

Medicare Advantage: Bad for Patients, Great for Profiteers

Medicare Part C, also known as Medicare Advantage or MA, is a privately administered program in which the federal government gives a regular lump sum of money to a third party (generally a commercial insurer) to “manage” patient care. This is radically different from the way Traditional Medicare (TM) pays providers, and gives the insurers running MA an irresistible financial incentive to delay, deny, and otherwise skimp on care.



MA is growing, to the detriment of patients everywhere.

Although the program has existed since 2003, it has expanded enrollment significantly in the past decade. This year, Medicare reached an alarming milestone, as data confirmed that more than [50%](#) of all Medicare beneficiaries were enrolled in an MA plan.

MA limits choices and denies care

Insurers increasingly use aggressive and [misleading](#) marketing tactics to lure seniors into their plans, with over [41,000](#) complaints about MA marketing submitted to CMS in 2021, up from 6,000 in 2017. Once patients are enrolled, they are in for a rude awakening in the form of **highly limited networks and routine denial of medically necessary care**. More than one-third of patients in MA are in a plan that covers less than [30%](#) of the physicians in their county, and the government found that many of the authorization [denials in MA](#) would have been covered under Traditional Medicare. Some companies even use [artificial intelligence](#) to reject as many authorization requests as possible, with potentially fatal results. We know that denials in MA are bogus, because [82%](#) of appeals result in the denial being partially or fully overturned.

MA extra benefits aren't all they're cracked up to be. Commercial health insurers love touting supplemental MA benefits like dental, vision, and hearing in their marketing to seniors. While MA plans do generally include these benefits on paper, they are limited in important and damaging ways. Plans often restrict a patient's choice of provider, allowed number of visits, and dollar amount of coverage. For example, most dental plans have a maximum benefit level, and [59%](#) of MA beneficiaries are in a plan that limits insurer spending to \$1,000. Of MA enrollees who have hearing coverage, [32%](#) face visit and benefit limits that often impede care.

Medicare Advantage is bad for those who need care the most. Patients in high-cost services like nursing homes switch from MA to TM at much higher [rates](#) than the reverse. Disenrollment rates in MA are also [high](#) for patients with multiple chronic illnesses and those who are dually eligible for Medicare and Medicaid. Government reports have found the same [result](#) for MA beneficiaries in their last year of life, when care costs are often highest. Clearly, MA does not work for the very patients Medicare was created to help.

We can do better

When insurance companies are out of the picture, Traditional Medicare is free to approve all medically necessary care and to provide a truly expansive provider network that puts the likes of Cigna and Humana to shame. The program also [costs taxpayers less](#) while still spending more on patient care than Medicare Advantage. Without profits or shareholders to worry about, TM is immune to the perverse incentives that plague MA plans. With improved Medicare for All, TM benefits would expand to cover dental, vision, hearing, reproductive, and long-term care, and every person in the country would be eligible for coverage with no premiums, copays, or deductibles.

We don't have to put our care in the hands of private insurers who only see patients as paychecks. It's time for a single-payer system that works for everybody, and leaves nobody behind.