UnitedHealth Group, Obamacare, Corporatism

by John Hoefle

Dec. 6—Obamacare has three major features we will discuss here. First, it is designed to systematically *decrease* the health care available to Americans, a part of the ongoing liquidation of the U.S. economy, our standard of living, and our people themselves. Second, it serves as an aspect of the ongoing *bailout* of the global financial system, pumping increased revenue into that system via the health-insurance sector. Third, it advances the *corporate takeover* and destruction of medicine, which is replacing the doctor-patient model with a corporate-consumer model. On all three fronts, it is an abomination.

We shall explore how this process works in the course of discussing UnitedHealth Group, the parent company of the giant HMO, United Healthcare. UnitedHealth is the "leader" in the managed-care field, which also includes competitors WellPoint, Humana, Aetna, and Cigna, among others. By annual revenue, UnitedHealth Group ($110.6 billion in 2012) far exceeds the next in line (WellPoint, with $65.028 billion in 2010). By insurance policies and products, UnitedHealth provides services to 70 million Americans. Those of us who are old enough to receive AARP (American Association of Retired Persons) mailings should recognize the UnitedHealth name, as we have been inundated by ads pushing its insurance policies, which carry the AARP logo, under a fee-deal with UnitedHealth, to cadge the over-65 Medicare insurance-supplement market.

UnitedHealth Group operates in all 50 states, and in 20 countries, notably, in Britain. It is 17th on the Fortune 500 list (2012). It is one of the 30 companies in the mis-named Dow Jones Industrial Average, along with companies like ExxonMobil, Chevron, and General Electric (and such decidedly non-industrial outfits as JPMorgan Chase, Goldman Sachs, VISA, Walmart, McDonald's, Disney, and Microsoft). Also in the Dow 30 are pharmaceutical giants Pfizer and Merck, and health-care products company Johnson & Johnson, which we will see later in this report. Health care is a big business, one whose profits are threatened by the relentless, deliberate decline of the U.S. economy—profits which Obamacare is designed to protect.

To understand how this corporate health-care system came about, we cite Dr. Paul Ellwood, the "Father of the HMO," who helped develop the HMO system in Minnesota in the early 1970s, and became the sector's leading spokesman. Ellwood lobbied hard for changes in Federal law to support the shift to HMOs, and his efforts helped to create the Health Maintenance Organization Act of 1973, which provided Federal funds to build up the HMO sector and forced companies to offer their employees HMOs as an option. In preparation for this change, in 1971, Ellwood hired Richard Burke to help implement his HMO model, and three years later—after the HMO Act passed—Burke founded what we know today as UnitedHealth Group, where Burke remains chairman. (UnitedHealth is based in Minnetonka, Minn., the Minneapolis suburb which is also home to Cargill, the mega-food cartel.) Ellwood also founded the policy group Interstudy, and formed the Jackson Hole Group, where he and economist Alain Enthoven developed and pushed the HMO model.

This corporate/HMO model was a conscious effort to head off growth of the Medicare program, which had been created in 1965, and had begun slowly expanding its coverage. Ellwood viewed the government's move into health insurance as socialized medicine, and was determined to outflank it with what he called the corporate model, which, coming in the midst of the gathering decline in the economy, was a model for corporatism—dictatorship by private corporations.

This HMO/corporate move did not occur in a vacuum, and was, in fact, part of a larger assault on sovereign government. At the 1968 Bilderberg Group meeting in Mont Tremblant, Canada, Bilderberg steering committee member and Lehman banker George W. Ball had launched an attack on what he maliciously called "the archaic political structure of the nation-state," and proposed instead that the world be ruled as if it were a corporation, which he called "the world company." Ball, along with Lazard banker Felix Rohatyn, played a key role in the rise of Blackstone Group billionaire Peter Peterson, who today is a leading proponent and funder of the drive to downsize the social safety net in the name of "fiscal responsibility." It is all part of the continuing assault on government by the Anglo-Dutch Empire.

Alain Enthoven, Ellwood's partner in promoting corporate medicine, holds degrees from Stanford, Oxford, and MIT. He joined the RAND Corporation in 1956. RAND is where the doctrines of systems analysis and "mutually assured destruction" (MAD) were developed, and Enthoven's work there earned him a spot in 1960 as one of Secretary of Defense Robert McNamara's "whiz kids." By 1965, Enthoven had risen to Assistant Secretary of Defense for Systems Analysis. He joined Litton Industries as a vice president in 1969, and from 1971 to 1973 was president of Litton Medical Products. In 1973, he became a professor at Stanford. Meanwhile, his former boss McNamara became head of the World Bank.

To find such a prominent member of the military-industrial complex deeply involved in health care planning is both interesting, and telling. Systems analysis in one of the underpinnings of the "cost-benefit analysis" which lies at the dark heart of managed health-care and Obamacare, where statistics and algorithms replace the judgments of doctors about who gets treated and who doesn't, in a way that almost always seems to favor the insurers, not the patients.

Enthoven has strong British connections. In addition to being a Rhodes Scholar and receiving a Master of Philosophy at Oxford, Enthoven served as a visiting professor at the London School of Hygiene and Tropical Medicine during 1998-99, and was simultaneously a Rock Carling Fellow at the health-care think-tank Nuffield Trust, where he wrote a paper on "improving" the UK's National Health Service.

Simon Stevens

The British connections into the HMO sector, UnitedHealth Group, and Obamacare are exemplified in the person of British national Simon Stevens, an executive vice president of UnitedHealth Group and the president of its Global Health division. In April 2014, Stevens will leave UnitedHealth Group as such, where he has been since January 2007, and return to Britain to head the National Health Service. He will preside over what's left of the NHS, since Stevens, serving as the top health advisor to Tony Blair (prime minister from 1997 to 2007), personally helped design and implement the very policies which undercut the NHS, such that today, there is a dramatic increase in death rates for whole categories of patients and diseases (see accompanying article).

Britain's NICE—the death panel—is the exact model for the IPAB (Independent Patient Advisory Board) in the 2010 Patient Protection and Affordable Care Act (ACA/Obamacare). Stevens was prominent in the stream of HMO officials at the White House over 2009-10, in formulating the law. In May 2009, Stevens personally supplied the Obama Administration with his report on how to cut $540 billion from Medicare and other Federal spending over 10 years. His report set out 15 steps to do this, with the largest grouping titled, "Reducing Avoidable and Inappropriate Care." That policy is now in progress under Obamacare and at large.

The model of Stevens and his echelon of corporate cost-cutters, is that of Hitler's infamous "cost-cutting" in his 1939 T-4 euthanasia policy. In October that year, Hitler promulgated the decree that categories of "non-functionals"—the very old, chronically ill, impaired, and others considered a burden on state resources—were to be identified by medics, and systematically eliminated. (The agency in charge was located at No. 4 Tiergarten Strasse—T-4—in Berlin.)

When UnitedHealth, as it has in the recent period, begins terminating contracts with doctors in its MedicareAdvantage program, and other kinds of cuts and restrictions, it should be understood as part of the systematic cutback of the health-care system in the United States. Health-care insurance is not about care, it is about money. Patients become "health-care consumers," and find themselves paying more while getting less. This is painfully apparent in the "less expensive" policies available under Obamacare, which are expensive and the deductibles outrageous. High deductibles, as any competent systems analyst can tell you, are a way of rationing care. When they can't afford to pay out of their own pockets, many people will not go to the doctor unless absolutely necessary. But they will still have to pay those hefty insurance premiums. It may be called self-rationing, but it is actually a systematic denial of care, under the fraudulent guise of "universal care."

YouTube

Simon Stevens, president of Global Health at UnitedHealth Group, is the ghoulish health-care slasher who applied his peculiar talents, first to the UK's National Health Service, and more recently, advised Obama on how to cut $540 billion from Medicare and other Federal spending.

The illusion has been created that the health-insurers are upset with Obamacare, but like many—if not most—of the things we are told by the media, this is not true. There is, in fact, a significant lobbying effort behind Obamacare. One of the outfits funding this campaign is the Robert Wood Johnson Foundation, which gave $1.1 million to Families USA, which itself is interlocked with Enroll America and the Herndon Alliance—all of which organize support for the program. The Robert Wood Foundation was created by Robert Wood Johnson, who turned his family firm Johnson & Johnson into a giant medical corporation. The foundation's board is loaded with finance-types and greenies, and people with direct ties to Britain. Robert Daretta, a former vice-chairman of Johnson & Johnson, sits on the UnitedHealth Group board, as does Progressive Corp. CEO Glenn Renwick.

It is fair to say that the U.S. health-care system is being remade in the image of the killer health-care "reforms" in Britain, taken from the Hitler health-care model. Despite the Pied Piperish claims made by Obama and his coterie of behaviorists, Obamacare is a policy of restricting health care, while containing the costs, and bolstering the revenues of the health-insurance sector, and the financial markets in general. Patients become consumers, and are then consumed by this evil, corporatist system.