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15 Executives Who Get Paid Millions To Deny You Health Care Coverage

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The business model of American health insurers is basically: try to get healthy customers as clients, and then resist as long as possible when it comes to paying out claims.

That's actually not an indictment or a criticism.

It's just the way our system works, and it's screwed up.

Whatever you feel about Obamacare, you probably think our current system needs reform in some sense.

Below we present the posterboys of the problem. Top healthcare CEOs making millions, leading companies that deny you coverage.

Herbert Fritch, HealthSpring

2008 revenue: **\$2.2 Billion**
Y/Y change: **39.0%**

CEO compensation: **\$800,000**

HealthSpring earnings rose by 33% in the Q409 thanks to a 26 percent increase in premiums, according to BizJournal.

Said Fritch: "We are pleased with our operating results in 2009. Moving to 2010, our Medicare Advantage **membership has increased despite the fact that we reduced benefits** across many of our markets in response to Medicare rate cuts."

Source: Fortune

Jay Gellert, Health Net

2008 revenue: **\$15.4 Billion**
Y/Y change: **8.9%**

CEO compensation: **\$1.34 Million**

Health Net increased the premiums of just one small business in New Jersey 124% in 2010. The company blamed the changes on changing demographics at the small business, [according to WSJ.com](#).

Source: [Forbes](#) and [Fortune](#)

J. Mario Molina, Molina Health Care

2008 revenue: **\$3.1 Billion**
Y/Y change: **24.9%**

CEO compensation: **\$2.2 Million**

Molina boosted profits more than any other Michigan HMO in 2008, [according to Crain's](#).

Source: [Fortune](#)

Allen Wise, Coventry Health Care

2008 revenue: **\$11.9 Billion**
Y/Y change: **20.6%**

CEO compensation: **\$2.6 Million**

3.2% of Coventry's revenues end up as pure profit for the company, [according to Fortune](#).

Source: [Forbes](#)

Richard Barasch, Universal American

2008 revenue: **\$4.6 Billion**
Y/Y change: **53.5%**

CEO compensation: **\$3.5 Million**

After taking a pay cut from 2006 to 2007, Barasch more than doubled his total compensation for 2008, jumping up from \$1,564,293 in 2007, [according to FierceHealthCare](#).

Source: [Fortune](#) and [Forbes](#)

Angela Braly, WellPoint

2008 revenue: **\$61.2 Billion**

Y/Y change: **0.2%**

CEO compensation: **\$4.07 Million**

WellPoint has given on \$6.2 million towards helping uninsured individuals find insurance and receive care, only one-fifth of what was promised [according to the LA Times](#).

Source: [Forbes](#) and [Fortune](#)

Michael McCallister, Humana

2008 revenue: **\$28.9 Billion**

Y/Y change: **14.5%**

CEO compensation: **\$4.76 Million**

CEO McCallister considers the use of the company's aircraft part of his compensation, including the use of the jet for family, [according to FierceHealthCare](#).

Source: [Fortune](#) and [FierceHealthcare](#)

Stephen Hemsley, UnitedHealth Group

2008 revenue: **\$81.2 Billion**

Y/Y change: **7.6%**

CEO compensation: **\$5.03 Million**

United Health has raised premiums on the town of Weston, Connecticut 23.5%. The town only budgeted for a 5% increase, [according to The Weston Forum](#).

Source: [Forbes](#) and [Fortune](#)

James Carlson, Amerigroup

2008 revenue: **\$4.5 Billion**

Y/Y change: **14.5%**

CEO compensation: **\$5.29 Million**

Amerigroup was sued in 2008 for excluding pregnant women and unhealthy patients from Medicaid, according to Reuters. The insurer paid \$225 million in a settlement.

Source: [Fortune](#) and [FierceHealthCare](#)

CFO Joseph Zubretsky, Aetna

2008 revenue: **\$31.0 Billion**

Y/Y change: **12.1%**

CFO compensation: **\$5.57 Million**

Aetna has boosted premiums on small businesses in New York 20% this year, [according to the New York Post](#).

Source: [Fortune](#)

CFO George Mikan III, UnitedHealth Group

2008 revenue: **\$81.2 Billion**

Y/Y change: **7.6%**

CEO compensation: **\$6.531 Million**

UnitedHealth Group has premium increases of 13-16% in Rhode Island in 2009 alone, [according to HealthReform.gov](#).

Source: [Fortune](#)

Heath Schiesser, WellCare Health Plans

2008 revenue: **\$6.5 Billion**

Y/Y change: **21.0%**

CEO compensation: **\$8.1 Million**

WellCare was subject to a government probe after going public in 2007 on the way it paid executives by providing equity up front, a low salary, and further equity in yearly compensation. This hindered its ability to hold on to top talent, [according to Tampa Bay Business Journal](#).

Source: [Fortune](#) and [Tampa Bay Business Journal](#)

Michael Neidorff, Centene

2008 revenue: **\$3.5 Billion**
Y/Y change: **20.1%**

CEO compensation: **\$8.77 Million**

Following news that Centene had decreased benefits for the elderly and disabled, shares jumped 9%, [according to Forbes \(2008\)](#).

Source: [Fortune](#) and [FierceHealthCare](#)

H Edward Hanway, Cigna

2008 revenue: **\$19.1 Billion**
Y/Y change: **8.4%**

CEO compensation: **\$10.27 Million**

Cigna is trying to convince its customers to fight for lower prices from the hospitals they visit, [according to WSJ.com](#).

Source: [Forbes](#) and [Fortune](#)

Ronald A Williams, Aetna

2008 revenue: **\$31.0 Billion**
Y/Y change: **12.1%**

CEO compensation: **\$38.12 Million**

In order to increase profits year on year from 2009 to 2010, Aetna plans to raise premiums to the point where up to 650,000 people would have to drop their coverage in 2010, [according to the Huffington Post](#).

Source: [Forbes](#) and [Fortune](#)

<http://wallstcheatsheet.com/breaking-news/15-executives-who-get-paid-millions-to-deny-you-health-care-coverage.html>

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