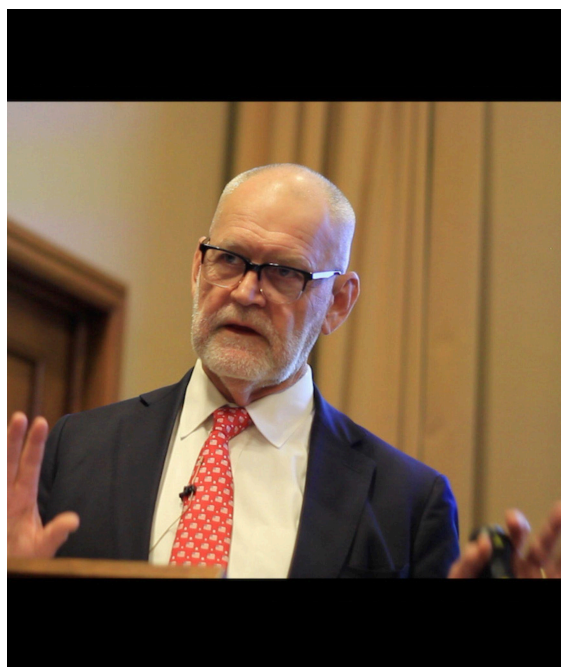


The sordid financialization of America's healthcare system

featuring *Wendell Potter*,
[Health Care, un-covered](#)
[Substack](#)



This time on Code WACK!

Why have U.S. administrations *from both sides of the aisle* chosen to privatize Medicare and how has that complicated health care for patients? How do mega insurance companies benefit as a result? **How much is all this costing us, anyway? And what can we do about it?**

To find out, we recently spoke to **Wendell Potter**, a former health insurance industry executive turned whistleblower, the New York Times bestselling author of [Deadly Spin](#) and the president of the [Center for Health and Democracy](#). He's also the author of the Substack newsletter [HEALTH CARE un-covered](#) which chronicles out-of-control profiteering in U.S. health care, its impact on everyday Americans, and potential policy solutions.

SHOW NOTES

WE DISCUSS

Despite the dangers, privatization of public insurance programs is increasing and will likely increase under a Trump administration. How will this affect the most vulnerable Americans, our seniors, and the poor?

“It will affect them adversely, unfortunately ... and I think you're right, we can probably expect further privatization during the next Trump administration.

“It's important to keep in mind though, that this has been happening during Democratic administrations as well. So we've got to acknowledge that and know that a lot of the folks considered to be our friends and allies have been essentially enriching big insurance companies over the years by supporting the Medicare Advantage program and the privatization of the Medicaid program.

“We, in years past, have seen that even many members of the Congressional Progressive Caucus signed on to a letter that was written by insurance company lobbyists that extol the [alleged] virtues of Medicare Advantage. And one of the reasons? Just because there just simply was not an effective pushback from advocates. And so the industry pretty much had Washington as they wanted it.” - **Wendell Potter**

For those who don't know, can you explain to us why privatization is potentially so harmful to patients?

“It's because of the dominance of a few big insurance companies that are Wall Street firms, or at least their stock is traded in the New York Stock Exchange. The big players in Medicare Advantage nationally are United Health, Aetna, which is owned by CVS, and Humana, which is also a big for-profit company.

“Collectively, those three companies every year grab about 80% to 90% of the new enrollees into Medicare, into Medicare Advantage. They do this because they've got the money to spend on advertising that is misleading, and they have turned the Medicare program into their big cash cow.

“It's disadvantageous to seniors and people with disabilities because their advertising is very misleading. You never hear anything in their TV commercials or in their mailing materials about the shortcomings of Medicare Advantage. I refer to it often as Medicare Disadvantage. You never hear that people in those plans [are] often subjected to prior authorization, which means that there is someone at the insurance company that will decide whether or not you get coverage for something your doctor says you need.

Every year, people who are enrolled in Medicare Advantage plans are denied coverage for lifesaving care, medically necessary care. .” - **Wendell Potter**

In 2024, the Federal Trade Commission, the Department of Justice and the Department of Health and Human Services announced a cross agency inquiry on greed. In the healthcare industry specifically, they mentioned private equity roll ups, strip and flip tactics, and other financial plays that can enrich executives but leave the American public worse off. How do these financial plays work?

“What we're talking about here broadly is often referred to as the financialization of health care. And it's unique to the U.S. healthcare system.

“We've largely turned our healthcare system over to profit seeking, profit making entities, and many of them giant corporations like United[Health] and Aetna and Cigna and Humana.

“They're listed on the New York Stock Exchange. Their number one mission is to enhance shareholder value. And so when you've got that as your top mission and shareholders as your top stakeholder, then ... if you're an executive of one of these companies, you've got to do whatever it takes to satisfy Wall Street's profit expectations. So that means that you've gotta do things that often are not in the best interest of the people enrolled in your health plans.” - **Wendell Potter**

Helpful Links

[Health Care, un-covered, Wendell Potter's Substack](#)

[Project 2025 Threatens Full Privatization of Medicare—A Death Sentence for Millions, Physicians for a National Health Program](#)

[Potential Health Policy Administrative Actions in the Second Trump Administration, KFF News](#)

[Private Equity's Role in Health Care, The Commonwealth Fund](#)

[Feds killed plan to curb Medicare Advantage overbilling after industry opposition, NBC News](#)

[Medicare Advantage in the News, Heal Medicare](#)

Episode Transcript

[Read the episode transcript.](#)

Guest Biography - Wendell Potter

Wendell Potter is a former health insurance company executive who became that industry's worst nightmare. Time Magazine called Wendell "the ideal whistleblower." Bill Moyers called him a straight shooter. Michael Moore called him "the Daniel Ellsberg of corporate America."

Wendell walked away from his job at Cigna, the giant health insurance corporation, in 2008 after what he has described as a crisis of conscience. Now, Wendell is President of two organizations -- the Center for Health & Democracy; which publishes HEALTHCARE un-covered and houses the Lower Out-of-Pockets NOW Coalition and Business Leaders for Health Care Transformation.

Wendell has explained how insurance companies flout regulations designed to protect consumers, and how they intentionally make it nearly impossible for consumers to get information they needed about their policies in language they could understand.

Wendell went on to become a bestselling author. The New York Times called his first book – *Deadly Spin* – "a tour de force." Pulitzer Prize-winning author and historian Doris Kearns Goodwin called his most recent book – *Nation on the Take* —"a stirring guide for how we can work together to reclaim our democracy and reunify our country."

Wendell has also written numerous articles for publications in the U.S. and abroad, including the New York Times, the Washington Post, USA Today, the Los Angeles Times, the Chicago Tribune, Newsweek and the Guardian, and has been a frequent guest on TV and radio.

Get Involved / Take Action

[Subscribe to Health Care, un-covered](#) *to keep up with Wendell's work*

[Subscribe to Code WACK!](#) *to catch all our weekly podcast episodes*

[Subscribe to HEAL California](#) *for health policy news with a California focus*

[Join Healthy California Now](#) *- a coalition working toward a California single-payer system. Individual and organizational memberships available.*