

When Healthcare Becomes Wealthcare

The April newspapers are full of reports of wrongdoing within the US healthcare system, giving dramatic support to arguments that unregulated "free market" health care is neither healthy nor caring.

In fact, "Wealthcare," as Senator Markey (MA) designated it in a recent [hearing](#), kills people. Plus, it has become so expensive that it is the single biggest source of personal bankruptcy in America.

Consider this so-called "cost-containment" program from Multiplan Inc., a for-profit data analytics company. The subtitle says it all: [A little-known data firm helps health insurers make more when less of an out-of-network claim gets paid. Patients can be on the hook for the difference.](#) Providers get less (way less). Patients pay a lot more. The winners are Multiplan itself and the corporations it advises: United Health, Cigna, Kaiser, and other well-known names who reap billions in extra profit.

The [Times article](#) reports cases where the insurance company and Multiplan fees were as much as *six times* greater than the reimbursement to the treatment facility. To add another layer of confusion, the

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lowered fees MultiPlan negotiated appear on the "Explanation of Benefits" as "What your plan saved you" -- right next to the sky-high "amount you owe."

In other April news, "When Healthcare Becomes Wealthcare" was the title of the hearing in Boston with Senators Markey and Warren that probed the pending default of nine Massachusetts safety-net hospitals owned by private equity (PE) firm, Steward Health. The [default](#) threatens to leave several cities without health care —and a workforce with no work.

It took a single very preventable death of a new mother to sound the alarm in Steward's case, and there is no way to know the full human toll of Steward's negligence. Steward is far from the only private equity firm to drive a hospital system into bankruptcy, but it is an egregious example. [Controlled studies](#) comparing health outcomes of PE-owned hospitals to hospitals that are not PE-owned show compellingly that patients experience much worse outcomes and much higher costs when private equity owns the hospital. To learn more about the damage created by for-profit healthcare, check out the Wealthcare book shelf on the [Toolkit](#).

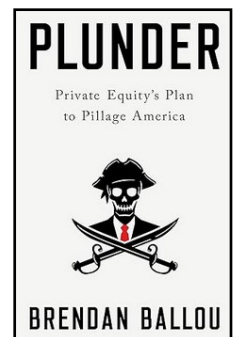
From the Wealthcare Book Shelf: Plunder

One book not to miss on the Wealthcare book shelf is [Plunder: Private Equity's Plan to Pillage America](#).

In this book, Brendan Ballou shows how PE investments increase inequality and elevate financial engineering over real innovation and quality of care. Crucially, PE firms can **escape legal liability for their actions**. They typically structure ownership in shell companies, so a suit brought against a provider they've bought (such as a nursing home) does not touch the PE firm. They can claim, as did the [Carlyle Group](#) when it walked away scot-free from ManorCare that they technically did not own it, but "merely advised a

series of (inaccessible) investment funds that did."

If you're not ready for the whole book, here's a [NYT article](#) and an [interview](#). But remember, PE firms are not the only ones to worry about. YouTube also has "the documentary of the century," [The Corporation](#), that creates a social psychology [score card](#) for the traditional profit-first corporation. Look also for its *Unfortunately Necessary* sequel.



NEXT HCR4US MEETING
Sunday, April 28
8:00 p.m. ET

Register at
<https://tinyurl.com/HCR4US-Apr28>

TENTATIVE AGENDA:
 Intros for New Attendees — Announcements
 Legislative Actions — State Reports
 Newsletter — Break-out Sessions

In Case You Missed It

Mar 25 LWV Manatee County Florida “[A Conversation: Doctors Practicing in a Post-Roe World](#)” Two OB/GYN physicians, one from Florida where a 6-week ban is pending and one from Idaho where a full abortion ban is in place describe their experiences.

Apr 2 PSARA hosted a webinar [Fear and Loathing on the Way to Levelling the Playing Field](#) featuring Spencer Carnes, David Lipshutz, Wendell Potter, Rose Roach, Ed Weisbart who advocate for better, less expensive benefits for Traditional Medicare.

Feb 28 STAT article “[Medicare Advantage Is Bad for Patients and Bad for Investors](#)” by Wendell Potter and Philip Verhoef

Upcoming

June 27—30: LWV US National Convention in Washington, D.C. In-person and virtual attendance is possible. Plan to attend caucuses on the Vermont privatization position update and storytelling for advocacy.

Websites

HCR4US Youtube Channel:

<https://www.youtube.com/c/LWVHealthCareReform>

HCR4US Web-Contact Form:

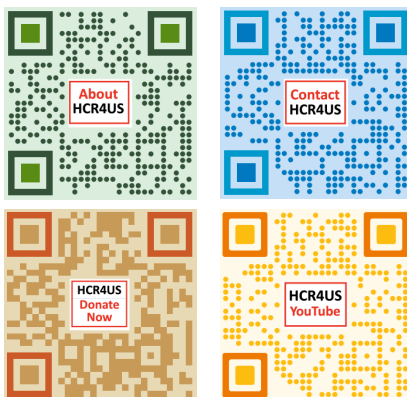
tinyurl.com/Contact-LWV-HCR-4US

HCR4US Google Drive:

<https://tinyurl.com/HCR4US-Minutes-etc>

HCR4US Toolkit:

<https://lwvhealthcarereform.org>



HCR4US : Dedicated to educating and mobilizing League members to work toward legislation that enacts the goals of our LWVUS health care position

Newsletter Committee: Barbara Pearson, Jon Li, Candy Birch, MaryLynne Courtney, Ceil Tilney

Medicare needs to level the playing field

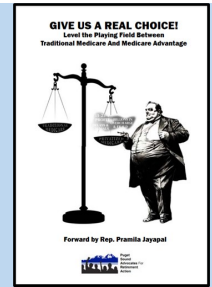
As of 2023, [more seniors](#) have [Medicare Advantage \(MA\) health insurance](#) than Traditional Medicare (TM). No surprise. Effective and ubiquitous marketing by the private MA insurance companies promise lower premiums for more benefits like vision and dental.

MA, however, is draining the Medicare Trust Fund at an alarming rate, while offering less and less to seniors by denying claims, increasing co-pays, and severely limiting choice of providers.

The [Puget Sound Advocates for Retirement Action](#) (PSARA) has begun an aggressive campaign to make traditional Medicare offer benefits as attractive and economically competitive as MA. Its [58-page brochure](#) presents a trove of articles by anti-privatization experts plus a resolution adopted by the Washington State Labor Council AFL-CIO outlining how to level the playing field by

1. adding benefits to TM, including vision, dental, and hearing
2. eliminating the 20% co-pays in TM, (that necessitates a Medigap insurance policy) and capping out-of-pocket expenses
3. paying for TM improvements by eliminating excessive administrative costs and profits in private insurance plans and returning funds to the Medicare Trust Fund that have been lost to fraud and abuse by insurance companies (*See page 12 of [PNHP report](#)*).

PSARA has also created a [sign-on letter to President Biden](#) encouraging him to use his executive powers to add vision, dental, and other benefits to improve Traditional Medicare and to stop the privatization of health care.



State Supreme Courts Authorize Abortion Bans in Florida, Arizona

The [2022 SCOTUS Dobbs decision](#) overturning Roe v Wade prompted states to immediately put abortion rights on the ballot in seven states. Voters will determine extent of women’s reproductive rights in as many as eleven states in [2024 elections](#).

Not willing to wait until November, the [Arizona State Supreme Court](#) reinstated an 1864 territorial law that bans all abortions except to save the mother’s life. The [Attorney General](#) is challenging the ruling and is refusing to charge physicians. An abortion ballot initiative has gathered well over the required minimum to put it on the November ballot.

Also in a rush, the [Florida State Supreme Court ruling](#) that a 15-week abortion ban was constitutional, triggered a six-week ban that the legislature passed in 2023 and that goes into effect on May 1. Floridians will vote on putting abortion rights until viability into the [state Constitution](#) in November.

