

## **Overture on Divesting from Certain Health Insurance Companies Presbytery of Mid Kentucky**

The Presbytery of Mid-Kentucky respectfully overtures the 220<sup>th</sup> General Assembly (2012) to instruct Mission Responsibility Through Investment (MRTI) to report to the General Assembly Mission Council on the corporate practices of Cigna, Aetna, Humana, WellPoint, United Health Care health insurance companies – in particular as such practices compare with and relate to previous General Assembly actions relative to health care. The General Assembly Mission Council is authorized and encouraged to act on this information, and, as it deems appropriate, implement divestment procedures as well as encourage individual Presbyterians and congregations to divest of holdings in the said companies; and, in view of the urgency of the ongoing health care crisis, to take action within six months of the adoption of this recommendation; and to report to the 221<sup>st</sup> General Assembly (2014) on divestment actions.

### **Rationale**

WHEREAS The Presbyterian Church (USA) has consistently called for fundamental reform of United States healthcare systems and in 2008 “endorse[d] in principle the provision of single-payer universal health care reform...as the program that best responds to the moral imperative of the gospel”; \*

WHEREAS The Presbyterian Church (USA) and its predecessors has long concerned itself with national health care policy, seeking to promote healthier individuals in a healthier society. “For over 60 years, Presbyterian Church (USA) General Assemblies have been calling for reform of the U.S. health system, urging the establishment of a national medical plan that will ensure health coverage for all persons residing in the United States.” – 2009 Communication of the PC(USA) Washington Office;

WHEREAS The Presbyterian Church (USA), in its healthcare policy statements, has repeatedly pointed to issues of quality, equity and accessibility;\*\*

WHEREAS these statements are based on several crucial theological points; and implicit in these is the conviction that health care is a human right – a conviction that is voiced in the Universal Declaration of Human Rights, in the International Covenant on Economic, Social and Cultural Rights, and in the World Religious Summit meeting in Winnipeg, Manitoba in June, 2010;\*\*\*

WHEREAS such statements, including the 2008 General Assembly endorsement of a single-payer policy, are meant to inform and guide its total mission, and are meant to be reflected in the actions and pronouncements of the constituent parts of the Presbyterian Church;

WHEREAS one instrument for implementation of its mission is church investment policy with the corresponding option to divest from those companies that actively oppose its mission goals; \*\*\*\*

WHEREAS violation of a basic human right, such as the right to health care, is one of several criteria by which corporate behavior may be evaluated; [See MRTI priority issues work plan and historical involvements relative to both health care and human rights at its web page -

<http://gamc.pcusa.org/ministries/mrti/>]

WHEREAS since the primary mission of for-profit insurance companies is to make a profit for their investors and since they are not themselves providers, by definition they decrease rather than increase access to health care;

AND WHEREAS for-profit health insurance companies consciously and deliberately oppose the above health care principles and policy goals of the PCUSA in order to fulfill their for-profit mission;\*\*\*\*\*

AND WHEREAS the actions of for-profit health insurance companies have brought untold suffering and hardship in both the private and public spheres and have obstructed the development of healthier individuals in a healthier society;\*\*\*\*\*

AND WHEREAS health care reform legislation enacted by the U.S. Congress in 2010 only strengthens the decision-making role of for-profit health insurance companies in matters affecting individuals' access to health care;\*\*\*\*\*

AND WHEREAS the Presbyterian Church has no obligation to support such companies through investment but, to the contrary, has a moral obligation to withdraw financially from them to the extent that they are detrimental to the goal of equal access to health care;

AND WHEREAS for-profit health insurance companies produce no product for the public good but instead increase exposure to the financial ruin of individuals and the society as a whole;

Therefore: [see above recommendation]

#### **FOOTNOTES/BACKGROND ATTACHMENTS**

\* Full text of the 2008 General Assembly resolution: That the General Assembly:

1. Endorse in principle the provision of single-payer universal health care reform in which health care services are privately provided and publicly financed.
2. Direct the General Assembly Council, through appropriate offices including the National Health Ministries, the Washington Office, and the Presbyterian Health, Education and Welfare Association (PHEWA) to advocate for, educate about, and otherwise pursue the goal of obtaining legislation that enacts single-payer, universal national health insurance as the program that best responds to the moral imperative of the gospel: monitoring progress toward this goal and reporting back to the next two General Assemblies (2010 and 2012).
3. Direct the Stated Clerk of the General Assembly to send a copy of this resolution to the appropriate committee chairs of the U.S. Congress and to the Washington and United Nations offices of the PC(USA).
4. Direct that \$25,000 from the Mission budget of the PC(USA) be sent to the PACT Network of PHEWA for the purpose of holding ten regional, one-day seminars supporting single payer universal health care reform, moneys to be allocated on a first-come, first-served basis.

**\*\*Accessibility:** "We believe that all people possess inherit worth as children of God, and that God's promise extends to all. Health coverage must be available to all persons living in the United States, regardless of income, race or ethnicity, geography, age, gender, employment status or health status" – G.A. Minutes, 1994, p.574 and 2002, p.634;

**Equity:** "Because the right to acquire adequate health care springs out of our worth as living human beings, rather than out of any particular merit or achievement belonging to some but not to others, adequate health care should be defined equally for all people." – G.A. Minutes, 1976, pp. 203-207;

**Responsible Financing:** “Since society has an interest in the health of its people, those individuals and organizations who can pay should help to finance the care of those individuals and families who cannot pay. While concerns for the costs of health care are appropriate, these concerns must continually be balanced against the objectives of adequate, quality care for all. The sacrifice of access and quality at the shrine of cost containment is too high a price to pay and should not be tolerated.” – G.A. Minutes, 1991, p. 817 and 1988, p. 525.]

In August, 2009, the Stated Clerk of the General Assembly, responding to #3 (above), wrote: “Jesus Christ, who has reconciled us to God, healed all kinds of sickness (Mt. 4:23) as a sign of God’s rule. Isaiah speaks God’s word to say ‘No more shall there be ... “an infant that lives but a few days, or an old person who does not live out a lifetime”(Isa. 65:20a).

We, as Reformed Christians, witness to Jesus Christ in word, but also in deed. As followers of our Great Physician Jesus, we have a moral imperative to work to assure that everyone has full access to health care. ... The U.S. spends nearly twice as much per capita than any other country on health care, but we rank poorly in the thirty-seven categories of health status measured by the World Health Organization. The rise in childhood obesity, asthma, diabetes, and other chronic diseases indicates that the overall health status of people of this country is declining. We are warned by the prophets not to heal the wounds of God’s people lightly; yet in 2006 the aggregate profits of the health insurance companies in the United States were \$68 billion. During that same year more than 15,000 families were forced into bankruptcy because of medical expenses.

Our federal government already operates efficiently and with low overhead the health delivery programs of Medicare and Medicaid; and yet at the same time insurance companies spend nearly one-third of every premium dollar on marketing and other administrative costs and in fact, several such companies spend less than 60 percent of premium dollars they receive on health services. The American College of Physicians, the nation’s second largest physician group, has endorsed a single-payer healthcare system. Only a single-payer system of national health care coverage (privately provided; publicly financed; not socialized medicine) can save what is estimated to be \$350 billion wasted annually on medical bureaucracy and redirect those funds to expanded coverage.”

In support of the above resolution at the 2008 General Assembly, our denominations Advisory Council on Social Witness Policy stated: “Commissioners may wish to reflect on whether the highest ever numbers of uninsured Americans (not including undocumented immigrants) and the data on increasing life expectancy among Americans confirm the need for a forthright new advocacy by the church.”

\*\*\*From The Universal Declaration of Human Rights, Article 25: (1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control. (2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy and same social protection.”

From the Covenant on Economic, Social and Cultural Rights, Article 12: “The States Parties to the present Covenant recognize the right of everyone to the enjoyment of the highest attainable standard of physical and mental health.”

From the report of the World Religious Summit (June, 2010): “All countries must to their part...and put in place poverty reduction policies that ensure everyone has access to basic rights such as nutritious food, safe water, health care, education and economic opportunity.”

\*\*\*\*“The Presbyterian Church (USA) believes that church investment is more than a practical question. It is also ‘an instrument of mission and includes theological, social and economic considerations.’ This belief flows from our understanding of the stewardship of God’s resources entrusted to the church. Thus, ‘we confess that the Lord is really the acknowledged Master of our entire life – moral, physical and material.’” – MRTI, *A Christian Call to Faith-Based Investing*

\*\*\*\*\* For-profit health insurance companies opposition to health care as a human right:

Vis-à-vis patients: By company policies and positions designed to support shareholder profits and exorbitant salaries of management personnel through denying coverage or denying funding of the treatment of patients, and by providing financial incentives to their employees to do so.

Vis-à-vis providers and patients: By interfering in the doctor-patient relationship and preventing providers from treating patients on the basis of their informed clinical judgment through denial of treatment as well as the application of financial penalty and censure for “excessive-treatment.” By constant upward pressure on patient premiums, deductibles and co-pays while applying downward pressure on provider reimbursement. (See Secretary Sebellius’ February, 2010 report, “Insurance Companies Prosper, Families Suffer – Our Broken Health Insurance System”.)

Vis-à-vis legislation: By spending hundreds of millions of patient and taxpayer generated dollars to lobby in Washington and in state capitals, effectively buying unrepresentative power and influence to thwart efforts toward making affordable, comprehensive access for all a reality. By donating directly and indirectly additional hundreds of millions of patient premium and taxpayer generated dollars to the election campaigns of candidates of both political parties in order to assure that legislators support maintenance of their power. By undermining democratic processes through the infusion of billions of dollars into the deliberative process at every turn to override the well-documented majorities of citizens, physicians and nurses that prefer an improved “Medicare for all” solution to our health care crisis.

Vis-à-vis insurance company employees and investors: By putting them in the morally and ethically untenable position of making the viability of their employment and investment dependent on subordinating the health care of millions to the profit-making of a few.

Vis-à-vis employers and their employees: By making them less competitive in the global market place by the addition of exorbitant employee health care costs (that also discourage entrepreneurial initiatives on their part). By being forced to reduce coverage for employees and their families in order to remain competitive in the domestic market as well. By reducing the motivation to bring on new hires even when it would be advantageous to do so because of associated health care costs.

\*\*\*\*\* Untold suffering:

In the form of tens of thousands of deaths annually due to lack of accessibility to adequate health care. In the form of workers inability to change jobs or move to jobs in other locations due to lack of portability of coverage. In the form of pressure to understaff hospitals due to the instability of hospital revenue from for-profit insurance payments and forced early discharges, making those institutions themselves an increased threat to the health of patients from medical mistakes, increased infection rates and unmet patient needs. In the form of lack of quality in overall health system performance. According to the World Health Organization the U.S. is ranked #37 in the world. In WHO’s 2000 report,

the U.S. ranked 30<sup>th</sup> in preventable deaths before age five – a terrible testimony to how poor the quality of our health system is. In the form of driving patients, both insured and uninsured, into bankruptcy and poverty due to health care costs. In the form of fear, demoralization and distraction in the hearts and minds of millions of Americans due to financial ruin if they become injured or ill; suffering from untreated preventable diseases; suffering from diseases diagnosed too late; needless premature death and disability with all its pernicious effects on not just individuals but families, communities and our entire population.

\*\*\*\*\*Recently passed health care reform legislation: Until the 1990's the U.S. health insurance market was dominated by non-profit companies with essentially charitable missions. From 1990-2005 the industry underwent major consolidation and the near-eliminating of not-for-profits. This trend will continue under the Affordable Care Act. No other country has for-profit health insurance companies like the U.S. The only way for these companies to make a profit for their shareholders is to find ways not to pay for the care of the sick. This is the basic flaw in for-profit health insurance. Nor do they further medical research or innovation. They add no social value to justify their profits and the negative effects they inflict on the entire medical system.