

Testimony to Senate Government Operations Committee February 8, 2023

Offered by Joe Patrissi who began his career as a corrections officer in 1970, served as commissioner of corrections from 1986-1991, went onto become deputy commissioner of economic services from 2005-2010 when he retired from state government. After that he served as executive director of the Northeast Kingdom Community Action agency from 2010-2018.

Madam Chair and respected committee members:

Governor Phil Scott announced that he wants to unilaterally substitute the Blue Cross Blue Shield (BCBS) health insurance that state of vermont retirees currently have with a Medicare Advantage MA) plan run by Cigna. He says the state will save at least 9m by doing this and retirees will have the exact same health care benefits we have now.

Currently, for retirees, BCBS is a second payer after straight Medicare for those of us over 65.

Retirees think that the Governor can't do this legally as our insurance was agreed to in the current contract with the Vermont State Employees Association -union. The law says that retirees must have the same coverage as active employees.

The Governor disagrees. He said at a recent press conference that switching us to a new plan that mirrors the same benefits fits the law.

The assertion of mirroring benefits doesn't tell the whole story. What is equally important is the ability to access those 'same' benefits. MA plans have a reputation for offering extra benefits like gym memberships and food allotments but when you get sick, when it really counts, the access points of preauthorizations, denials, appeals delays access to medical treatment. Then there is the provider network. This is another access point, if the provider payment rates are lowered, doctors drop out of the provider network.

Does Cigna's MA plan mirror the same access points as our current coverage? Can the state guarantee that? Show us the comparable policy language and criterion on the access points. Please.

And is a Cigna MA plan a good choice?

In April of 2022, the US DOJ filed a lawsuit against Cigna for payment Fraud in the millions by artificially inflating its Medicare Advantage payments. I copied the press release for distribution. In 2016, Cigna was sanctioned by CMS for 16 months for 'major systems failures' for Medicare Part C (advantage) and Part D for excessive out of pocket costs, denials, and delays for its enrollees. The sanction was suspension from selling MA products for 16 months. Copied the press story on this as well for you.

In October, there was an investigative story in the NYT's by Reed Abelson. Headline: 'How Insurers Exploited Medicare for Billions'. It's a story about how the privatization of Medicare has resulted in bilking the Medicare Trust fund by private insurers. Cigna is on the list along with others. CMS and DOJ have sued many of them. Some have settled. Some dispute the charges.

As far as the governor telling us that he can make this choice for us, especially choosing Cigna, is like telling us we have to go to a doctor who is being sued for malpractice and has a history of suspension.

I've reached out to the governor's office on 'why Cigna'. The response was a sales job from his constituents office. I've reached out and received no response from his chief of staff, press secretary, sec of administration, attorney, and others. His DHR chief and I had a conversation. She didn't hear me, either.

None of these decision makers who are deciding on something as personal and important as my health insurance said they heard me on my concerns which is why I'm bringing them to you.

The governor earned our trust during Covid. Now he has lost it.

Even if the Governor changes his mind and says he hears us and declares he is willing to go back to the bargaining table after all, I request the legislature make sure it passes language that precludes him from privatizing the health care of retirees.

Trust has been broken.

Respectfully

Joe Patrissi