

White House official in charge of Obamacare rollout hired as health insurance lobbyist

George Gallanis
17 July 2015

Marilyn Tavenner, former director of HealthCare.Gov and administrator of the Centers for Medicare and Medicaid Services, was unanimously selected as the new CEO of America's Health Insurance Plans (AHIP), a leading health insurance lobbying organization. Like her predecessors, Tavenner continues the trend of former White House officials joining the ranks of highly profitable corporate businesses.

The move comes after previous AHIP President Karen Ignagni announced her decision to step down. Prior to heading the organization, Ignagni was the director of the AFL-CIO's Department of Employee Benefits.

The AHIP lobbies on behalf of some of the largest health insurance companies in America, including Aetna and Blue Cross Blue Shield. Aetna posted revenues of approximately \$58 billion in 2014. Altogether, the companies represented through AHIP insure over 200 million Americans, or nearly two thirds of the population.

During her time with the Obama administration, Tavenner played a leading role in the launching of HealthCare.Gov, the online health insurance exchange for the Affordable Care Act (ACA). Despite being hailed as a reform by the Democratic Party, in reality the ACA is a vehicle intended to throw millions of people off their employer-sponsored healthcare, ax government spending and open up vast new markets for private insurance companies. Many of the millions still uninsured after the passage of the ACA face fines for being unable to afford insurance.

Under Tavenner, massive funds were cut from Medicare and funneled to Medicare Advantage, which provides health plans through private companies, resulting in a financial boondoggle for health insurance

companies. According to Forbes, enrollment in Medicare Advantage is expected to double by the end of the decade. Private insurers are gearing up to reap the profits. Aetna, for instance, is spending \$37 billion to acquire Humana, another health insurance company, because of its high Medicare Advantage enrollment. Once approved by the government, this will make the Aetna the second largest health insurance company in the nation.

Tavenner's move to the AHIP is enthusiastically welcomed by health insurance companies. As the *New York Times* notes, "Her selection as chief lobbyist for the industry highlights how federal health programs have become a priority for insurers, which increasingly depend on revenues from Medicare and Medicaid and the new public insurance marketplaces."

AHIP Board Chairman and CEO of Cambia Health Solutions Mark Ganz said, there is no better individual than Marilyn (Tavenner) to lead our industry through the increasingly complex healthcare transformation that is underway.

Ganz's glowing endorsement is based not just on Tavenner's service for the Obama administration, but also her record working for the for-profit health facilities operator, Hospital Corporation of America (HCA). During her time there she was the CEO of its hospitals and later president of its Atlantic Division. After completing its public offering in the early 1990s, the HCA began trading on the New York Stock Exchange, posting profits in the billions.

In moving from the White House to a large corporate outfit, Tavenner is following in the footsteps of many others from the Obama administration, such as former Treasury Secretary Timothy Geithner, who joined a major Wall Street private equity firm in 2014. Just over a month ago, Eric Holder, Obama's attorney general

from 2009-15, returned to his former law firm, Covington & Burling, which specializes in representing Wall Street banks and executives. During his tenure, Holder ensured that not a single banking executive was prosecuted for the 2008 economic crash that plunged the entire world into financial turmoil.

There is also the case of former Federal Reserve Chairman Ben S. Bernanke, who oversaw the transfer of trillions of federal funds to Wall Street. After his appointment, Bernanke went on to join Chicago-based hedge fund Citadel LLC, whose profits soared like other financial firms during his time in office.

Finally, there is Tavenner's temporary replacement, Andy Slavitt, a millionaire and former executive vice president of UnitedHealth Group Inc., a company with revenues of over \$122 billion in 2013.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact