

Beware of costly Medicare Advantage plans

By Winchell Dillenbeck

Cartoonist's take

If we want to build on the promise of Medicare, then we are going to have to grapple directly with the power of corporate health insurance. That starts with taking on the so-called "Medicare Advantage" program. Insurance industry greed means that Medicare Advantage costs taxpayers more money while providing less care to patients. The program is abundant with accusations of fraud and bad behavior. Patients speak of feeling duped by aggressive telemarketers and ads making false accusations. Several companies have been fined, or sued, and agreed to take large settlements.

While the premiums may be lower in Medicare Advantage, the drawbacks are significant, leading to higher costs and health crises despite differences in geography and social and economic status. Customers who are typically low-income and from diverse populations who cannot afford the premiums for traditional Medicare are forced to gamble on their health hoping that they will stay well enough that they will not need care and knowing that if they do, they will likely face financial and bureaucratic obstacles.

Medicare Advantage has high copays, deductibles, and fees that enrollees are not aware of in advance. This often leads to catastrophic out-of-pocket costs that are a surprise to customers.

Medicare Advantage has a limited network of providers who accept their coverage. 70% of physicians are excluded from the network. They also have limited prescription drugs covered



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by their plans.

Medicare Advantage has pre-authorization denials and denials of claims for care received. There were 35 million requests in 2021 for prior authorization. 20.5 million hours are wasted filling out authorization forms and fighting with insurers to get necessary paperwork approved. 22% of claims are denied. Patients found once they became sick, accessing care through Medicare Advantage became an onerous ordeal of drawn-out appeals or legal threats, hidden charges, and compromises to the quality of their care while leaving patients with unaffordable bills they assumed would be covered. Investigations into

claim details found that insurers were denying treatment and tests that should be covered under Medicare.

Medicare Advantage has delays and bureaucracy in approving coverage. For those suffering from painful or life-limiting conditions, this can have devastating impacts on physical and mental health. There is a higher mortality rate after surgery on a Medicare Advantage Plan and the customer is less likely to use recognized Cancer Centers.

Medicare Advantage has an upcoding practice which is an industry practice in which patients are assigned more severe diagnoses in an attempt to overbill Medicare for their

care. Eight out of ten of the biggest insurers have submitted inflated claims. These overcharges are costing Americans over \$140 billion a year. These ripoffs are draining the Medicare Trust Fund.

Medicare operates on a 2% administrative fee while Medicare Advantage operates on a 13% to 18.5% administrative fee. It is clear that as long as we continue to allow private insurers to profit from Medicare Advantage, they will continue not only to exploit their customers, but to line their pockets with taxpayer money, putting additional strain on the finances of the entire Medicare program. Medicare Advantage plans are expen-

sive to operate.

Insurance agents are rewarded for promoting Medicare Advantage. On a Medicare Advantage Plan, they receive an initial commission of \$880 and a renewal commission of \$440 per year. On a Drug Plan, they receive an initial commission of \$209 and a renewal commission of \$105 per year that the customer pays out of their pocket to the insurance company.

Over 50% of Medicare beneficiaries now have nonprofit corporations in charge of their care through Medicare Advantage. Insurance companies are paid handsomely for these plans and much of the money goes to corporate profits instead of care. These companies running Medicare Advantage plans want to take over Medicare entirely.

Medicare Advantage is preventing Americans from getting expanded benefits from real Medicare including dental, vision, and hearing services. Medicare for All is a better deal for patients, taxpayers, and providers. 1) Medicare for All would cover all services for all patients without any copays, deductibles, or spending limits. 2) Medicare for All would eliminate the profit incentives that lead insurers to engage in corrupt and dangerous practices like upcoding and denial of care. 3) Medicare for All would eliminate networks and enable free choice of any provider or hospital. 4) Medicare for All would eliminate hundreds of billions of dollars in administrative spending, and free up thousands of hours of providers and hospitals to spend on care instead of billing and paperwork.

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