

The Honorable Joseph P. Biden Jr.
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear President Biden,

We are an alliance of retiree organizations fighting for the expansion of our public Medicare benefits and against the ongoing privatization of traditional Medicare. We retirees served our communities for years, paid into Medicare every paycheck, and were promised strong public Medicare when we grew older.

Now retirees all over the country are being forced into for-profit Medicare “Advantage” plans, without their consent. Many other seniors have chosen Medicare “Advantage” because they cannot afford expensive private Medigap plans or are deceived by false advertising.

These plans are literally killing us. The National Bureau of Economic Research estimates that 10,000 Medicare Advantage patient lives could be saved every year if insurance companies did not delay and deny the care their doctor ordered as a method of increasing their profits.¹

On November 14, 2023, *STAT* medical journal reported on a study of United Health’s use of AI to deny care for their Medicare Advantage enrollees. While the study targeted UnitedHealthcare and its use of naviHealth, it is known that the practice is widely used by other Medicare Advantage insurers. The study also documents that claims managers who do not follow the limitations set by AI are, in some cases, subject to discipline or termination. These practices are about increasing profits at the expense of sick Medicare beneficiaries.²

Recent studies suggest that insurance companies offering Medicare Advantage plans overbilled the US government by as much as \$140 billion in 2023; over the next ten years overbilling will be as much as \$1.6 trillion if this system is not fixed. Reports of fraud and abuse by these insurance companies are rampant.³

All retired Americans deserve the financial security and dignity that traditional Medicare provides.

THEREFORE, WE ASK YOU TO TAKE ACTION IMMEDIATELY!

- **Hold insurance companies responsible** for the billions the Medicare Trust Fund has lost to fraud and abuse. This money can be used to replenish the Fund and finance an expanded traditional Medicare.
- **Make Medicare whole** by adding vision, dental, and hearing benefits and by capping out-of-pocket costs.
- **Level the playing field** by making the cost of Medicare + Medigap comparable to the cost of Medicare Advantage. Traditional public Medicare is rapidly being replaced by private Medicare Advantage plans because MA plans are significantly cheaper to purchase than Medigap plans.
- **Inform the public.** Medicare Advantage is private insurance. Only Medicare is Medicare. Support legislation that prohibits private insurers from using the word “Medicare” in their plan titles and advertising.

The time is now to protect us and generations to come from corporate greed. Now is the time to secure Medicare as a truly public program.

Sincerely,

Puget Sound Advocates for Retirement Action (PSARA), Seattle, Washington

Cross-union Retirees Organizing Committee (CROC), New York City

cc:

The Honorable Xavier Becerra,
Secretary
U.S. Department of Health and Human Services
200 Independence Ave, S.W.
Washington D.C. 20201

The Honorable Chiquita Brooks-La Sure
Administrator
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
7500 Security Boulevard
Baltimore, MD 21244

Notes

1. J. Abaluck, M. Caceres Bravo, P. Hull, A. Starc, "Mortality Effects and Choice Across Private Health Insurance Plans," *Quarterly Journal of Economics* 136, no. 3 (2021), <https://doi.org/10.1093/qje/qjab017>.
2. C. Ross and B. Herman, "UnitedHealth Pushed Employees to Follow an Algorithm to Cut Off Medicare Patients' Rehab Care," *Statnews*, November 14, 2023, <https://www.statnews.com/2023/11/14/united-health-algorithm-medicare-advantage-investigation/>.
3. Physicians for a National Health Program, *Our Payments, Their Profits: Quantifying Overpayments in the Medicare Advantage Program*, November 2023, https://pnhp.org/system/assets/uploads/2023/09/MAOverpaymentReport_Final.pdf.