**Chapter 15; Healthcare financial management**

I believe the author is correct in his analysis. In spite of the various attempts to introduce affordable healthcare, there has been no positive outcome to date. The 1973 legislation passed by the congress facilitated the development of HMOs, but ten years later, the same Congress stopped Medicare cost-based reimbursements as a way of making the market competitive. His analysis is also correct because he takes into account the DEFRA Act of 1984 and all the failed legislation proposals during the reign of Bill Clinton. However, the era of President George Bush was marked by the enactment of several legislations such as the HIPPA of 1996, BBA of 1997, and MMA Act of 2003. The changes and several legislations passed during the time of President Obama also affected the accessibility and financial management of healthcare.

The most probable areas in the future are an improvement in clinical quality and increased coverage. There is sufficient evidence that suggests managed care has yielded better than the pay-for-service (Nowicki, 2015). Since allocation to Medicare will continue to increase, I believe healthcare organizations will be in a position to provide high quality care. Also, as the market continues to be competitive, insurance providers with introduce flexible terms that will encourage Americans to take cover. Also, initiatives taken by states to improve and expand Medicaid will provide coverage to more people. For example, the plan by Massachusetts to provide subsidized coverage to people earning 150 percent of the poverty level reduced those insure from 10.9 percent to 6.3 percent in four years (Nowicki, 2015). Similar initiatives can reduce costs on individuals and improve access. However, I expect healthcare to become more costly because of the ever increasing costs of pharmaceuticals and population suffering from chronic illnesses.

**Reference**

Nowicki, M. (2015). *Introduction to the financial management of healthcare organizations* (6th ed.). Gateway to Healthcare Management.