



'Insidious, unethical,' yet legal: The Denial-of-Care model

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911. What's your emergency?

America's healthcare system is broken and people are dying.

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.**

(music)

This time on **Code WACK!** How do Managed Care health insurance plans hurt patients? How is Denial of Care as a business model for commercial health insurers still legal? And what is one organization doing to call attention to such issues? To find out, we spoke to **Kimberly J. Soenen**, founder of **“SOME PEOPLE,”** a Chicago-based not-for-profit organization and multiverse channel dedicated to

removing barriers to healthcare access. Soenen is also the COO of AMPERS Radio Association in Minnesota, but the views she expressed in this podcast are solely her own. This is the second episode in a two-part series with Kimberly Soenen.

Q: Welcome back to Code WACK! Kimberly.

Soenen: I'm really glad to be here.

Q: Last time, you told us about how you were seriously injured after a truck hit you while you were commuting to work on your bicycle. There was a three-month waiting period at this job so your employer-sponsored health insurance had yet to kick in. Did you have a managed healthcare plan?

Soenen: Well, it's all managed care. So managed care started in the late eighties and Aetna, United, Blue Cross/Blue Shield, Molina, Cigna, every commercial health insurance company is now managed care. So what does that mean? In the late eighties, the early nineties, I was insured by a company – back then, Blue Cross Blue Shield had the lion share of the Illinois market. Now, Aetna, United, Cigna have market share across many multiple states – but what Managed Care's sales pitch was, for lack of a better term, was that we would put people in HMOs and PPOs and then they could be in these networks to bring their costs down, or you could go out-of-network and pay out of pocket. And what that did, in simplest terms, was consolidate power and wealth for shareholders and senior management at commercial health insurance companies.

And so at first it sounded like an interesting policy or an interesting model. But what managed care means is instead of having one hospital and one clinic, or one primary care physician and one gynecologist, for example, corporate management would put all of those providers under one umbrella and instead of reducing costs, which was the pitch, they actually augmented the cost to the patient and why did that happen? It happened because when you tell patients they can only go to a certain place to access care, they have no choice. And so they stripped the comparative shopping element of accessing health care, the consumer – that American consumer. They stripped the ability for consumers to

have a choice and employers and individual plans were all PPO or HMO, and then there were golden, And they called them kind of like platinum plans.

And there were all these tiers then of plans. If you could afford the platinum plan, you had an easy concierge service. If you had a lower plan, your deductibles would be very high. So they started moving around the financial modeling of managed care. But first and foremost, it took choice away. We couldn't see our family physician anymore. We couldn't see our gynecologist of choice anymore. We couldn't go to the physical therapist at Northwestern because the Ability Lab wasn't in my network.

So here I was in Chicago, a medical center, one of the biggest medical centers in the world – not just in the United States – with multiple hospitals, nursing schools, naturopath schools, holistic schools, Loyola, Northwestern, Swedish, Covenant. I could go on and on and on and I literally lived downtown a stone's throw from all of these hospitals and these physical therapy outlets, and I couldn't access them.

Q: Wow. So they're actually taking away your choice. And what about denying care?

Soenen: Oh, always. And that also just not for my injury. You know if things came up or things that weren't related to my injury outside of this context that we're talking about, with that life-changing trauma to my body, outside of that, all the costs were increasing for really marginal things. If my friends who were pregnant, if they had a yeast infection, they couldn't believe the cost of the bill for really, really basic things.

Another friend had early child development visits, you know, usually you go three months, six months, nine months, and they covered the three and six months, but then denied her care for the nine month visit for her newborn. And then people begin to think, 'this doesn't make any sense.' So in the nineties and the early two thousands, they start thinking, this doesn't make sense. My plan says it's this, but I'm still being denied.

And then we get into algorithms, then we get into artificial intelligence. Then we went from snail mail denial to automated denial. And that exponentially augmented the velocity with which commercial health insurance companies could deny care and the volume of denial. So we turned a corner in the early 2000s from snail mail, appealing denial, appealing denial to denials. Now it usually happens at a rate of about a hundred claims being denied per 1.2 seconds in 2024, if you do the math on that with Cigna, Humana, UnitedHealth Blue Cross Blue Shield, this has nothing to do with patient care. You know, these companies have become investment firms and private equity firms. So managed care is really the name of the industry or the model that all of these companies work under. It was a business model for accessing healthcare.

Q: Okay. So how then do they maximize their return on investment at the expense of patients?

Soenen: Will give a very current example to kind of give context and explain it. The CEO of UnitedHealth Group went on his earnings call for 2024 Quarter 1, and he told investors that they've had a rough time. They've been going through a lot in the wake of the cyber attack on their company in February. And after that earnings call, the next day, the stocks soared for UnitedHealth Group, UnitedHealthcare and Optum. And I was barraged with questions and calls and DMs and voicemails of why after UnitedHealth Group, Optum and UnitedHealthcare have acted so insidiously since the cyber attack in February, why would investors ratchet up? Why would they support that? Right? When they're being investigated by the Department of Justice. They're being investigated by two Senate committees. They're being sued by physicians all over the country right now with class actions.

Law firms are suing them for defrauding their own shareholders, but yet their stocks still soared after the quarter one earnings call. The answer to that is now, no matter how costly the cyberattack response has been and how much money they've lost, that wasn't expected to be lost, all they need to do is shift to their Denial-of-Care playbook and in the next three months, in Quarter 2, Quarter 3, Quarter 4, they're going to increase Denial of Care. They're gonna cut staff, they're gonna terminate contracts with hospitals, they're gonna terminate contracts with

mental health. The therapists, they're gonna tell mental health therapists that they should really make their sessions 45 minutes instead of an hour, but still charge the same. They're going to expand and increase the volume of Denial of Care through PDX systems and NH systems. That's the algorithm and AI systems that they use to deny care, and they're just gonna ratchet up.

So right now, the quants – the math guys and the data guys at commercial health insurance companies – are looking at their portfolios and they're saying, where can we cut so that we can still deliver a return on investment to our shareholders? So it's just moving money around. It has nothing to do with patient care, patient safety, quality of care, best practice or patient health or health outcomes.

Even before the cyber attack for the last 15, 20 years, every commercial health insurance company has been using denial of care as their model and the way in which they do it is exactly that. The quants look at where they can cut to guarantee return on investment to shareholders.

Because Denial of Care as a business model is still legal, they can just look at their portfolios and decide, 'let's cut these guys, let's purge these guys.' And I think a lot of our listeners probably today have experienced either all of a sudden their plan has dropped, or all of a sudden a service is cut, or all of a sudden something in their plan was supposed to be included and all of a sudden it's not. And they think it's only happening to them. They think it's an administrative error or a mistake that's only happening to them. But really it's just the guys behind the Green Curtain pulling the levers and saying, 'well, let's just get them off. Let's purge 400,000 people during this merger with Aetna and CVS and dump 400,000 people and go forward.' And they can do it because they're private companies.

And they're not looking at patients, they're not looking at human beings. They're looking at numbers. That is the core of this conversation. These are not healthcare companies. Again, they're private equity and investment banking firms. So they're just looking at the numbers and they're trying to meet their Wall Street objectives. You know, they're all invested as well in public housing. Their portfolios are very, very just diversified. Patient care is just one. But all of the big commercial health insurance companies are invested in many, many, many, many

things. If we pulled out patient care or health care from any of those companies, none of them would fold because they're invested across so many different silos.

Q: Got it. So how is it that these companies are allowed to do this? You said they're private companies, so basically they can do whatever they want, but there has to be a regulator of some kind, to make sure they're delivering what they promised to consumers.

Soenen: I wish that was the case. What you just articulated there is the sentiment of 300 (million) to 350 million people is why is this legal? And so many people articulate it just as you did there. And it's a very, very good question, which is, why is this legal? Sadly, the answer to that question is the commercial health insurance lobby in this country is one of the strongest lobbying organizations. It's called the Partnership for America's Healthcare Future and it's a dark money organization, and they lobby our Congressional members. And because we have a lobbyist model of government in the United States of America, it's still legal. So the commercial health insurance industry can allocate money for campaign finance reform to support elected officials. It's quid pro quo. They make a deal with the lobbyists and round and round we go. So the lobbying model of our country is also problematic, and that's the way in which this kind of merry-go-round keeps going and denial of care, as insidious as it is, as unethical as it is, as criminal as it is, it's still legal.

Q: So let's talk about some good news and part of that is actually "SOME PEOPLE."

Soenen: I founded "SOME PEOPLE" in 2017, and what we wanted to do was bring together some of the most talented and dedicated photojournalists, photographers, artists, makers, writers, physicians, medical students, and produce a live exhibition and a digital exhibition of of health celebrating the body. You know, we have images of senior citizens running races when they're in their nineties at the Senior Olympics. We have people swimming and diving into the sea and really celebrating the body when it's a leverage to its fullest potential. You know, imagine if we had universal health care and access to health care without barriers, and we could all be leveraged to our fullest potential as human beings. And so we have a lot of images and some art installations that celebrate the

human body, but we also show medically complex children and how difficult it is for parents to live with medically complex children.

We show end-of-life and the compassionate people who gather around and kind of steward people through that process. We have some images of the opioid epidemic and essays on what it's like to go through a chronic illness or have a mental illness like psychosis and to survive cancer. We also go into vaccinations not just related to c but to, you know, measles and tuberculosis and polio and all of those other, you know, vaccinations and that have allowed children to thrive over the last 40 years. It's not about one disease or one illness, but the exhibition and the project is really about kind of how can we transform our health philosophy and our healthcare philosophy so that we take the judgment out and the politicization out and the combative language and rhetoric out of it, and kind of acknowledge that if we all had access to health care, it would leverage us, you know, culturally, socially, economically. And yeah, and it's just an extraordinary group. There's about 80 contributors around the world and they're all working consistently on other work, investigative reporting, reportage, exhibitions, education. But the core group has been really great about talking about kind of just changing the way we think about one another and depoliticize health care.

Q: So what role do you think art like photography can play in educating and inspiring change in our broken healthcare system?

Soenen: That is a wonderful question. The anger and the rage that I referred to earlier will fall on deaf ears if you're just out there screaming about it and ranting about it and art, art installations, high-caliber photography essays - they really first grip people emotionally and then after you move people emotionally, then they get active legislatively and so art and music, and we did have music and dance as part of the exhibition as well. Art and visuals and storytelling it's like a vessel, you know, it's a way of reaching people. And John Batiste recently said at the Grammy Awards, I think two years ago, he said, you know, music finds people when they need it most. It's like a magical radar where music, the song, there's no best, there's no best artist, best musician, best maker, best photographer, but somehow the magic of art finds people when they need it most.

So the people who came to see our live exhibition and who respond to our digital work or our work online, they might just respond to a few images or even one art installation or multimedia piece, but that's enough. So they don't need to respond to everything. But if one piece moves them, you know, just if one work, one image, one photo, and I've stood with people in front of one photo and they're just, they're crying, you know, 'that happened to me. That's how I feel. You just changed my mind.' You know, you hear how art can move people and then they can all become ambassadors to get active or take action in the way in which they think is most effective. So I really feel that about art and especially photojournalism and music. All of it is that it's a universally understood language, and it kind of, that interconnectivity is just so important.

ABSOLUTELY!

Soenen: And COVID certainly made people aware that it doesn't discriminate. Religion, geography, political beliefs, disease, illness, injury, disability, and chronic illness. It just doesn't discriminate. And chance, circumstance and luck impact everybody. You know, it's not about being healthy and buying the right plan or projecting what your health needs are going to be next year. There's no such thing. Nobody, nobody is exempt from needing health care. And so that chance and circumstance and luck can impact, you know, we all know people whose lives have changed overnight. Mine did, certainly and so the notion that we can kind of predict what our health needs will be is just a bill of goods that the commercial health insurance companies have sold us.

Q: Yeah. I totally agree. Even no matter where we live or what insurance we have or how healthy we are, we're all vulnerable in this healthcare system because you could have the best insurance and still go medically bankrupt. So what is "SOME PEOPLE" doing to push back against the commercial health insurance industry and its harm-for-profit model?

Soenen: So now as the founder, I serve as kind of a fulcrum and a hub, and people contact me daily about the ways in which we can push back and kind of take steps towards a single-payer program nationally. I work with photojournalists, investigative reporters. Sometimes I'm a source on a story. Sometimes I share sources with investigative journalists and news desks around the country. We also

keep continually creating art. All of the contributors are creating art in this space about not only working towards achieving universal healthcare, but just educating people about how vulnerable people are and how hard it is to get through the day if you're disabled.

And right now, UnitedHealth Group, and UnitedHealthcare and Optum are a big focus for "SOME PEOPLE." So we have been able to place many, many investigative articles on what's happening and how they're treating physicians around the country.

Thank you, Kimberly Soenen of "SOME PEOPLE."

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

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