Scarcity, Choice, and Opportunity Cost in the Health Sector



Scarcity, Choice, and Opportunity Cost in the Health Sector

Kidney Dialysis Machines are used for people who have kidneys that aren't functioning properly. Without the proper amount of dialysis, patients will quickly die.

Some patients can get kidney transplants which, if successful, would mean they would no longer need dialysis.





Dialysis Machines

You are members of the Board of the only hospital in a small town. Your hospital has one dialysis machine that can be operated for 30 hours per week. You must decide who gets treatment.

There are a number of patients that require treatment and their needs are listed below:

Patient A: A 6-year-old child who needs 10 hours per week. They are awaiting a kidney transplant expected to occur in one year.

Patient B: A 55-year-old man who needs 5 hours per week. He is married with grown up children.

Patient C: A 3-year-old child who will need dialysis indefinitely. Currently he needs 4 hours per week.

Patient D: A 78-year-old female, 4 hours per week.

Patient E: A 7-year-old child who has three brothers and 2 sisters, 4 hours per week.

Patient F: An 8-year-old child who has no siblings, 5 hours per week.

- Patient G: A 30-year-old female with 2 young children, 6 hours per week.
- Patient H: A 30-year-old male with no children, 4 hours per week.

Patient I: A 30-year-old male with two young children, 4 hours per week.

Patient J: A 45-year-old man with no children. He needs 6 hours per week but has a brother who will donate a kidney. This will take place in six months' time.

Patient K: A 65-year-old man who requires 10 hours per week. As he is quite wealthy, he has promised to buy another dialysis machine for the hospital if he is still alive in one year's time.

Directions: Answer the following questions.

Part 1: Complete with your partner

1. List the patients you chose to receive treatment in order of preference. Be sure that you maximized your 30 hours.

Patients you chose	Patients you left out
Patient: hours	Patient: hours
Total	Total

Part 2: Complete on your own.

- 2. Who was the first patient you chose to prioritize and why were they the most important?
- 3. Who was the last patient you left out and why were they the least important?
- 4. What person was the first person you left out? What is the economic term for this person?
- 5. What is the economic term for all of the patients you left out or didn't choose?
- 6. Whom did you rank higher, Patient H or Patient I? What was the basis for your discrimination?

- 7. How did age factor into your rankings? What was the basis for your discrimination?
- 8. Did you choose more females or males? What was the basis for your discrimination?
- 9. Did you choose Patient K? Explain your reasoning.
- 10. In a true market based healthcare system time on the dialysis machine would go to the highest bidder. In a socialized or command system the time would be distributed or determined by a governing body. Which system would you prefer for your healthcare needs, one where you and your family make the decision about paying for a healthcare procedure, or one where the decision is made for you? Explain your reasoning.