

COMMITMENT[✓]to SENIORS

May 22, 2024

The Honorable Jodey Arrington, Chairman
House Budget Committee
204 Cannon House Office Building
Washington, D.C. 20515

The Honorable Brendan Boyle, Ranking Member
House Budget Committee
204 Cannon House Office Building
Washington, D.C. 20515

Dear Chairman Arrington and Ranking Member Boyle:

I am writing to you today to thank you for seeking to address the adverse financial impacts on patients and families, which are, in large part, due to the business practices of today's large, vertically integrated health services conglomerates. [Commitment to Seniors](#), an [American Commitment](#) initiative, was established to shed light on AARP's public policy positions and actions, or lack of them, along with its advocacy and political engagements given the estimated [\\$8 billion dollar](#) financial partnership held between AARP and UnitedHealth Group.

UnitedHealth Group is the nation's largest health insurance company, which owns numerous subsidiary businesses, including pharmacy benefit managers (PBMs), gross purchasing organizations (GPOs), primary care practices, urgent care facilities, surgical centers, specialty pharmacies, home health services, health IT, health administration, and banking and financial services. UnitedHealth is now the largest employer of physicians in America, employing approximately one out of every ten in the U.S., and its PBM unit, OptumRx, is one of three big PBMs controlling 80% of the market.

Along with a handful of other health services conglomerates, companies such as UnitedHealth are increasingly taking control of aspects of decision-making within our healthcare system. In doing so, they have been able to implement harmful and costly practices at the expense of patients and seniors. Premiums and out-of-pocket expenses have risen, fewer plans are now available, and many would argue the quality of care has diminished as a result.

Meanwhile, AARP, a supposed advocate for older Americans, has sat largely silent during debates on reforms to address the policies that have empowered these large insurer-PBMs. Similar silence seems to prevail when allegations over these giant corporations' business practices are raised by policymakers, further raising conflict of interest concerns.

Recent [examples](#) and allegations include:

- Bipartisan reforms to prohibit insurer-PBMs from pocketing big drug rebates meant for patients.
- Addressing extreme and unexpected premium increases on Medicare Advantage policyholders.
- Recouping billions in insurer overcharges to Medicare, Medicaid, and other government programs.
- Utilizing special algorithms and AI technologies to deny Medicare patients care.
- Acquiring physician practices and surgical centers to skirt Medical Loss Ratio (MLR) requirements.
- Failing to correctly secure patient data and information (Ex.: Change Healthcare, a UnitedHealth subsidiary).

Older Americans should expect an influential "advocacy" organization as powerful as AARP to lead the charge on such issues and allegations. We ask that Members of the Committee ask AARP directly why they do not.

Failure to do so on AARP's part adds to the opinion of many seniors that the organization is now akin to a highly compensated, unofficial subsidiary of UnitedHealth that seeks to mitigate financial and political risks for large insurer-PBMs while expanding their revenue opportunities in government-supported healthcare markets. All of this makes your hearing even more important in understanding the power and reach of today's health services conglomerates.

Sincerely,

Phil Kerpen
President, American Commitment