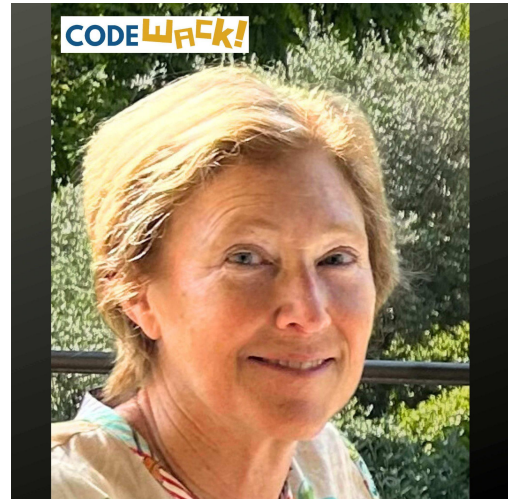


Delays, denials & death: The Medicare Advantage Scam

Featuring Diane Archer



IN THIS EPISODE

This time on **Code WACK!** How do Medicare Advantage plans use pre-authorizations and claim denials to maximize their profits at the expense of senior citizen's lives? And how are health insurers getting away with this?

To find out, we spoke to **Diane Archer**, founder and president of [Just Care USA](#), an independent digital media hub covering health and financial issues facing boomers and their families. Miss Archer is the past chair of the Board of Consumer Reports, currently serves as a senior advisor at [Social Security Works](#) and as a member of the board of the [Center for Health and Democracy](#).

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WE DISCUSS

In 2023, over 30 million American seniors - or just over half - are enrolled in Medicare Advantage plans. What is the key difference between traditional Medicare and Medicare Advantage plans?

"The fundamental difference is that with traditional Medicare, the government is paying doctors directly for the cost of their services and paying hospitals directly and other healthcare providers directly and if the healthcare provider says that the service is reasonable and necessary, there's a very high likelihood that the government is going to pay for your care.

"With the corporate health insurers offering Medicare Advantage plans, it's a very, very different story because what happens is the government pays them upfront regardless of the actual amount of money they're paying on your care so the less they spend on your care, the more they pocket, the higher their profits....they're gonna try to figure out every which way possible to effectively and efficiently hold on to the money that the government has given them and they can do that a few different ways. " - **Diane Archer**

What are some of the strategies corporate health insurers use to avoid paying Medicare Advantage claims?

"...restricting your access to healthcare providers, to doctors and hospitals. That's why in many Medicare Advantage plans, it's hard to find top quality specialists, top quality hospitals, cancer centers of excellence in the network.

"They also can profit more by having ..., a pre-authorization or prior authorization process for approving care before it's delivered. And basically, all Medicare Advantage plans use this process. You don't find this process in traditional Medicare except in a few very, very unique situations. " - **Diane Archer**

How does that affect the care seniors can get? And what can be done about it?

“... inappropriate delays and denials of care in these insurer-run Medicare Advantage plans obviously [have] consequences for enrollees and their health. And again, we can't measure those consequences because we don't have the data.

“But one academic study in the [National Bureau of Economic \[Research\]](#) that was published a few years ago, found that if the government canceled its contracts with the 5% of Medicare Advantage plans that are the worst performing, it would save 10,000 lives a year.

“And what's really galling is not only is the government *not* canceling those contracts, but it's not even naming the Medicare Advantage plans with the high mortality rates so that people can avoid them. And we are working very hard to get the government to start naming those companies so that people don't choose a company with a high mortality rate.” – ***Diane Archer***

Helpful Links

[Medicare Advantage in 2023: Enrollment Update and Key Trends](#), ***Kaiser Family Foundation***

[Mortality Effects and Choice Across Private Health Insurance Plans](#), ***National Bureau of Economic Research***

[Differential Mortality in Medicare Advantage](#), ***National Bureau of Economic Research***

[Pitfalls of Medicare Advantage Plans](#), *Investopedia*

[Letter to CMS on Prior Authorization and more](#), *American Medical Association*

[How Cigna Saves Millions by Having Its Doctors Reject Claims Without Reading Them](#), *Propublica*

[Some Medicare Advantage Organization Denials of Prior Authorization Requests Raise Concerns About Beneficiary Access to Medically Necessary Care](#), *Office of Inspector General*

Episode Transcript

Read the full [episode transcript](#).

Biography: Diane Archer

Diane Archer is founder and president of [Just Care USA](#), an independent digital media hub covering health and financial issues facing boomers and their families.

Ms. Archer is the past chair of the Board of Consumer Reports. She began her career in health advocacy in 1989 as founder and president of the [Medicare Rights Center](#), a national consumer service organization dedicated to ensuring that older and disabled Americans get the health care they need.

She served as director of the Health Care for All project for the Institute for America's Future and currently serves as a senior advisor at [Social Security Works](#). She is a member of the Board of the [Center for Health and Democracy](#).

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