

Chapter 2—How We Got Here: U.S. Health Policy History

Multiple Choice

1. The history of U.S. health policy has its beginnings with:

- [1] Federal medical licensing laws
- [2] State medical licensing laws
- [3] Federal hospital licensing laws
- [4] State hospital licensing laws

Answer: 2

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Subject: Chapter 2

Complexity: Moderate

Simplified Functional Taxonomy: Recall

2. The first healthcare legislation at the federal level and be signed into law by the President was:

- [1] The Bill for the Benefit of the Indigent Insane
- [2] The Sickness Insurance Law
- [3] The Accident Insurance Law
- [4] The Sheppard-Towner Act
- [5] None of the above

Answer: 4

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Complexity: Moderate

Simplified Functional Taxonomy: Recall

3. Sickness funds:

- [1] Established in 1950, were the first organized health plan, and cost 50¢ per month.
- [2] Established in 1860 to 1920, were the first organized health plan, and cost 50¢ per month.
- [3] Established in 1860 to 1920, were disability insurance, and cost 50¢ per month.

- [4] Established in 1950, were designed for physician payment, and cost 50¢ per month.
- [5] All of the above

Answer: 3

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Simplified Functional Taxonomy: Recall

4. The events culminating in the employee tax exemption for medical insurance include:

[1] Post WWI wage and price freeze, 1929 Supreme Court decision to allow benefits as part of labor negotiations, and 1934 tax code change providing for employer tax exemption of medical insurance.

[2] Post Korean conflict wage and price freeze, 1959 Supreme Court decision to allow benefits as part of labor negotiations, and 1964 tax code change providing for employer tax exemption of medical insurance.

[3] Post WWII wage and price freeze, 1949 Supreme Court decision to allow benefits as part of labor negotiations, and 1954 tax code change providing for employer tax exemption of medical insurance.

[4] Post-Vietnam conflict wage and price freeze, 1969 Supreme Court decision to allow benefits as part of labor negotiations, and 1974 tax code change providing for employer tax exemption of medical insurance.

Answer: 3

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Complexity: Moderate

Simplified Functional Taxonomy: Recall

5. Major federal healthcare legislation since 1900 addressing **access** to healthcare services includes:

[1] Medicare, Medicaid, and the Patient Protection and Affordable Care Act

[2] Medicare, Medicaid, and the Prospective Payment legislation.

[3] Medicare, Medicaid, and the Health Security Plan

[4] Medicare, Medicaid, and ERISA

Answer: 1

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Complexity: Moderate
Simplified Functional Taxonomy: Recall

6. Major healthcare legislation since 1900 addressing **cost** of healthcare services includes:

- [1] The HMO Act, the Prospective Payment legislation, and HIPAA
- [2] The Prospective Payment legislation, the Patient Protection and Affordable Care Act, and ERISA
- [3] The Patient Protection and Affordable Care Act, ERISA, and HITECH
- [4] The Prospective Payment legislation, ERISA, and HITECH

Answer: 2
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Simplified Functional Taxonomy: Recall

7. Major provisions of the Patient Protection and Affordable Care Act include:

- [1] HITECH, dependent coverage up to age 26 years, health insurance exchanges, accountable care organizations
- [2] Dependent coverage up to age 26 years, health insurance exchange, ten health plan requirements, and a set of actuarial values for consumers to choose from
- [3] Dependent coverage up to age 26 years, health insurance exchange, HITECH, and HIPAA
- [4] Dependent coverage up to age 26 years, health insurance exchange, expansion of Medicare, and HITECH

Answer: 2
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Complexity: Moderate
Simplified Functional Taxonomy: Recall

8. Federal government physician payment models have included:

- [1] Physician fee schedule, RBRVS, COBRA, & ERISA
- [2] Physician fee schedule, Medicare Volume Performance Standard, Sustainable Growth Rate, & MACRA

- [3] SGR, MVP, ACO, & COBRA
- [4] Physician fee schedule, SGR, ERISA, & MACRA

Answer: 2

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Complexity: Difficult

Simplified Functional Taxonomy: Recall

9. Major health legislation passed by Congress since 2010 includes

- [1] The American Health Care Act
- [2] The Health Care Freedom Act
- [3] Repealing the tax penalty for not possessing health insurance
- [4] 21st Century Cures Act
- [5] 3. & 4.

Answer: 5

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Complexity: Moderate

Simplified Functional Taxonomy: Recall

10. The 21st Century Cures Act addresses which of the following:

- [1] Research funding, leadership, and reporting requirements
- [2] Mental health programs, payment, and access
- [3] Gerontological health programs, payment, and access
- [4] Medicare and Medicaid access, continuation of services, and payment

Answer: 1, 2, & 4

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Complexity: Moderate

Simplified Functional Taxonomy: Recall

11. Common forms of governance include:

- [1] Unitary

[2] Confederation

[3] Feudalism

[4] Federalism

Answer: 1, 2, & 4

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Simplified Functional Taxonomy: Recall

True/False

1. Original Medicare Part B payment was based on usual, customary, and reasonable charges.

Answer: False

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Simplified Functional Taxonomy: Recall

2. By the mid-1990s, Medicare Part B payments had become the largest domestic program funded through general revenues.

Answer: False

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Simplified Functional Taxonomy: Recall

3. In 1787, the U.S. Congress approved a Constitutional Convention to address the weakness of the Articles of Confederation by development of a new Constitution.

Answer: False

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Simplified Functional Taxonomy: Recall

4. While the Constitution and Bill of Rights balances federal and state responsibilities, there is a level of ambiguity to these responsibilities that allows this balance to adapt to different times and situations.

Answer: True

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Simplified Functional Taxonomy: Recall

Short Answer & Essay

1. Discuss how the eras of federalism link to the development and passage of healthcare legislation.

Answer: Use table 5 Eras of Federalism to guide this discussion. The areas align rather closely through Creative Federalism then, while alignment can be found, it is not so neatly aligned.

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Simplified Functional Taxonomy: Analysis

2. Discuss how health policy has evolved in the United States.

Answer: Health policy has evolved from state control of health services through licensing, responsibility for social services, and insurance regulation. Licensing has remained at the state level despite recent attempts to bring it under federal jurisdiction. Insurance has remained at the state level despite several failed attempts to bring it under federal jurisdiction. Social services have become shared between state and federal agencies. Policy has progressed from no involvement - failed attempts to universal care - incremental approach - cost and payment concerns - access, cost, & quality concerns.

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Simplified Functional Taxonomy: Recall

3. Discuss the evolution of physician payment by the federal government.

Answer: A timeline for the evolution of physician payment includes: Usual & Customary payment (1965), Physician Fee Schedule/RBRVS (1989), Medicare Volume Performance Standard (1992), Sustained Growth Rate (1997), and MACRA (2015). All of these payments have been variations of a fee-for-service model. Only with MACRA do we begin to see advanced payment models that are still fee-for-service but include positive and negative risk components and are intended to move toward capitative payment.

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Simplified Functional Taxonomy: Recall