



Blue Cross Blue Shield Association
225 North Michigan Ave
Chicago, IL 60601

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Elevance (fka Anthem BCBS)
220 Virginia Avenue
Indianapolis, IN 46204

BCBSA President & CEO Kim A Keck
Elevance/Anthem BCBS President & CEO Gail K Boudreaux

We represent one million people in America, including hundreds of thousands of Blue Cross Blue Shield members – most of whom have been harmed by the epidemic of care denials within the private health insurance industry.

Over 91% of people in America are covered by health insurance¹ and 76% of people in America have insurance through a private health insurance corporation². Unfortunately, private health insurance companies deny care for their members well over 248 million times annually³. This averages out to more than once per covered member. Increasingly, **the major barrier to people receiving care is not lack of health insurance but the private health insurance companies themselves**. Blue Cross Blue Shield (BCBS) covers 115 million people⁴, likely making it the largest denier of care to people in America. BCBS plans have some of the highest denial rates on the ACA marketplace.⁵

¹ <https://www.census.gov/quickfacts/fact/table/US/POP010220>

² <https://www.census.gov/library/publications/2021/demo/p60-274.html> (66.5% exclusively through a private plan and then an additional 9.5% including privatized Medicaid and Medicare = 76% total insured through private plans)

³ ACA Marketplace 48.3 million in 2020 in-network claim denials (source: <https://www.kff.org/private-insurance/issue-brief/claims-denials-and-appeals-in-aca-marketplace-plans/>) . Dept of Labor est. 200 million for employer delivered health insurance in 2017. 2023 number including other private health insurance coverage (Medicare Advantage & Privatized Medicaid) plus increase in ACA/employer markets likely to be much greater.

⁴ <https://www.bcbs.com/about-us/the-blue-cross-blue-shield-system>

⁵ <https://www.kff.org/private-insurance/issue-brief/claims-denials-and-appeals-in-aca-marketplace-plans/>

These care denials result in significant suffering for tens of millions of people annually in the form of medical debt, bankruptcy, ongoing sickness or injury and even early death. Meanwhile BCBS affiliated companies rake in tens of billions in profits, while purchasing billions of dollars in shares to inflate prices and over-compensate executives. These profits are taken through inflated premiums from your members.

Here are some specific impacts of your profiteering at the expense of your people needing care:

- Michigan United member Karl Schneider, a graduate student in that state's Upper Peninsula, is experiencing gynecomastia. The condition is a rare side effect of an antidepressant. Karl was unable to get coverage for routine blood work as recommended by an endocrinologist and could not get coverage for surgery to mitigate the effects from his insurer Blue Cross Blue Shield of Michigan.
- Bri Moss, a leader of Iowa CCI, has had diabetes that was managed effectively for years with up to date insulin pumps. However, since Iowa CCI privatized Medicaid Bri has had insurance through Amerigroup, a subsidiary of Elevance (Anthem BCBS). Amerigroup refused to pay for a modern insulin delivery pump after Bri's previous pump went out of date. As a result, Bri ended up in the emergency room over Thanksgiving of 2022. After organizing with Care Over Cost Bri won her modern pump and forced Amerigroup to pay, but not without substantial pain and suffering.
- Melinda, a Citizen Action of New York member from Syracuse - needed lab tests connected to chronic pain she was experiencing. Excellus BCBS misled Melinda that they would cover the tests but then stuck her with a \$7200 bill.
- Mia, an ONE Northside leader, suffered for months without the essential migraine medication they needed because BCBSIL denied the medicine Mias doctor prescribed.

BCBS has the money to pay for your members' care—you just choose to spend resources from premiums on profits, share buybacks, and big salaries for executives instead:

- Elevance Health, the largest BCBS affiliate (formerly known as Anthem BCBS), reported making more than \$23 billion in profits and paying out more than \$4.49 billion in cash dividends from 2017 through 2021. Additionally, in this time period Elevance repurchased and retired \$9.98 billion worth of its stock, another way to reward shareholders and executives by making their shares more valuable. In 2021 alone, Elevance reported bringing in more than \$6.1 billion in profit after paying expenses and taxes and paying out more than \$1.15 billion in dividends to shareholders.⁶

⁶ Thanks to research by the Public Accountability Initiative These figures come from Elevance's Forms 10-K filed with the IRS from 2021, 2020, and 2019. Available in the "Selected Filings" section at: <https://www.sec.gov/edgar/browse/?CIK=1156039&owner=exclude>

- Elevance Health’s CEO Gail Boudreaux took \$19,348,241 in compensation in 2021 and stands to take \$59 million in a golden parachute if she is terminated even if for “Good Reason” as defined by the company.
- Excellus BCBS, one of the smallest BCBS plans, and technically a non-profit, took \$117.9 million in net income (profit) in 2021 and paid its top four executives over \$1 million a piece⁷

This profiteering from care denials is a disgrace. **We demand you immediately:**

- Stop denying claims and overturn any existing denials for treatments recommended by medical professionals;
- Provide transparency around denied claims/prior-authorizations by market, state, geography, gender, and race;
- Share monetary value of total denied claims/pre-authorizations broken down by internal and external appeals processes and total percentage of profits taken by denying care for their members;
- Hold monthly open microphone meetings with policyholders to discuss problems with your insurance products;
- Relinquish ownership of and transfer over the claim and appeals process to relevant public authorities; and
- Reverse the specific care and claim denials in the cases from New York to Missouri listed above.

People’s Action takes extremely seriously the harm your corporation is causing our members and people in our communities. We await your timely response through an agreement to meet with us in-person or over a video call to respond to these concerns or an in writing explanation of changes you will make.

Sincerely,

Sulma Arias, Director, [People’s Action](#)

Aija Nemer-Aanerud, Health Care for All Campaign Director, [People’s Action](#)

Ronald Harrison, Co-Chair, www.careovercost.org, [Northwest Bronx Community & Clergy Coalition](#)

Audrey Gerard, Co-Chair, www.careovercost.org, [Michigan United](#)