A-KINS ANALYSTS AND PROIECT MANAGERS

A-Kins Newsletter

VOLUME I, ISSUE I

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Mission:

To build a network of international workforce, mobilizing communities to be self-sufficient, executing effective and efficient assessments, feasibility studies, and implementing projects for the complete physical, mental and social wellbeing of all.

What do we do?

A-Kins Analysts and Project Managers, a minority woman owned community based small business, is a specialty provider of Health Consulting Services including:

- Health Impact Assessments
- Health Care Projections & Forecasting
- Preventive Health/Health Economics Consulting & Project Management

Executing efficient and effective, successful international Business Projects.

"Successfully implementing impossible projects in impossible places"

US: Health | Economics in Reform | Economics Versus | Health Economics | Concepts in Economics | Concepts in Health Economics | Economics | Published Letters to 4 the Editor

US —Health Economics in Reform

The World Health Organization (WHO) defines Health as a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. There are however several internal and external factors that determine the health outcome of an individual, a community or a nation. Biomedical factors which are intrinsic exposures include genetic makeup of an individual, while extrinsic exposures include lifestyle and the environment. The environmental aspects of health care include physical (i.e. air, water, land) and social environment. Social determinants of health includes access to affordable

health care. Affordable Health Care is however related to Health Economics and surprisingly, even though it is a sub-component of the social determinants of health, it has been known to have one of the greatest impacts on health "outcome".

In US, the quest to fulfil the mandate to provide the Highest Quality Care to the greatest number of people at the Lowest Possible Cost has led to HEALTH REFORM: -Affordable Care Act (ACA), often called "Obama Care". ACA's hypothesis of insuring "all" at a lower cost in order to reduce ultimate cost per capita has been tried true and signed as law, mandating all citizens to enroll.

Over the past two years, millions of uninsured and under insured have signed up to both private insurance companies and government run health care systems like Medicaid and Medicare, a Great Success!

However, the government is at a loss. Why? Well, in health economics, a good balance of those in good health and those in poor health makes for good health economics. Since the working class is proxy for some degree of good health (i.e. those who work are usually healthier in general than those who do not work or vice versa, if you are healthy, you are more likely to be working than not.

Economics Vs Health Economics

This group usually end up with health insurance companies, a "Selection Bias" as it is called in science and Market Segmentation as it is called in economics. Those not working or the working poor as they are sometimes called need health care supplements like Medicaid. These are proxy for not so good health due to social determinants of health and these end up in Government Programs. The elderly, also proxy for health needs as they age, enroll in Medicare, also a Government Program. In short, those with proxy for much health need end up with the Government and those with less likelihood to be in poor health end up with Health Insurance Break-



Would you hand over your Health Care to a Business Man to handle?

If not, why should US?

ers. The US Government, constantly supplementing these categories of health care need, therefore end up in a deeper and deeper hole when it comes to health care reform, while health insurance brokers do well.

Solution?

.....to be continued

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VOLUME I, ISSUE I PAGE 2



Concepts In Economics

Economics: is the study of how goods and services are produced, distributed and consumed.

Goal of Economics: Maximum Value and Profit.

Business in Economics: Maximize Sustainable Value and Profit for Stakeholders/Shareholders.

Demand: Demand in Economics is the Utility of Goods and Services.

Demand in Economics is based on personal needs and wants for maximal satisfaction of the person, the consumer.

<u>Supply</u>: Supply in Economics is the amount of goods and services the producer is willing to produce and sell for maximal value and profit. Supply is based on personal needs and wants for maximal satisfaction of the consumer.

<u>Market</u>

Household Behavior and Choices in Economics is studied to determine the Economic Market of a Product. This information is used to SEGMENT the target market for maximum value and profit.

Market Segmentation:

Segmenting Consumer Markets by geography, demographics, psychology and behavior is often used to plan and maximize profitability strategy.

Inflation:

Inflation, also called flooding of the market with demand, is defined as a sustained disruption in the balance of goods and services in demand, compared to supply, is referred to as inflation. Inflation often happens when there is excess supply of funds driving demand for goods and services high in exponential amounts. This eventually resulting in shortage of goods and services, with an excess demand when compared to supply. Inflation is often discouraged in Economics and prices /access to goods and services are closely guarded and manipulated to prevent this "feared outcome".

Economics = Big Business









Concepts In Health Economics

Health Economics: is the study of how resources are allocated to health care.

Goal of Economics: Optimal Health

Business in Health Economics: Maximize the Health of the Public

<u>Demand</u>: Demand in Health Care is the Utility of Goods; Services; and Modern Sciences/Technology - that can extend one's lifespan, guard against infirmity, and repair injuries caused by disease or accidents. Demand in Health Care is based on Patient and Health Care Provider <u>needs</u> and wants for the optimal health of the Patient

<u>Supply</u>: Supply in Health Care mandate is to provide the <u>Highest Quality Care</u> to the greatest number of people at the <u>Lowest Possible Cost</u>. Supply in Health Care often based on Health care provider's perception of patient needs for the optimal health of the patient.

Market:

Household Behavior and Choices in Health Economics are <u>very complex psychological concepts of behavior</u> in extreme ends of the behavioral spectrum –times of need for health care are stressor periods of one's life. During this period, most of the behavior and choices are based on "stress factors" and not necessarily on need or want. In these cases, the health care provider, usually one's physician (under oath to "first do no harm") steps in and helps with choices for patient decision making in these stressful situations, based on need for "optimal health outcome" of the patient in the situation, and not necessarily on patient want other than **optimal health**.

Market Segmentation:

Market Segmentation in Health Care for maximal profitability is illegal in U.S. The law prohibits pre-selection by health insurance companies, i.e. dropping patients with pre-existing conditions for maximal profitability of health insurance companies. Often, a few proxy questions asked can be used to determine those in the potential for adverse health selection category (pre-existing conditions) without directly asking for pre-existing conditions. For example, age, sex, smoking status, race, income, address and zip code are a few proxy questions used to identify: the poor, those who smoke, live in certain poor neighborhood, and those of certain race with certain income. These tend to have more needs. Simply asking for age, sex and race can tell a lot about a person's potential health problems as they grow older.

Inflation:

The concept of Inflation, also called flooding of the market with demand, does not exist in Health Care. Increase cheap access to health care does not make patients flood the clinics and hospitals demanding health care services that are not warranted. The behavior of the Health Care Market is not adversely affected by excessive accessible cheap health care service availability. Reaction of people to excessive supply of accessible cheap health care services is to "seek help for health early" in order to prevent health outcome complications. This behavior is however encouraged in health care. Only those with psychological problems repetitively return to the health care facilities for unnecessary health care procedures, and these need mental health help and not medical procedure indulgent.

Health Economics = Prevention

Primary Prevention for a whole community is actually cheaper than Secondary Prevention for half the community, which is even cheaper than Tertiary Prevention for a quarter of the Community. Example: It is cheaper to create walk and bike paths within a community than to pay for half the community's diabetes and hypertension medication. It is even cheaper to pay for half the communities diabetes and hypertension care than to pay for a quarter of the community's Heart Failure/Heart Attack and Diabetic Coma.

Definitions:

- 1# Primary Prevention: Keeping Healthy People without Disease for as Long as Possible -Least Expensive
- 2# <u>Secondary Prevention</u>: Keeping III People Alive for as Long as Possible *More Expensive*
- 3# Tertiary Prevention: Keeping III People from Dying for as Long as Possible -Most Expensive





#It is unethical to take advantage of the ill in order to gain value or profit



The Best of Two Worlds: Bar Beach, on the Island, Lagos Nigeria

Published Letters to the Editor



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- 2. Web: "Contact Us" page at www.a-kins-analysts.com
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