



Is Medicare Advantage too good to be true?

Dispatcher: 911, what's your emergency?

Caller: America's healthcare system is broken and people are dying! (ambulance siren)

Welcome to **Code WACK!**, where we shine a light on America's callous healthcare system, how it hurts us and what we can do about it. I'm your host, **Brenda Gazzar**. This time on Code WACK! How are Medicare Advantage plans riskier than traditional Medicare and how are such plans affecting the shrinking Medicare trust fund? To find out, we spoke to **Dr. Ed Weisbart**, a retired family physician, former chief medical officer of Express Scripts, and a national board member of **Physicians for a National Health Program**.

Welcome back to Code WACK! Dr. Weisbart.

Weisbart: Oh, thank you Brenda. Nice to hear from you.

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Q: So we're continuing our recent discussion about the dangers of Medicare Advantage plans. How are Medicare Advantage plans riskier than traditional Medicare, both in terms of health and financial risk?

Weisbart: I like the way you asked that together because they are related. If you are given financial barriers to care, which you are under Medicare Advantage, you're not going to get the same health outcomes. So we know that this is true for everybody in Medicare Advantage. We know that Medicare Advantage patients are

significantly more likely to have cost related problems accessing care than are people in traditional Medicare who have purchased a Medicare supplement.

Overall, 19% of Medicare Advantage beneficiaries say they've had cost-related problems accessing care, whereas only 12% of people in traditional Medicare with a supplement say that. And that's even more striking when you get sick. So people in poor or fair health have even more dramatic cost-related problems accessing health. It goes from 39% in people with Medicare Advantage who are in fair or poor health saying that they have cost related problems accessing healthcare to still 27% in people in traditional Medicare with a supplement. So traditional Medicare is not perfect by any means today, but in terms of personal risk financially and in terms of your health outcomes, it's way better than Medicare Advantage is.

[\(02:00\):](#)

Q: Mmmm. Okay. If these Medicare Advantage plans are so risky, why is the government allowing them to be sold and even seeming to promote them at times?

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Weisbart: The government is not just *seeming* to promote them. <Laugh>. Just last week I was watching TV and an ad came on saying, 'hey, you know it's open enrollment season again and there's all sorts of new plans out there with all sorts of new benefits that you should be sure and check this stuff out' and they didn't mention any specific Medicare Advantage plan, but traditional Medicare hasn't changed, but Medicare Advantage has so they were clearly talking about Medicare Advantage and I looked at the bottom of the ad I was watching on TV and it was paid for by the U.S. government – by the Health and Human Services, by Medicare, Medicare itself through our tax dollars is purchasing ad time on primetime television gently directing people from traditional Medicare into Medicare Advantage. I've personally never seen that before, but I saw that last week so that was eye opening.

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And if you look at the Medicare book, you know everybody who is in Medicare gets one of these three-eighth inch thick books for Medicare every year talking about, you know, your options. It's pretty hard to read through and not feel nudged towards Medicare Advantage so they're doing that. More strategically or more importantly, I guess, the federal government is literally overpaying Medicare Advantage plans compared to what they pay for the same exact people were they in traditional Medicare. So the federal government pays Medicare Advantage plans

roughly now I think it's averaging about 4% more per year per person than that same person would've cost were they in traditional, original Medicare and the Medicare Advantage plans use that to promote themselves so they use that to claim that they give you eyeglasses or dentistry or some other gym club memberships. So that's another way... the federal government is promoting Medicare Advantage. I mean, who's going to pick a Medicare Advantage plan because they wanted the gym club? Healthy people. You're going to pick Medicare Advantage because of dentistry. Maybe. But the dental benefit is so limited that if you actually have a dental problem, dental insurance from Medicare Advantage isn't worth very much and eyeglasses, they're going to be the bottom end eyeglasses and may not really actually meet your visual needs. All of those things are designed to attract relatively healthy people, but the things that you need that are expensive, they're not doing those very often.

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Wow.

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Weisbart: So why is the government encouraging that? Well, I think it comes back to the question of how troublesome democracy is these days. You know, they shouldn't be doing that, but you know, our legislature uses the Medicare Advantage insurance company as one of their larger sources of funding for their campaigns so they're loath to take it on.

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Q: How are the government subsidies that benefit Medicare Advantage insurers plus their business practices affecting the Medicare Trust Fund?

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Weisbart: It's a terrible problem. Medicare Advantage plans are paid 4% more for the same person than traditional Medicare and so where does that money come from? You know, directly siphoning off the money from the Medicare Trust fund. So our unwillingness to address this is jeopardizing the Medicare program for all of us.

[\(05:17\):](#)

Q: Right, good point. It's very puzzling that Medicare is a public health insurance program that by design requires people to get some kind of private health

insurance to fill in gaps in coverage. Why isn't there any public insurance coverage for these gaps? Or why doesn't the government just eliminate them?

(05:36):

Weisbart: Yeah, the answer in one word, again is democracy, but you can, if you're pretty low income and you're on Medicare, a lot of those folks are also eligible to get Medicaid and so that's called dual eligible. They're eligible for both Medicare and Medicaid so depending on your state, you might be able to get public insurance to cover a lot of the problems that are in traditional Medicare. But when you retire, your employer might not be paying for a Medigap policy.

What we want Congress to do about this is to fix traditional Medicare. Given how inbred the Medicare advantage insurance companies are with Congress right now, it's a pretty heavy lift asking them to, well I would, I would want to eliminate Medicare Advantage. It's a pretty heavy lift for them to do that and I think there's a lot of Americans who wouldn't want today to see Medicare Advantage go away because they are getting a short-term better financial deal.

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What should be done is just what you were talking about. Instead, they should fix traditional Medicare and that wouldn't be that expensive, but they should eliminate the copays, they should eliminate the deductibles, they should expand the benefits in traditional Medicare to include eyeglasses and hearing aids and dentistry and all the other sort of bells and whistles that are good things to have... If Congress just made a level playing field so that people in traditional Medicare or in Medicare Advantage had the same copays, the same deductibles, the same benefit design and had no copays and no deductibles and had the right benefit design, Medicare Advantage couldn't begin to compete with that cuz all you're left with then are the barriers to care. So yeah.

Q: Is anyone working on that?

Weisbart: One place to start would be to introduce an out-of-pocket maximum into traditional Medicare. So traditional Medicare has copays and deductibles, which if you're not sick you don't run into very much, but if you are sick, there's literally no limit to that and that's the key piece of protection that Medigap policies protect you with so that shouldn't be the case. You know, there should be, you know, an affordable out-of-pocket pocket maximum as they've just passed with Medicare Part D in the next couple years or so, there's going to be an out-of-pocket maximum for Part D so that if you have Medicare Part D, the drug benefit, your total exposure will be I think \$2,000 per year and before they passed that a couple

months ago, there was no limit <laugh>. So it's a big deal that they've made that limit in Medicare Part D.

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Let's do the same thing in traditional Medicare, put in an out of pocket maximum to it. There is such a thing in Medicare Advantage and it's many thousands of dollars, but there is a limit we should introduce, you know, at least the as good a limit, if not even a better limit as a starting point in traditional Medicare. And then of course, my point would be there shouldn't be anything out of pocket. We know that paying out of pocket for health care dissuades you from getting important bits of health care. We know that. So we should stop doing that. We want people to be healthy and live longer.

[\(09:09\)](#):

Q: Thank you, Dr. Weisbart, what is your organization, Physicians for a National Health Program doing about these worrisome Medicare Advantage plans?

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Weisbart: We're doing everything we can. So yeah, go to PNHP.org or you know, go to Physicians for a National Health Program. We're 25,000 I think physicians and medical students and nurses and pharmacists and some nonclinical people as well all around the country. I think we have a presence in every state and we produce a ton of the research that healthcare advocates around the country rely upon. So if you go to our website, you'll find a wealth of information and we've over the last few years been turning more into an advocacy group. We're advocating for exposing these problems and fixing it in the ways we were just talking about. So we would very much like to see a single-payer national health insurance program come in essentially by taking the problems with Medicare that exist today. We had a lot of discussion about Medigap and Medicare Advantage and part C and D and E and F and G and R.

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You shouldn't have to do any of that. You should just – you're born, you get your Medicare card, go to the doctor, what do you want? And it stays with you, you know, till the end of your life and it should cover virtually every doctor and hospital. No copays, no deductibles. So that's the model of one payer, single payer improved Medicare for all. And that's the core thrust of our group Physicians for National Health Program or PNHP.org.

That's the thrust of our group is to really educate and advocate around getting that for the United States and we see Medicare Advantage as a huge threat to accomplishing that because it takes this precious public good that the nation has built (in) 1965. The country decided we don't want people to have trouble getting to see their doctor go to the hospital and we constructed this thing called Medicare and over the last 20 years we've been turning it more and more over to Wall Street and venture capital and the investment community and for-profit people who are stealing the bricks and mortar from our beautiful public machinery so what we would want to see is really the country moving to a single-payer national health insurance, improving Medicare and giving that to everybody.

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Q: Right. What else do you want us to know about Medicare Advantage plans?

Weisbart: Don't be tricked <laugh>. That's probably the most important thing is that, you know, there's these very attractive ads on TV and, you know, countless pieces of direct mail that we're all getting, and they don't even necessarily say they're Medicare Advantage, you know, they'll just say, 'look, you can get these extra things with Medicare. Look at the extra benefits. All you have to do is sign up here' and you may not even know that what you're looking at is what we've been talking about. You may not even know that.

So when somebody wants to give you something for nothing, they're probably tricking you. They're probably tricking you <laugh> and that's the case with this. So the first thing is to, if you, if you get one of those brochures in the mail, or if you see, you know, one of the ads on TV promoting Medicare Advantage, know that you're giving up the most precious, wonderful insurance in the entire country. You don't want to give up traditional Medicare. It's the only insurance I know of where you can go to almost every doctor and hospital anywhere in the country and if you buy a supplement with virtually no copays and co-insurance and no financial risk, you can just think about your health. So the one thing I would want people to really know is don't be tricked. Don't be deceived by Medicare Advantage plans.

Thank you Dr. Ed Weisbart of Physicians for a National Health Program.

Do you have a personal story you'd like to share about our 'wack' healthcare system? Contact us through our website at heal-ca.org.

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