

The Fee-for-Service (FFS)

Human beings are always striving to acquire better lifestyles through attainment of diverse goals including increased financial gain. Hence there is increased want and urge to make more money which will be used to cater for the aspired living standards. Consequently, the fee-for-service (FFS) is often directly beneficial to the physician other than the salary as they are able to charge exclusively dependent on various factor such as the financial situation of the patient. The salaried and capitated health care providers have a fixed source of income hence they lack the enthusiasm that is associated with fee-for-service health care activities.

Similarly, the FFS usually pays the health care providers based on the number of cases that are handled, in addition to, ensuring that the patients are taken care of sufficiently. This form of payment increases the rate at which physicians attend to the patients, the number of patients who are treated, leads to higher the payment and vice versa. Consequently, more efficiency is applied to the health care provision system as the urge to make more money drives the physicians into assisting the patients who relates to high efficiency in FFS than in salaried healthcare services.

The effects of these services are quite many as longer queues are seen in health care centers offering salaried services while health care facilities that support FFS do not have long queues due to the financial turn outcomes. Similarly, the decision-making process, in addition to, the ability to utilize resources maximally dependent on the reward associated with the nature of health care scheme that is adopted by the patient and his/her physician. Thus it is important to identify the factors which bring about this disparity and their effect on health care service provision.
