Effect of Modern Medical Technology on Cost of Health Insurance Coverage

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What kind of medical technologies are most likely to have a negative effect on the availability of health coverage for people in need in the DFW metroplex?

Are these devices viable options in terms of effectiveness and attainability?

Effect of Cost on Society

Most modern medical procedures such as CAT scans, genetic treatments, and fertility treatments, are not cost efficient and most public insurance plans either will not cover the cost of these technologies or are reducing the number of procedures they will cover. Studies show that many of the technologies that were once covered by public insurance plans, such as Medicare, have been removed from the plan or have been greatly restricted as to who can receive the treatment (Sloan, Morrisey, Valvona 1988; Giacomini 2005). Machines that are used in hospitals daily are much more expensive than expected. For example, the simplest incubator costs close to $20,000 and certain in vitro fertility treatments costs more than $3,500 (Chen 2009; Giacomini 2005). Consequently, medical technologies, although they can be useful, are indeed making health care less affordable and less available for those in need.

What is Being Done

The most obvious, yet most difficult option is to create a new technological device that is much more cost efficient, yet just as effective as its more expensive predecessor. For instance, a company called Embrace has found a way to make an incubator that costs a mere $25 as opposed to the typical $20,000 price of a traditional incubator (Chen 2009; Giacomini 2005). Consequently, medical technologies, although they can be useful, are indeed making health care less affordable and less available for those in need.

Methodology

I decided to model my research on that of Sloan, Morrisey, and Valvona (1988). The three main steps I would take would be to research different medical technologies, organize the data and synthesize a method of categorizing them, and look at changes in coverage in several health insurance policies.

Bibliography


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