

# COALITION OF MEDICARE DEMANDS STOP TO PRIVATIZATION OF MEDICARE

*Call on Biden to instead expand the public health program*

RICHARD KHAVKINE/THE CHIEF April 16, 2024

A coalition of city retirees has drafted a letter to President Joe Biden calling for the federal government to put a halt to the privatization of Medicare and instead expand the public health program.

A dozen of the retirees gathered Friday in front of a Federal Plaza building on Broadway to call attention to the escalating practice by local and state governments of switching their employees and their retirees into private, for-profit Medicare Advantage plans, which critics say are poor substitutes for publicly administered Medicare.

“We’re here not just for ourselves, but for the general public, because Medicare disadvantage screws everyone. It is based on making profit. The only way they can make profit is denying care,” Eileen Moran, a member of the Professional Staff Congress’ Retiree Executive Committee, said at the rally.

Calling attention to the city’s ongoing effort, perennially challenged in the courts, to shift its roughly 250,000 retired municipal workers to a private plan, she said she was skeptical of the Adams administration’s argument that the switch would result in savings of about \$600 million annually, “every year, every year, every year, without denying care.”

The better option, Moran argued, would be for the federal government to reform the current system and recoup the billions lost to waste, fraud and corporate salaries and eventually allow retirees to go without a Medigap plan while covering other needs. “So instead, we’re pushing money down the toilet to make people in the 1 percent richer and richer and richer,” she said. “And so we’re going to keep this fight up because it’s a fight for all of us.”

Mandy Strenz, the New York chapter coordinator with Physicians for a National Health Program, which favors a comprehensive single-payer national health insurance program, said Medicare Advantage plans have proved to be more expensive and “significantly inferior” to traditional, government-administered Medicare, in part because of comparably limited access to doctors and health networks.

“What ends up happening is people experience significantly more delays and denials of care,” she said in an interview just prior to the start of the rally. “It often leads to people putting off the treatment that they need.” ‘Without their consent.’

Bronx Congressman Ritchie Torres and Staten Island Congresswoman Nicole Malliotakis last year introduced legislation in the House of Representatives that would prohibit private and public employers from “involuntarily” steering people into privately administered Medicare Advantage plans.

Torres said in September that the “Right to Medicare Act” was a response to the Adams administration’s so-far-unsuccessful bid to move retired municipal workers into a private Medicare Advantage plan. The bill remains in committee.

In their six-paragraph letter to the president, the retirees note that ongoing efforts to shift former city workers to private plans “without their consent” break assurances made to them as they began their public-sector careers. That argument echoes that being made in the courts, so far successfully.

“We retirees served our communities for years, paid into Medicare every paycheck, and were promised strong public Medicare when we grew older,” the retirees wrote. Citing research by the National Bureau of Economic Research, they argue that delays and denials of care by private insurance companies for the sake of profit result in the otherwise preventable deaths of 10,000 people each year. “All retired Americans deserve the financial security and dignity that traditional Medicare provides,” they wrote Biden.

The letter also notes a recent study which found that companies offering Medicare Advantage overbilled the government by at least 22 percent, or \$88 billion a year, and as much as up to 35 percent, or \$140 billion. The latter figure is about equal to the 2022 total of Part B premiums.

Among other things, the letter asks that the president act to hold insurance companies liable for the billions lost to fraud and abuse, and that the money recouped from better oversight be used to “make Medicare whole” by adding vision, dental and hearing benefits to the program.

It also calls for Biden to support legislation that would prohibit private insurance companies from using the term “Medicare,” arguing that the use of the word leads to deception. “Only Medicare is Medicare,” the retirees wrote.

“The time is now to protect us and generations to come from corporate greed. Now is the time to secure Medicare as a truly public program,” the letter says. Most of the 19 organizations that signed the letter are city-based but a few represent retirees in California, Washington State, Minnesota, Vermont and Delaware.

Although the retirees had intended to hand-deliver the letter to officials at the Center for Medicare and Medicaid Services, they were prevented from entering the Federal Plaza building, which is otherwise public, by a private security officer who cited their protest actions for why even just one of the retirees would be forbidden access.