

UnitedHealth Group: Corporate criminality and the destruction of healthcare in the US

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The murder of UnitedHealthcare CEO Brian Thompson last week in Manhattan is one of those shocking events that suddenly reveal stark aspects of social reality under capitalism, in this case the raw truth about healthcare in the US and its destructive impact on the lives of millions.

UnitedHealthcare and its parent company, UnitedHealth Group, one of the largest healthcare corporations in the world, have long symbolized the prioritization of profit over the health and well-being of the population. Their operations epitomize the predatory nature of for-profit healthcare in the United States, where the pursuit of corporate profit has devastating consequences for patients, families and healthcare workers.

From denying life-saving claims to facing numerous lawsuits for acting in bad faith, UnitedHealth Group's track record highlights a system designed not to heal but to enrich its executives and shareholders.

UnitedHealth Group has consistently come under fire for denying patients' claims, leaving countless individuals and families grappling with the financial and emotional toll of medical crises. Reports have surfaced of patients being denied essential treatments, including surgeries, cancer therapies and critical medications, often based on spurious justifications. Last year, 12 percent of claims were denied, a 20 percent increase from 2020. In 2023, 58 percent of insured adults experienced issues with their coverage.

Last October, a report from the US Senate Permanent Subcommittee on Investigations underscored this grim reality, showing a rise of UnitedHealthcare's denial rate for post-acute care for people with Medicare Advantage plans to 22.7 percent in 2022, from 10.9 percent in 2020.

Several ProPublica investigations in the last three years have revealed the extent of UnitedHealth and other insurance giant's criminal practices.

EviCore, a company owned by Cigna and contracted by major insurers like UnitedHealth and Aetna, systematically denies medically necessary treatments through its prior authorization process. Physicians and patients describe delays or outright rejections for crucial interventions, such as cancer therapies and diagnostic tests, even when recommended by specialists. Their infamous letters to patients constantly include the absurd claim: "Not medically necessary."

EviCore uses an algorithm backed by artificial intelligence, dubbed "the dial," that the company can adjust to lead to higher denials. Its primary goal is to save insurers money, meaning they get to pocket more of the monthly—often exorbitant—premiums workers pay in, leading to avoidable health deterioration for patients. The system often prioritizes administrative procedures over medical expertise, leaving patients to navigate bureaucratic hurdles instead of receiving timely care.

Another ProPublica investigation also exposed UnitedHealth Group's subsidiary Optum and its use of an algorithm to illegally deny mental health and substance abuse treatment claims. A federal judge ruled the company violated laws and its fiduciary duty by using financial considerations to deny coverage. Internal documents revealed employees trained to apply restrictive guidelines ignoring medical necessity. This practice forced patients to forgo treatment, exacerbating their medical crises.

These practices have been described as "systemic denial of care." Patients are systematically denied coverage for cutting-edge treatment despite recommendations from physicians. Such denials are not isolated incidents. Physicians and nurses regularly voice their frustrations with UnitedHealth's policies, which they argue undermine their ability to provide adequate care.

UnitedHealth Group has faced numerous lawsuits for acting in bad faith, exposing the extent to which corporate greed drives its operations. In 2021, a lawsuit filed by former finance director at UnitedHealth Group Benjamin Poehling exposed UnitedHealth Group's fraudulent practices within Medicare Advantage. UnitedHealth allegedly exaggerated patient illnesses to inflate risk scores and secure higher government payments, potentially defrauding Medicare of over \$1 billion.

Poehling revealed employees were incentivized to exploit the system, with bonuses tied to inflated revenues rather than patient outcomes. The Justice Department intervened, investigating UnitedHealth and other insurers for systemic fraud. "They've set up a perfect scheme here," Poehling said. "It was rigged so there was no way they could lose."

The Justice Department has intervened in other whistleblower lawsuits, including one from James Swoben, a former data

manager at Senior Care Action Network Health Plan and a consultant to the risk adjustment industry, alleging that UnitedHealth and others defrauded Medicare Advantage by inflating risk scores to secure higher government payments.

UnitedHealth also challenged a 2014 rule requiring insurers to verify diagnoses submitted for Medicare reimbursements, claiming it conflicted with actuarial equivalence mandates. This challenge highlights UnitedHealth's alleged focus on exploiting the system, enabling them to overstate patient diagnoses for financial gain.

Additionally, the Justice Department is investigating other Medicare Advantage insurers, including Humana, Aetna, Health Net and Cigna's Bravo Health, indicating systemic abuse across the industry. Humana, notably, has faced prior fraud allegations.

In another case, the company was found to have illegally denied mental health and substance abuse treatments. A federal judge in California ruled in 2019 that United Behavioral Health, a subsidiary of UnitedHealth, prioritized profit over patient care, violating state laws and its fiduciary duty to policyholders. The court described the company's guidelines for coverage as "infected" by financial considerations.

Such lawsuits underscore UnitedHealth's commitment not to health, but to profit maximization—a grim reality for millions of patients and healthcare workers trapped in the system.

UnitedHealth Group's actions are orchestrated by its top executives, including CEO Andrew Witty and the late Brian Thompson. Under their leadership, the company has seen record profits, which topped \$23 billion in 2023, while patients continue to suffer under its policies. Witty, a former pharmaceutical executive in the UK, exemplifies the revolving door between healthcare corporations and regulatory bodies. After serving as the CEO of GlaxoSmithKline from 2008 to 2017 he took on a series of advisory positions within the UK government, including at the NHS, before becoming the CEO of UnitedHealth in 2021.

A video recorded one day after Thompson's murder shows Witty defending the company's claim denial practices. "We make sure that care is safe, appropriate, and is delivered when people need it and we guard against the pressures that exist for unsafe or unnecessary care to be delivered in a way that makes the whole system too complex and ultimately unsustainable," Witty told employees in the video, leaked to journalist Ken Klippenstein.

Thompson, whose 20-year career at UnitedHealthcare coincided with the expansion of the company's market dominance, had been equally complicit. Prior to becoming CEO, he held various leadership roles within UnitedHealthcare, including overseeing the company's government programs and Medicare & Retirement divisions and had been a key figure in shaping the company's strategy and direction.

A lawsuit by the Hollywood Firefighters' Pension Fund accuses Thompson, Witty and UnitedHealth Group executive

chairman Stephen Hemsley of insider trading. The executives allegedly sold over \$120 million in stock in 2023, after learning privately of a DOJ investigation into UnitedHealth's acquisition of Change Healthcare. The company reportedly failed to establish promised data firewalls, raising antitrust concerns. The pension fund claims significant financial losses due to undisclosed risks.

The ripple effects of UnitedHealth's policies extend beyond patients to the healthcare workforce across the United States. Nurses and doctors frequently cite insurance hurdles as a significant contributor to burnout and moral injury. The strain on healthcare workers has only intensified during the COVID-19 pandemic, as insurance companies like UnitedHealth reported record profits while frontline workers faced shortages of staff, equipment and support, in addition to illness.

The incoming Trump administration and figures like Robert F. Kennedy Jr., who is set to head the Department of Health and Human Services, guarantee that the most unrestrained corporate interests will further entrench themselves in the system. Kennedy, known for his anti-scientific stances on vaccines and public health, aligns with the administration's broader agenda of deregulation and privatization. This will embolden corporations like UnitedHealth, allowing them to operate with more impunity and even less oversight.

UnitedHealth Group's actions serve as a damning indictment of for-profit healthcare. Its denial of claims, exploitation of healthcare workers, and prioritization of financial gain over human life encapsulate the failures of a system driven by profit. As the political elite realigns its policies to social reality and prepares further attacks on living standards and democratic rights, the potential for greater corporate influence looms large, threatening to deepen the crisis in healthcare.

The for-profit healthcare model epitomized by UnitedHealth Group reveals the necessity of a fundamental transformation of society. A socialist approach to healthcare would serve human need over corporate profit, ensuring universal access to care as a basic social right. Such a system would eliminate the role of predatory insurance companies, redirecting immense resources to improving patient outcomes and supporting healthcare workers.

The COVID-19 pandemic has further exposed the fragility and inequities of the current system, underscoring the urgent need for change. As corporate behemoths like UnitedHealth continue to rake in billions at the expense of the sick and vulnerable, it is becoming ever more clear that the fight for socialism is a matter of life and death.



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