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Q&A

What covid-19 and health insurance mean for the US election

Former health insurance executive turned whistleblower Wendell Potter speaks to **Joanne Silberner** about how the industry is adapting to covid-19, and how healthcare will have an impact on the US election

Joanne Silberner *US coronavirus news editor*

For 20 years, Wendell Potter was a public relations executive for Cigna, one of the largest health insurance companies in the US. But after what he calls an “awakening,” he left the health insurance industry and became an active critic, consumer advocate, and president of both the Center for Health and Democracy and a national coalition called Business Leaders for Health Care Transformation.

As the US enters its final weeks of an election season overshadowed by the new coronavirus, we asked Potter about how the industry is weathering covid-19 and the politics it is facing.

The federal government has required free covid-19 testing for most people with private insurance, as well as those with government insurance (Medicare and Medicaid). And early on, the US health insurance industry promised to support patients. Where are things now?

“The health insurance industry’s promise was an empty one. Despite the industry’s public relations machine, which went into high gear to try to persuade the public that there would be no out-of-pocket costs related to testing and treatment for covid-19, insurance company executives knew that would not be true. There have been multiple media stories about people across the US—people with insurance—who have received bills after being tested or treated.¹

“Soon after President Trump assured the nation that health insurers had agreed to cover the full cost of testing and treatment, the industry public relations and lobbying group, America’s Health Insurance Plans, posted on its website a long list of statements from member companies about what they supposedly were doing to lessen the impact of the pandemic.²

“But a close read of those statements reveals that the president’s assurances in most cases apply only to a relatively small fraction of insurers’ health plan enrollees: their ‘fully insured’ health plan enrollees, not necessarily those covered in employer sponsored plans. As Aetna, a US managed healthcare company, noted deep into its lengthy section on America’s Health Insurance Plans website, ‘self-insured plan sponsors will be able to opt-out of the program at their discretion.’ When we consider that more than 150 million Americans get their coverage through employers, that means that the great majority of most insurers’ health plan ‘members’ could very well receive big bills for both testing and treatment.”

Do you think the pandemic has had much effect on political thinking about healthcare provision? And on public thinking?

“Yes. I believe it has woken up many people to just how unfair, dysfunctional, and expensive our healthcare system is. Most of us go year after year with good health and don’t test the limits, adequacy, and security of our health insurance. The pandemic has laid bare many of the shortcomings of our system and made it abundantly clear that millions of Americans are just one layoff away from being uninsured.”

As a whistleblower, do you have anything to say to government staffers who may not have spoken out about alleged pressure to do things like water down guidelines, rush approvals, and do less testing?

“I would tell them that they need to listen to their conscience—and realize that they might never have another opportunity in their life and careers as important as right now to take a stand and tell the truth. It’s scary and risky to consider becoming a whistleblower, but there is a lot to be said for living a life of integrity and being able to sleep well at night.”

President Obama’s Affordable Care Act was intended to provide insurance coverage to most people in the US. What has it meant to the health insurance industry? How has the industry viewed President Trump’s attempts to disassemble it?

“The Affordable Care Act made meaningful changes in how the health insurance industry does business. It outlawed insurers’ common practice of refusing to sell coverage to people with pre-existing conditions and basing premiums on a person’s health status. As a result of that and other provisions of the law, including the expansion in most states of the Medicaid program for low income Americans, the law increased the number of people with health insurance by about 20 million.

“But even before the pandemic, we had 30 million who were still uninsured. And that number has grown considerably during the pandemic as people lost not only their jobs but their health insurance. The Economic Policy Institute recently estimated that 12 million Americans lost their employer sponsored health insurance along with their jobs. And many of

those with insurance now are underinsured, primarily because insurance companies have dramatically increased the amount of money their health plan enrollees have to pay out of their own pockets before their coverage kicks in.³ It is not unusual for Americans with insurance to spend thousands of dollars for medical care before their insurers will pay a dime.

“Insurance companies were able to write significant sections of the Affordable Care Act to ensure their continued profitability, and the for-profit insurers have done exceedingly well since the law was passed in 2010. The industry was able to strip out of the legislation a provision that would have created a ‘public option,’ a health insurance plan that would have been operated by the federal government. I testified before a House committee in 2009 that if Congress passed the bill without a public option, they might as well call their bill the ‘Health Insurance Industry Profit Protection and Enhancement Act.’ The big insurers have posted record profits year after year since the act was passed—and the first six months of 2020, the height of the pandemic, were some of the most profitable months in their history.

“While they oppose Republicans’ efforts to repeal the law, they especially like the Trump administration’s executive order allowing insurers to sell short term policies that are exempt from many of the patient protections in the act. Those and other skimpy plans are quite profitable for insurers because they don’t have to pay out as much in claims.”

Do you think the health insurance issue will have a role in the upcoming election? Should it?

“It absolutely should, but whether it does depends a great deal on how effective reform advocates are in making candidates, the public, and the media aware of what the insurers are doing and not doing, despite their public relations statements. The Aetna example above is a classic example of how companies and trade associations like America’s Health Insurance Plans bury and attempt to obscure important details.”

What difference could a president make to the health insurance industry—is it important to the industry to have a Trump or a Biden?

“I think the health insurance industry would prefer to have four more years of Trump and would certainly prefer to have the Senate in Republican control. That would enable the industry to continue blocking any meaningful reform proposals that might threaten profits.

“But even if Biden wins and Democrats have control of both houses of Congress, insurers and other entrenched special interests will spend enormous sums of money to kill reforms they don’t like.

“I said when the Affordable Care Act was passed that we needed to consider it the end of the beginning of reform. Ten years later, with healthcare being the top issue for most voters, many legislators and candidates are realizing that we need to go much further than the act. There is at least a real possibility that could happen with a Biden win. With a Trump win the chances are slim to none.”

You’ve expressed your desire for a national universal system of healthcare in the US. The UK has one, yet they have a higher covid-19 mortality rate than the US. Does that argue against a national system?

“Absolutely not. No other developed country has anywhere close to the number (and percentage) of cases and deaths the US has experienced. Canada, for example, which shares a long border with

the US and has universal healthcare, was far better prepared to handle the pandemic than the US was.⁴ While the US continues to set records for the number of deaths, Canada now has days without a single death.”⁵

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