



America's Health Insurance Plans (AHIP)
601 Pennsylvania Avenue, NW
South Building, Suite 500
Washington, D.C. 20004

October 11th, 2023

Re: Egregious behavior by your membership and immediate request for a meeting

President & CEO Matt Eyles,

We write to you on behalf of People's Action, a national network of membership-based organizations whose [Care Over Cost](#) campaign works to get people the health care they need. People's Action represents one million people in America – many of whom have been harmed by the epidemic of care denials within the private health insurance industry that you represent. Increasingly, **the major barrier to people receiving care is not lack of health insurance but the private health insurance corporations themselves** – most of which America's Health Insurance Plans (AHIP) represents. We believe everyone should have the health care they need, when they need it, and we demand you stop profiting by denying people their health care.

76% of people in America get their health insurance from a private company¹ based on the promise that they and their covered family members will be able to afford and receive the care that they need when they need it. Instead, private health insurance companies deny health care for their members well over 248 million times annually.²

Denials of care result in suffering for tens of millions of people annually in the form of medical debt, bankruptcy, ongoing sickness or injury, and even premature death. According to the Kaiser Family Foundation, 1 in 11 adults reported that they delayed or went without care because of the cost and nearly 1 in 10 adults (23 million people) owe over \$250 in medical debt³. Medical debt is such a problem that the Biden administration recently announced a proposal to eliminate medical

¹ <https://www.census.gov/library/publications/2021/demo/p60-274.html> (66.5% exclusively through a private plan and then an additional 9.5% including privatized Medicaid and Medicare = 76% total insured through private plans)

² ACA Marketplace 48.3 million in 2020 in-network claim denials (source: <https://www.kff.org/private-insurance/issue-brief/claims-denials-and-appeals-in-aca-marketplace-plans/>) . Dept of Labor est. 200 million for employer delivered health insurance in 2017. 2023 number including other private health insurance coverage (Medicare Advantage & Privatized Medicaid) plus increase in ACA/employer markets likely to be much greater.

³ <https://www.healthsystemtracker.org/chart-collection/cost-affect-access-care/>

debt from credit reports. The Center for Medicare and Medicaid Services (CMS) is restricting the ability of privatized Medicare Advantage plans to use to deny people's care.⁴

Denial of care is a particular problem in privatized public programs like managed care within Medicaid and Medicare Advantage. Private health insurance corporations denied legitimate claims 18% of the time⁵ in Medicare Advantage plans (privatized Medicare). For privatized Medicaid, private health insurance corporations denied prior authorization requests at a rate of 12.5%. One of those companies, Molina Healthcare, denied over 41% of claims in 2019 for their portion of the Illinois Medicaid program⁶. Your members are taking public money meant to provide health care for seniors, people with disabilities, poor people, and children and instead using it to pad executive salaries and profits.

Your member corporations' profiteering by denying care is a disgrace. Your informational brochure states "AHIP is committed to driving the innovation needed to create a more equitable, affordable, and sustainable health care system that allows every American to access the best possible care and live the healthiest possible life."

If you truly wanted to achieve this goal, you and your constituent corporations would immediately:

- Stop denying claims and overturn any existing denials for treatments recommended by medical professionals;
- Report quarterly on denied claims/prior-authorizations by market, plan, state, geography, gender, and race;
- Share monetary value of total denied claims/prior-authorizations broken down by internal and external appeals processes and total percentage of profits taken by denying care for their members;
- Hold monthly open microphone meetings with policyholders to discuss problems with your insurance products;
- Relinquish ownership of and transfer over the claim appeals process to relevant public authorities;
- Cease overriding the will of people who need health care within public policy with lobbying and monetary contributions to politicians' campaigns, PACs and any other entities that can advocate for or against the defeat of elected officials; and
- Audit and reimburse federal and state governments for the public money diverted by claim and prior-authorization denials within Medicaid (Managed Care), and Medicare (Medicare Advantage).

⁴ <https://www.washingtonpost.com/health/2023/10/01/medicare-advantage-algorithm-changes/>

⁵ <https://www.nytimes.com/2022/04/28/health/medicare-advantage-plans-report.html>

⁶ <https://oig.hhs.gov/oei/reports/OEI-09-19-00350.pdf> Appendix B Pg. 42

People's Action takes seriously the harm you and your member corporations cause our people. We previously wrote to you about these problems in June 2023 when 1,000 of our members showed up to your offices in Washington, D.C. You have yet to respond to our concerns.

Today, hundreds of our members showed up to the offices of private health insurance corporations, many of which you represent: Portland, ME; Manchester, NH; Rochester, NY; Hartford, CT; New York, NY; Baltimore, MD; Charleston, WV; Detroit, MI; Chicago, IL; Madison, WI; Cedar Rapids, IA, Saint Louis, MO, and Denver, CO.

We demand your timely response through **an agreement to meet with us in-person or over a video call within the next three months to respond to these concerns** and negotiate an in-writing explanation of changes you will make including reversing the specific care and claim denials in the cases we will bring to you in an in-person meeting. If you refuse to act, we will continue to monitor your behavior and work with state and federal officials to intervene accordingly. Here is our [Federal Policy Agenda](#) to accomplish that goal.

Sincerely,

Sulma Arias, Director, [People's Action](#)

Aija Nemer-Aanerud, Health Care for All Campaign Director, [People's Action](#)

Audrey Gerard, Chair, www.careovercost.org, [Michigan United](#)