

**Resolution: Arizona Democratic Party State Committee
Submitted by Ken Kenegos, (713) 829-2226, kkenegos57@gmail.com
Resolution submitted by: Ken Kenegos LD-30, Crystal Carrillo chair
LD-30, Dan O'Neal LD-12, Jenise Porter LD-9 & Dr. Eve Shapiro LD-9
(all are state committee members)**

The Attempt to Fully Privatize Medicare Must be Stopped

Whereas, a new program started under the Trump administration introduces a way that those on Traditional Medicare can be moved into a for profit insurance model without their consent using the program known as Direct Contracting Entities (DCEs) (1) and

Whereas, despite an endless barrage of deceptive advertising, the majority of those eligible for Medicare have chosen Traditional Medicare over for profit insurance offered as Medicare Advantage (MA) and

Whereas, DCEs are allowed to keep as profit and overhead what they don't pay for in health services, therefore giving them a dangerous financial incentive to restrict seniors' care and

Whereas, Medicare pays DCEs more money for patients with more complex diagnoses, DCEs like MA have a strong incentive to engage in a fraudulent practice known as "up coding," meaning that they exaggerate the coding of seniors' diagnoses, a common practice in Medicare Advantage, resulting in higher costs to Medicare than Traditional Medicare.

Whereas, the fundamental difference between for profit health insurance and Traditional Medicare is that for profit insurance limits care to provide maximum profit for its shareholders through narrow networks and denial of care and Traditional Medicare limits the risk to the patient by not requiring pre-approval for treatment and offering complete choice of doctors and hospitals and

Therefore be it resolved, that the Arizona Democratic Party calls for the termination of the DCE program and directs the ADP staff to send a letter signed by the ADP Chair and Executive Board to Health and Human Services Secretary, Xavier Becerra and President Biden requesting that the DCE program be terminated and

Be it further resolved, that a copy of this letter from our Chair and Executive Board be sent to all seven members of our Arizona Congressional Delegation and that the ADP strongly urge the members of our Arizona Congressional Delegation to cosign or send a similar letter to Secretary Becerra and President Biden.

1) [The biggest threat to Medicare you've never heard of](#) - by Rep. Pramila Jayapal and Dr. Susan Rogers - 12/09/21