

Introduction to Health Services

6th edition

Stephen J. Williams
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Introduction to Health Services



*For N. Williams, the memory of D. Williams,
and J., C., J.C., and N. Torrens*

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FOREWORD



When the first edition of *Introduction to Health Services* was published in 1980, the Foreword was provided by the two deans of the Schools of Public Health at the University of Washington and the University of California, Los Angeles. It is not surprising that the deans introduced this now popular textbook because, at that time, it was written and edited exclusively by faculty from their own institutions. Twenty years later, as a former faculty member of the University of Washington and as the new Dean at UCLA, I am pleased to provide the Foreword to the sixth edition and to continue the association of this text with these two institutions and their present or former colleagues.

As the former Director of the National Institute for Occupational Safety and Health, I am also grateful for this opportunity to reflect from the vantage point of the workplace on the rapidly changing forces and challenges facing the United States health care system. In the face of lost opportunities to assure universal access to health care, the albeit imperfect underpinnings of the “system”—namely, voluntary employer-provided insurance—are unraveling. Despite the wish of some politicians to characterize the uninsured as those outside the economic and social mainstream, it is abundantly clear that not only is the problem of access to health care mounting, but that workers and their families are predominant victims. Many employers across all sectors of the economy are ceasing to provide health insurance in whole or in part. This trend is perhaps demonstrated most dramatically in small and medium-sized companies, those employers of the bulk of the American working population. And the decreased participation of employers in providing insurance does not fall equally within these company size strata, but disproportionately affects the young, the lesser educated, those in lower paying jobs, and workers of color. Given that this erosion of employer-sponsored insurance occurred during the economic “best of times,” one must worry about the future as we now face an economic slowdown or worse.

The Institute of Medicine report on medical errors, released in 2000, drew an unexpectedly large media response and significant congressional attention and action. With the estimate of perhaps as many as 100,000 fatalities per year attributed to medical errors (a large number even if critics are correct that some events characterized as errors were more accurately inevitable adverse outcomes), the role of the health professional workforce was little noted. Many of us concerned with workplace health and safety had evolved to appreciate that protecting workers was not only a value in itself, but could reliably be related to a company’s bottom line and to productivity and quality of the product made. (For example, a healthier workforce turned out a better made car.) Similarly, there was emerging evidence that would link the well-being of the health care workforce to productivity and quality of patient care (and hence reduced medical errors). So, as the health care system tackles systematic approaches to reducing medical errors, it would be a tremendous lost opportunity to ignore the increasingly stressed and overburdened workforce in the process.

In addition to these challenges arising from a new understanding of the United States workplace, other challenges (what optimists might call “opportunities”) are emerging from the rapidly expanding scientific understanding of disease and its causation, not to mention new diagnostic and therapeutic technologies. As I write this Foreword, the human genome “map” has recently been published. This new information and what will soon follow will create extraordinary opportunities for understanding human disease. Medical advancements will also engender remarkable challenges to the health system, such as profound ethical dilemmas and even greater financial stresses than those that already plague the system.

Introduction to Health Services has had an impressive history of charting the progress of health care in the United States over the past twenty years and has contributed greatly to the preparation of health care professionals of all types. It is my sincere hope that this textbook will continue to fulfill this important function, and that some future Foreword writer will be able to describe how our system has met its old challenges and how it is looking ahead to addressing new issues.

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PREFACE



The rate of change in our nation's health care industry has accelerated since the last edition of this book was published. Significant changes in market forces, including the apparent failure of the managed care initiative to substantially reduce health care costs, combined with continuing pressures to address the issues of the uninsured, the underinsured, the need to update the Medicare program, the increasingly complex debate concerning the role of government in all aspects of health care, and other public policy concerns continue to mount. At the same time, phenomenal developments in biomedical research and clinical practice, as well as in the application of information technology to health care, augers for a complete revolution in the provision of health care and its potential accomplishments in improving health status and function for our nation.

The benefits from years of biomedical research are only beginning to be realized as we increase our understanding of the molecular nature of health, illness, and disease, and apply that knowledge to fundamental, scientific discovery to control, or in many instances, cure disease. Information technology is revolutionizing the delivery, control, and assessment of health care services. In the future, these technologies will improve efficiency and enhance the quality of care for all Americans. The sixth edition of *Introduction to Health Services* enters the scene as we face some of our most daunting challenges in the health care arena.

This edition includes a number of new chapters in response to these challenges. Other chapters make a repeat appearance, brought up to date utilizing current knowledge and data sources.

This edition is published as our nation's health care system appears to be in the early stages of a new era. This era should be one in which we will finally satisfactorily resolve long-standing public policy issues and concerns while making available to all Americans the results of our investment in biomedical knowledge and health care delivery infrastructure.

Part One provides an introductory section to set the stage. Chapter 1 presents an historical overview of the nation's health care system, setting the stage for the detailed analyses that follow in subsequent chapters. The chapter also provides context and a starting point for the reader's assessment of the complex components of the nation's health care system and their interaction.

Chapter 2 is new and presents an analytical overview of the health care system. Three case studies set the stage for examining our nation's health care system by illustrating the situation that exists in three geographical locations of the country. The first two case studies in this chapter focus on health care delivery in Boston, Massachusetts and in Orange County, California. The third and last section of this chapter provides a prospective on examining health, disease, illness, and mortality in Los Angeles, California.

Chapter 3, also new, focuses on a discussion of biomedical technology and clinical medicine. Because the complexity of medicine today precludes a comprehensive

overview of all aspects of medicine, this chapter utilizes illustrative technologies that are both innovative and forward-looking to provide a valuable perspective on the nature of our current developments in biomedical knowledge and their implications for health care delivery and clinical practice.

Chapter 4 provides a comprehensive perspective on historical and current patterns of disease and of access to health care services in the United States. This chapter presents a fundamental assessment of the underlying factors associated with the causes and characteristics of health care utilization and the translation of such characteristics into actual access to health care—a recurrent theme in this book.

Part Two focuses on the financing of health care in the United States and the impact that financial changes are having on the organizational structure of the system. Chapter 5 reviews the sources and uses of financial resources for health care in the United States. Chapter 6 focuses on the dominant role of managed care in the health care delivery system. Although several other chapters in the book address issues related to managed care, Chapter 6 presents a philosophical and logical overview of the role, structure, and mechanisms inherent in managed care, as well as our successes and failures in restructuring the nation's health care system using managed care principles.

Finally, Chapter 7 describes the evolution and current status of the private health insurance industry in the United States. This chapter also addresses the interaction of private health insurance with other key financing and organizational trends, including managed care.

Part Three examines provider organizations and settings through which health care services are offered. The first chapter in this section, Chapter 8, addresses the role of health promotion and disease prevention activities in improving the health of the public through public health services and agencies. This chapter includes an historical perspective and stresses the key role of the public/private partnership for public health that has emerged in the United States and whose focus is on protecting the health and well-being of populations as opposed to individuals.

Chapter 9 addresses the central role of ambulatory care services in the provision, coordination, and control of health care. The expansion of group practices and other key ambulatory care providers is also addressed.

Chapter 10 examines the radically changing role of hospital and health systems and the evolution of the hospital from being solely a provider of in-patient services to an integrator of comprehensive delivery systems. Chapters 11 and 12 focus on the provision of long-term care and mental health services, both key areas that have experienced dramatic changes. Each of these areas presents very complex challenges for the future.

Part Four deals with the key nonfinancial resources used in the provision of health care services in the United States. Chapter 13 addresses the role of the pharmaceutical industry in meeting the health care needs of our nation. Chapter 14 examines the human resources used in providing health care services, particularly the professionals necessary for the successful functioning of the health care system.

Part Five asks how our health care system can be evaluated, regulated, monitored, and assessed. Chapter 15 looks at the role of government in the health care industry. It reviews how public policy in health care has developed over the years and examines its current status and outlook. Chapter 16 focuses on the measurement and evaluation of

health care services, particularly addressing clinical assessment issues. Finally, Chapter 17 discusses the many ethical issues associated with providing health care services. Ethical issues have become increasingly important, particularly in the development of public policy as our biomedical capability has increased over the years and as cost pressures, managed care, and issues of uninsured and underinsured individuals have presented themselves to policymakers.

Over the past two decades, our nation's health care system has adopted a market-driven focus with the objective of increasing efficiency and reducing redundancy. At the same time, issues of life and death, of access to health care, and of making available proven technologies to improve the health of individuals and populations are still the fundamental objectives of the nation's health care delivery system. The challenges and the opportunities have never been greater. Our potential to provide longer, higher quality lives is greater now than ever in our nation's history. At the same time, the challenges of costs, access, politics, and ethics are also greater than ever.

Today we have more at stake in our nation's health care system than ever before. The promises generated by technological advances are mind-boggling. At the same time, we are challenged to address such fundamental issues as providing adequate access to essential health services to all Americans, and assuring a comfortable and healthy retirement for our older population. The problems that exist in such areas as long term care and mental health services sometimes appear to be overwhelming. In addition, the social challenges that our nation faces—environmental concerns, economic problems, social disruptions, and criminal activity—continuously impinge on the smooth functioning of the nation's health care system.

Here in the United States, we have invested more human and fiscal capital in health care than any other nation in the history of humanity. We seek to improve our physical and mental well-being through a health care system that often seems inadequate and unstable. We also recognize the tremendous resources that our nation has available to improve the lives of all Americans through a financially realistic and operationally efficient health care system.

As in previous editions of this book, a multidisciplinary, empirical approach is used throughout. The emphasis is on the practical application of an increasingly sophisticated body of knowledge and research.

We continue to owe a debt of gratitude to the many students and practitioners who provide us with guidance as this book evolves. We are profoundly grateful to our contributors, our editors, our colleagues, and to all others involved in the production of this book. We hope that it will contribute in some small measure to a better health care system for all Americans.

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PART 1

Overview of the Health Services System

