

## *AmeriHealth exit is yet another reminder of the widespread disruption caused by privatizing Medicaid*



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Goodbye, AmeriHealth Caritas.

Don't let Iowa's door hit you on the backside after [abruptly abandoning you contract](#) with the state to manage the health care of more than 200,000 Medicaid beneficiaries.

AmeriHealth is one of three for-profit insurers selected to carry out Gov. Terry Branstad's disastrous privatization of Iowa's \$4 billion Medicaid program launched in 2016. In late October, the state announced the insurer's departure. No one will be hosting its going-away party.

During the company's fewer than two years here, it pocketed millions of public dollars for "administration," incessantly complained about losing money, begged for more taxpayer dollars, refused to be publicly accountable and denied care to Iowans.

These Iowans include Neal Siegel, a former financial consultant who suffered a devastating brain injury in a bicycle accident. Confined to a wheelchair and needing help with nearly every basic life activity, [AmeriHealth cut reimbursements for his in-home care from more than \\$7,000 to about \\$3,000](#). Now he is among Medicaid beneficiaries suing the state of Iowa.

AmeriHealth will be remembered for the angst it created by threatening to stop paying for health services provided by Mercy Health Network, one of the state's largest hospital-and-clinic systems. Not reimbursing 2,000 physicians and advanced care practitioners for care would have certainly have saved the insurer a bundle. It also would have left many Iowans without medical services.

So adios to this insurer. The only thing better than its departure would be the departure of the remaining two for-profit insurers contracted for the state's privatization experiment.

Getting rid of them may require getting a new governor.

Gov. Kim Reynolds remains dedicated to privatization. Even as health providers stiffed by insurers were forced to close. Even as low-income children have lost care. Even as a disabled man no longer able to receive in-home services was forced into an out-of-state institution where he quickly died.

Reynolds' appointee, Iowa Department of Human Services director Jerry Foxhoven, had a front-row seat during months-long secret negotiations with the private insurers attempting to hold the state hostage for more public dollars. [AmeriHealth wanted an additional \\$150 million](#) from taxpayers.

Does he think insurers won't do the same thing next year? Foxhoven could send all three companies packing and return Medicaid to the familiar, reliable state-run program with low administrative costs that worked well for decades.

Instead, he awarded the remaining two Medicaid insurers — Amerigroup Iowa and UnitedHealthcare of the River Valley — new contracts and a 3.3 percent raise. He said the money can come from the current budget of an agency that has no extra money and has lost hundreds of workers.

Meanwhile, more than 600,000 Iowans are victims of the bureaucratic privatization scheme.

AmeriHealth enrollees will be assigned another insurer within a few weeks. Children, severely disabled people and nursing home residents are among those faced with doing what they never had to do under state-managed Medicaid: Trying to figure out if a private company will cover needed care, medications and providers.

Then perhaps that insurer will jump ship if the state doesn't meet its demands.

Health providers are also in a lurch. Some only negotiated contracts for services with AmeriHealth. At Hills and Dales, a Dubuque-based intermediate care facility for people with disabilities, [almost every client is insured by the exiting company](#). What are they going to do? What is the facility going to do?

Branstad's unnecessary Medicaid privatization has created disruption after disruption for thousands of Iowans and health providers. Every one of them should vote in the next election. New leadership may be the only way to restore fiscal and ethical sanity to the state's health insurance program.

***This editorial** is the opinion of The Des Moines Register's editorial board: David Chivers, president; Carol Hunter, executive editor; Lynn Hicks, opinion editor; and Andie Dominick, editorial writer.*