



STATE OF CONNECTICUT
NEWS RELEASE
ATTORNEY GENERAL RICHARD BLUMENTHAL
HEALTHCARE ADVOCATE KEVIN P. LEMBO

FRIDAY, OCTOBER 2, 2009

***ATTORNEY GENERAL, HEALTHCARE ADVOCATE SEEK MATERIALS
SENT TO POLICYHOLDERS REGARDING HEALTHCARE REFORM***

Attorney General Richard Blumenthal and Healthcare Advocate Kevin P. Lembo today asked the state's five biggest health insurers for materials they may have sent policyholders regarding the impact of proposed reforms on the Medicare Advantage and prescription drug programs.

Letters went to Aetna, Inc., of Hartford; ConnectiCare, Inc., of Farmington; Anthem Health Plans of Ct, Inc., of North Haven; HealthNet of Connecticut, Inc., of Shelton; and UnitedHealth Group, Inc., of Minneapolis, Minn.

Blumenthal and Lembo made the request after reports that Humana, Inc. sent policyholders deceptive materials seeking to enlist them to oppose changes to the Medicare Advantage program. Medicare officials ordered the company to stop mailing the materials and launched an investigation.

Under Medicare Advantage, created by the Bush administration, healthcare companies receive generous federal subsidies to provide supplemental health insurance to seniors receiving Medicare. The program was intended to lower prices through competition, but press reports say that traditional Medicare would provide the same services for an average 14 percent less.

The Obama administration wants to slash the subsidies and use the savings to help pay for broader healthcare reform.

Blumenthal said, "Health insurers must stop using seniors as pawns -- scaring them with misinformation in mailings -- to oppose cost-saving healthcare reforms. The health insurers are simply protecting their bloated profits at taxpayer expense if they exploit seniors with these cynical, self-serving tactics. Such deceptive mailings also may be illegal, which is why Humana's most recent letters are under federal investigation."

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“Healthcare companies that frighten customers with falsehoods betray a public trust. Deceptive fear mongering and scare tactics against vital reforms are reprehensible and irresponsible, both legally and ethically, in preventing lower costs and heightened access. Anyone told the facts -- subsidized private Medicare provides huge profits to private companies at public expense -- would seek cuts in taxpayer handouts to these insurers.”

Blumenthal added, “We are asking Connecticut insurers to come clean, providing any materials to customers regarding proposed reforms. We will fight to prevent insurers from deceiving policyholders to sustain wasteful federal subsidies and hinder overdue reforms.”

Lembo said, “The revelation that Humana may have used its position as a Medicare provider to manipulate elderly and disabled enrollees in their managed Medicare program raises questions about the situation here in Connecticut.

“Attempts to scare seniors and the disabled by overstating the risks in reform and, likewise, overstating the benefits of the existing system, do not help debate and must stop.

“It will ultimately be up to the Federal government to draw the line between education, lobbying and manipulation, but any enforcement action requires knowledge about the scope of the problem. It is my strong hope that we find no evidence of wrongdoing in the documents we have requested from the Connecticut plans today,” Lembo added.

Connecticut AFL-CIO President John Olsen said, “We applaud the attorney general and the healthcare advocate for protecting the interests of the consumer by serving as watchdogs on the insurance companies that are spending millions to defeat the inclusion of a federal public health insurance option.”

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