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## The Beveridge Model: Nationalized Health Care

### Comprehension Questions

Indicate whether the statement is true or false, and justify your answer. Be sure to cite evidence from the chapter and state any additional assumptions you may need.

1. There are no out-of-pocket costs (i.e. coinsurance, copayments, premiums, deductibles, etc.) for patients being treated by health providers in the United Kingdom, at least for most types of care.

**TRUE.** Universal insurance is paid for through national taxes which ensure that anyone may be treated by a doctor without any direct costs to themselves. Exceptions include eye and dental care.

2. Beveridge countries typically feature single-payer insurance.

**TRUE.** "Single-payer insurance" is a term for systems where the government provides everyone with health insurance and pays for almost all medical bills.

3. A difference between Canada and most Beveridge countries is that hospitals and doctors in Canada are private, non-profit entities.

**TRUE.** Doctors in most other Beveridge nations, including the United Kingdom, are considered public employees rather than private contractors.

4. Queuing care is never optimal because it increases wait times and provides no concomitant benefit.

**FALSE.** Queues may help limit moral hazard and can reduce labor expenses by necessitating fewer doctors.

5. Price rationing helps remove patients who do not really need treatment from queue lines.

**TRUE.** High prices discourage those with the least need for treatment from waiting in line. Price rationing also deters low-income patients who would benefit immensely from treatment but who cannot afford to pay the marginal costs from price rationing.

6. In a typical Beveridge system, patients are able to enter queues to see specialists automatically.

**FALSE.** Generally, patients must get a referral from a general practitioner before they may enter a queue to see a specialist. This practice is known as "gatekeeping."

7. NICE conducts health technology assessments for the U.K., but the NHS is not authorized to use their analyses to make decisions about what health care is actually available.

**FALSE.** NICE assessments are used to determine which treatments are not sufficiently cost-effective. Any treatment or drug that does not pass the test is not covered by NHS.

8. Patients in the U.K. have historically been unable to choose their health care provider, but recent reforms have created options for patient choice.

**TRUE.** Historically, the "postcode lottery" determined which hospitals and doctors patients could see depending on where they lived. Since the early 2000s, patients have been able to choose to see any GP they want.

9. The NHS Internal Market required regional purchasers to negotiate contracts with hospitals for efficient patient care.

**TRUE.** Such negotiations were meant to help make hospitals cheaper and more efficient.

10. 100% of health expenditures in Beveridge countries are publicly financed.

**FALSE.** 17% of health expenditures are privately financed via private copayments. These include dental costs, pharmaceutical costs, and payments to luxury hospitals.

11. There is great emphasis in the Beveridge model of equitable care for all; therefore it is illegal for private insurance to be sold.

**FALSE.** Private insurance exists in every Beveridge country.