

**EVER WONDER WHY YOU HAVE TO FIGHT  
SO HARD WITH YOUR INSURANCE COMPANY TO GET  
THE CARE YOU NEED? . . .**

**Health insurance is big business.**

**The companies make huge profits and their CEOs make millions, while the rest of us, employers and workers alike, face skyrocketing healthcare costs, impossible bureaucracy, and life-threatening denials.**

<b>COMPANY</b>	<b>Headquarters</b>	<b>2007 PROFITS*</b>
<b>Aetna Inc.</b>	Hartford, CT	<b>\$ 1.831 BILLION</b>
<b>CIGNA Corp.</b>	Philadelphia, PA	<b>\$ 1.115 BILLION</b>
<b>Coventry Health Care</b> *owns Altius, Carelink, Group Health Plan, HealthAmerica, OmniCare, WellPath, others	Bethesda, MD	<b>\$ 626 million</b>
<b>Health Net</b>	Woodland Hills, CA	<b>\$ 194 million</b>
<b>Humana Inc.</b>	Louisville, KY	<b>\$ 834 million</b>
<b>UnitedHealth Group</b> * owns owns Oxford, PacifiCare, IBA, AmeriChoice, Evercare, Ovations, MAMSI and Ingenix, a healthcare data company	Minnetonka, MN	<b>\$ 4.654 BILLION</b>
<b>WellPoint</b> * owns Blues across the US, including Anthem Blue Cross Blue Shield, Blue Cross Blue Shield of Georgia, Blue Cross Blue Shield of Wisconsin, Empire HealthChoice Assurance, Healthy Alliance, and many others	Indianapolis, IN	<b>\$ 3.345 BILLION</b>

\* [http://www.insurancecompanyrules.org/learn\\_more/the\\_roster/](http://www.insurancecompanyrules.org/learn_more/the_roster/)

Supporting Notes and References:

1. **Aetna:** In 2007, Aetna applauded itself for its low “medical loss ratio”--the percentage of revenue it “loses” to paying for health care. (Sensitive to public relations, the industry now calls this a “medical benefit ratio.”). Aetna spends less than 80 percent of premiums on health care by avoiding unhealthy enrollees and keeping a lid on services. <http://seekingalpha.com/article/63682-aetna-inc-q4-2007-earnings-call-transcript> (February 7, 2008)

continued —————>

2. **CIGNA:** a multinational business, CIGNA picked up its Starbridge products when it purchased StarHRG from HealthMarkets in 2006. HealthMarkets' MEGA Life and Health, which targets the self-employed, has been investigated across the country for shady sales practices and shoddy coverage.

[http://www.insurancecompanyrules.org/learn\\_more/the\\_roster/](http://www.insurancecompanyrules.org/learn_more/the_roster/)

3. **Coventry:** subsidiaries include: Altius, Carelink, Group Health Plan, HealthAmerica, OmniCare, WellPath, and others.

4. **HealthNet:** Health Net made the news by giving large bonuses to employees for canceling policies. *Los Angeles Times*, Health insurer tied bonuses to dropping sick policyholders, November 9, 2007:

[http://www.latimes.com/business/la-fi-insure9nov09\\_0,4409342.story](http://www.latimes.com/business/la-fi-insure9nov09_0,4409342.story)

5. **Humana:** Humana's a big player in the privatized portion of Medicare. In 2007, Humana was accused of "bait and switch" tactics—luring seniors into a Medicare prescription drug plan by offering low premiums one year, then jacking them up the next. -- The Boston Globe, January 3, 2007:

[http://www.boston.com/business/healthcare/articles/2007/01/03/menino\\_calls\\_for\\_humana\\_inquiry/](http://www.boston.com/business/healthcare/articles/2007/01/03/menino_calls_for_humana_inquiry/)

In May 2007, according to *The New York Times*: "In the first major investigation of Medicare marketing, the Oklahoma insurance commissioner has documented widespread misconduct by agents working for Humana." Investigators found signs that agents had used "bait and switch tactics to secure the initial invitation" into Medicare beneficiaries' homes. The state fined Humana half a million dollars for "using unlicensed agents" and, in some cases, "misleading marketing practices and misrepresentations." -- The New York Times, May 15 2007: [http://www.nytimes.com/2007/05/15/washington/15medicare.html?\\_r=3&adxnml=1&oref=slogin&adxnmlx=1179231206-TRT2tWRts1oPzIUlIXb3iQ&oref=slogin&oref=slogin](http://www.nytimes.com/2007/05/15/washington/15medicare.html?_r=3&adxnml=1&oref=slogin&adxnmlx=1179231206-TRT2tWRts1oPzIUlIXb3iQ&oref=slogin&oref=slogin)

6. **UnitedHealth:** also owns Oxford, PacificCare, IBA, AmeriChoice, Evercare, Ovations, MAMSI. UnitedHealth also owns **Ingenix**, a health care data company, and other health-care related businesses. In 2006, UnitedHealth's then-CEO, William McGuire, was fingered in a stock options scandal. Though he ultimately returned \$620 million, he managed to keep \$800 million. Stephen Hemsley, who joined UnitedHealth from Arthur Andersen, the accounting firm that closed shop in the wake of the Enron scandal, became CEO. "A court filing says UnitedHealth Group chief Stephen Hemsley had more involvement in options backdating than had been revealed in earlier investigations." -- Star Tribune (Minneapolis-St Paul), May 22, 2008:

[http://www.startribune.com/business/19196249.html?location\\_refer=Your+Money](http://www.startribune.com/business/19196249.html?location_refer=Your+Money)

The New York State Attorney General, Andrew Cuomo, stated, "We believe there was an industry-wide scheme perpetuated by some of the nation's largest health insurers to deceive and defraud consumers." Mr Cuomo is suing the company for systematically forcing patients to pay more than they should when using doctors and hospitals outside their insurer's networks. -- The New York Times, February 14, 2008:

<http://www.nytimes.com/2008/02/14/business/14health.html?ei=5088&en=5536a581a8ba6d03&ex=1360645200&adxnml=1&partner=rssnyt&emc=rss&adxnmlx=1214927387-PYqRek14Cv9H4h8Oo9uqrA>

7. **WellPoint:** WellPoint, the country's biggest health insurance company, has Blue plans all over the country, most operating as Anthem Blue Cross Blue Shield. Just a few other holdings include: Blue Cross Blue Shield of Georgia, Blue Cross Blue Shield of Wisconsin, Empire HealthChoice Assurance, and Healthy Alliance. The company's Chief Financial Officer, Wayne DeVeydt, reiterated this point. "I want you to know that we remain very disciplined in our underwriting approach and do not pursue business that we believe is priced below our profitability targets." <http://seekingalpha.com/article/73633-wellpoint-inc-q1-2008-earnings-call-transcript> (April 23, 2008)

**FOR MORE INFORMATION, SEE:** <http://www.pnhp.org/>  
and [http://www.insurancecompanyrules.org/learn\\_more/the\\_roster/](http://www.insurancecompanyrules.org/learn_more/the_roster/)