

Bill Moyers Interviews Wendell Potter, Whistleblower on Health Insurance Companies

✘ Bill Moyers spoke with ex-insurance executive Wendell Potter recently, exploring why Potter left CIGNA and is now revealing insider information on how insurance companies maximize profits and influence lawmakers. Potter testified before Congress in June and writes and speaks on his now/new understanding of why insurance companies are lobbying ferociously against a single-payer system. He is now the Senior Fellow on Health Care with the Center for Media and Democracy, of which he says,

“One of the reasons I chose to become affiliated with the Center for Media and Democracy is because of the important work the organization does to expose often devious, dishonest and unethical PR practices that further the self interests of big corporations and special interest groups at the expense of the American people and the democratic principles this country was founded on.”

What I found most interesting is Potter’s discussion on how insurance companies dump businesses by raising premiums absurdly high for those companies whom they determine to have overly-expensive claims. Through the years I have had many meetings with physicians and staff discussing what increased premiums would mean for the practice.

In my earliest days, medical practices typically paid 100% of the employee (and sometimes the dependent) premium for very rich plans. As time went on, practices stopped paying for dependent coverage, started offering tiered plans (paying in full for the lowest tier), then increased co-pays and deductibles, then introduced cost-sharing, and now are

offering high-deductible plans and health savings accounts. If I believe Wendell Potter, and I think I do, practice premiums have been raised year after year after year, not because the claims experience of the group was particularly high or off-ratio, but because there were other small businesses whose claim experience was lower, thereby affording the retention of more of the premium dollar by the insurance company.

It's almost humorous to think of the time I've spent evaluating the administrative and customer service received from each insurance company, balancing the out-of-pocket dollars for the employees with the out-of-practice dollars paid by the physicians, trying to make each new yearly plan as palatable to everyone as possible, when offerings were priced in double digits to DISCOURAGE our business!

Possibly the most humorous (or depressing) of all situations is when I am simultaneously negotiating with an insurance company for health insurance for my staff, and negotiating with them for professional fees to provide care to their subscribers. Let us pray that insurance companies don't decide to get into the food or sunshine business...

Bill Moyers' Interview with Wendell Potter here.

Wendell Potter's testimony to Congress here.