



Pretense of Private Health Insurance 'Choice'

Corporate media and candidates echo false corporate narrative regarding health insurance reform. Using an insurance industry talking point, NPR reporter Steve Inskeep asked *Medicare-for-All* proponent Elizabeth Warren prior to the first presidential primary: "Aren't you afraid of taking away people's choice of private health insurance?"

It is pretense that people have "choice" of private insurance, as insurers may drop anyone on a dime. Private insurers arbitrarily drop doctors, hospitals, and medicines from their plans. They may drop any plans that are not profitable, leaving the insured high and dry.

Recently [United Healthcare](#) dropped eight Houston Methodist hospitals and dozens of out-patient facilities from its network, affecting "[as many as 100,000 United Healthcare members](#)" in Medicare Advantage and private plans. United Healthcare plans to drop 800 Methodist-employed doctors in April.

Multiple small-risk-pool private insurers exponentially increase administrative cost and complexity for doctors and hospitals. [U.S. doctors pay four times as much](#) as Canadian doctors - over \$80,000 annually – to process insurance paperwork and billing.

The choice that matters to people is not choice of multiple costly private insurers that offer narrow networks of providers. Full choice of doctors and hospitals is available only with the original Medicare model.

Touted by Washington, employer health coverage is equally unstable. Insurers and employers annually shift increasing risk and cost to employees. For over a decade [employee health costs have outpaced wage growth](#) - increasing twice as fast as workers' earnings and three times as fast as inflation. [Underinsurance](#) among those with employer coverage has increased 28%, nearly tripling since 2003. In order to pay for health care, Americans reportedly borrowed [an estimated \\$88 billion](#) over one year in 2018-2019.

People will say they "like" their insurance until they are injured or fall seriously ill. Required to meet a high annual deductible before insurance kicks in, many become responsible for high medical bills and are subjected to medical bankruptcy – a phenomenon unique to the U.S. health insurance model.

"Faux Medicare" Proposals

NPR reporter [Mara Liasson](#) contrasted Sen. "Sanders' more extreme Mandatory Medicare for All" with Mayor Buttigieg's "voluntary Medicare buy-in for those who want it." Liasson could have said "Guaranteed" or "Automatic" Medicare for All but opted for a negative modifier.

"Faux" Medicare proposals, like "Medicare for those who want it," "Medicare X," and other iterations of a "[Public Option](#)" are built around administratively complex, actuarially unsound small-risk-pool insurance plans that fall far short of administrative savings achievable with the original large-risk-pool Medicare model. The "Public Option" is a gift to private insurers, who "cherry-pick" the healthiest, most profitable clients, relegating the sickest to the government-funded "Public Option."

U.S. Healthcare as Profit Center

Heavily exploited as a profit center, U.S. healthcare is source of tens of billions of healthcare dollars siphoned annually by private insurance and pharmaceutical industries seeking to maximize their profits. Large sectors of health care are now [investor-owned](#), including doctor groups, stand-alone Emergency Rooms, Emergency Rescue Units, and Hospice Units – all intended to bleed large profits from the health system. [Mainstream Media](#) profited \$5.2 billion for drug advertising in one year alone - 2016. Media often promote the status quo - parroting industry talking points, setting up "socialism" as a bogeyman, and falsely naming Medicare "[socialism](#)."

Under the umbrella of [Partnership for America's Health Care Future](#), health industry profiteers vigorously oppose Medicare for All and promote the status quo in efforts to preserve their bottom-line profits. Among numerous Partnership members are *The American Hospital Association*, *America's Health Insurance Plans* (AHIP), and *Big PhRMA*.

[OpenSecrets.org](#) reveals that many 2020 presidential candidates have received tens of thousands of dollars of contributions from health groups, many of the same groups heavily lobbying Washington for favors.

Only Medicare for All is Fiscally Sustainable

Private health insurance is unsustainably inflationary, contributing to total U.S. health care spending of [\\$3.65 trillion](#) in 2018 alone. Numerous studies since 1991 have demonstrated hundreds of billions of dollars in annual savings with Medicare for All. A recent [Yale study](#) projects \$450 billion savings and 68,000 lives saved annually with Medicare for All reform. Among [tremendous efficiencies](#) of proposed Medicare is the recouping of much of the [31 percent](#) administrative cost of private U.S. health insurance. Averaging [2 percent overhead](#) versus 12 percent or more for private insurers, single-large-risk-pool Medicare leverages [economies](#) of scale to facilitate negotiation of prescription and provider payments and global budgets.

U.S. elections continue to be reported like horse races or team sport - Republican vs. Democrat, Right vs. Left or Capitalist vs. Socialist. Truthfully, most contemporary policy, including health care, is conceived in terms of wealth transfer upward, more aptly described as Corporatism vs. the Common Good of the People.

As Sen. Sanders observed, the Coronavirus pandemic demonstrates that America is "only as safe as the least insured person among us." Health should not be regarded a commodity for sale. *Everyone does better when everybody is covered.*

Listen to 1 minute of audio clips by candidates and media persons echoing insurance industry talking points, the beginning of a Truthseekers-Health Justice podcast titled [False "Choice" of Private Insurance](#)