how Americans are covered what is the quantity of coverage, what is the quality of coverage like?
3. What happens to Americans that have no healthcare insurance?

* Now apply your know knowledge of market failure to the facts from your research and begin to draw conclusions

Things not to overlook:

* The market for pharmaceutical drugs
* Underinsured consumers
* Recent changes to Obamacare following the 2016 election
* The world leading nature of much of American healthcare, has this been a direct consequence of a largely privatised market of provision

Below are a list of resources to get you started with your research:

<https://www.theatlantic.com/health/archive/2017/06/how-we-spend-3400000000000/530355/>

<https://money.cnn.com/2018/01/16/news/economy/uninsured-americans/index.html>

Your presentation should be fair and balanced and not overtly political in nature, it should be approached from the perspective of objectivity and coolly reasoned.