

Sticker Shock

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Have any of you tried to purchase personal Health Insurance under the new (un)Affordable Care Act? Well, let me tell you, your bank accounts will be much thinner for the exercise. For my wife and me, the premiums amount to the National Debt for a small Third World Country; they're even "competitive" with the COBRA coverage I can obtain from my former job (and we all know how expensive COBRA is). "How can this be?" I hear you cry. Wasn't the ACA supposed to make Health Insurance (an oxymoron, if there ever was one) affordable to the masses?

I remember how health insurance (it sure as Hell wasn't Health *care*) reform was supposed to include all comers, could not discriminate against pre-existing conditions etc. What the ACA didn't include were caps on what the insurers, or more particularly the sole insurer, Anthem/Blue Cross, could charge. They have a monopoly on the plans for both *Covered California* customers, and those of us who don't qualify for subsidized health insurance. For those fortunate people who do qualify for *Covered California*, the ACA has been a boon. Forget the fact that many physicians in California will not take this insurance because the reimbursement is so paltry, 80% of Medicare. This means that the wait times for patients to be seen by those physicians who do take *Covered California* customers, is ever increasing.

We must also remember that Anthem/Blue Cross are the people who *fraudulently* put forward to the citizens of Humboldt & Del Norte County which physicians were actually on their panel (see "Bait and Switch: did Anthem Blue Cross use Obamacare to swindle Humboldt customers," *North Coast Journal*, June 12, 2014). Because of that article in our own local press, and calls received by both our local Congressman, Jared Huffman, and the H-DN Medical Society from both patients and physicians about the inaccuracies, the State Department of Managed Care is now beginning to look for probable fraud in how Anthem/Blue Cross presented themselves to the State and the people of California. CMA asked our medical society to survey the local physicians (both Humboldt and Del Norte) about their availability to *Covered California* and they found 66% of the Blue Cross listings were wrong¹. That's not a "mistake;" it's deliberate fraud.

In an act of greedy irony they gave their four "tiers" of plans the names of Olympic Medals plus platinum. The difference in premiums between bronze (the cheapest) and platinum (the most price gouging) was an astronomical \$900 per month for my wife and me. Yet the differences in coverage between the two plans weren't all that great. In fact, when you actually total the cost of the premiums and the yearly out of pocket expenses, including hospitalization and expensive testing, it is about the same. In other words, no matter what plan you buy, you're paying the same premium that a Family Physician is paying for malpractice insurance in a non-MICRA state. It actually makes more sense to purchase the Bronze plan at \$1000+ per month, pocket the extra \$900, and invest it in an interest paying HSA to be used on that inevitable rainy day.

And, when you actually look at what's being covered for the cost of your children's college tuition, you actually wind up with little more than a health plan for catastrophic coverage. They have you spending a fair portion of your grocery budget for many recurring monthly expenses, especially for meds. For example, their "Tier 1 Generic Drug Coverage" has you spending \$19 per med per month; most other insurance plans charge only \$5 to \$10 per med, and they give breaks for three month mail order meds, that the "metal" plans don't. Even under the Platinum Plan you are out a significant chunk of change before the insurance kicks in. You do get a slightly better

price break on drugs, but still not as good as many of the insurances I had to deal with as a physician. I don't know about you, but this certainly smacks of profiteering to me.

Monopolies are supposed to be illegal in the US, but here in California (and every other state, for all I know) there is ONLY one insurance underwriter for all of our individual policies. If you live in Northern California, you're stuck with Anthem/Blue Cross, and if you live in Southern California, you're stuck with Blue Shield. There's no Aetna, Prudential or even Kaiser in Humboldt County. Isn't this somewhat monopolistic, and therefore illegal? I certainly remember when we local physicians were forming our own IPA about twenty years ago we were very concerned about possible investigation for possible anti-trust violations. Yet here's Anthem/Blue Cross merrily doing far worse than we ever contemplated, and inflicting it all over the Northern half of this state.

Monopolies are remarkably efficient in transferring wealth from the hands of the many into the hands of the greedy elite few. We saw this at the turn of the last century with the Gilded Age, and we've certainly seen this in the past 30 years here in the United States. Standard Oil, the Southern Pacific Railroad, Microsoft and now Anthem/Blue Cross have all done their job transferring the resources of the people upwards into their waiting hands.

For this, I'm supposed to invest my hard-earned money into that snake pit? Do they honestly expect me to fork over a good part of my retirement funds to a poorly covering, poorly accepted and probably fraudulent monopoly!? I may be crazy, but I'm not stupid.

No thanks. I'll stick with COBRA.

Notes:

1. "A Case Study in Inaccurate Directories: Humboldt & Del Norte Counties" CMA publication on file at the Medical Society Office