



Storm Thorgerson (Photo by Robert Dowling)

Sick Profits

The Healthcare system is flawed.

Former UnitedHealth Group
CEO Andrew Witty, 2025

NATION: **UnitedHealth Group**

FOUNDED: 1974

GDP: \$379 billion (revenues)

CLAIM TO FAME: Largest U.S. health
insurance company (by revenues)

December 4, 2024: *United Healthcare CEO Brian Thompson is gunned down outside his hotel in New York City while attending an industry conference. In the course of the resulting investigation, three words are found etched on the killer's spent bullet casings: 'Delay', 'Defend,' and 'Depose.'* It is assumed this refers to '**Delay, Deny, Defend,**' insurance industry code for its efforts to save money by denying insurance payouts—even if they are legitimate claims.

Step 1: DELAY

Delaying payouts is highly beneficial to any insurance company's bottom line. Keeping already paid premiums for longer than necessary increases the return from their investment—a tactic pioneered by Warren Buffett, who often brags about the magic of the 'float.' Even a few dollars held for a short time on each claim can add up when a company processes tens of thousands or millions of claims a year.

Moreover, there is always a possibility that persistent delays will frustrate a claimant and cause them to abandon their claim or accept a lower settlement amount.

Insurers are well aware that claimants are often happier with receiving less money up front, rather than more money which only comes with a lot of frustrating hassles and delays or the risk of expensive litigation.

Thus, they impose bureaucratic obstacles, like requiring additional forms to be submitted or niggling about missing details, even if they may be irrelevant to the claim.

Delay is particularly encouraged in cases involving long-term care insurance, where the claimant's poor health may complicate their ability to pursue claims. (Sometimes these claims can be delayed indefinitely—ideally, until the claimant expires.)

Former employees of UnitedHealthcare have said that claim representatives are trained by their supervisors to “get the client off the phone as soon as possible.”

Step 2: DENY

Other former employees have testified that UnitedHealthcare instructs its trainees on various ways to legally decline insurance claims, but in contrast, provides little to no training on how to expedite their approval.

In the 1990s, many insurance companies, notably including UnitedHealthcare, began replacing human claims adjusters with claims-adjustment software. By slowly adjusting the software's algorithms and systematically paying out less and less, the industry began to book record profits.

The industry justified the introduction of software (and later, Artificial Intelligence) by claiming it would make processing more efficient and reduce costs to consumers.

Instead, it lowered the insurer's costs, while eliminating the claim's adjusters' former role as an advocate for fair treatment of claimants, with human adjusters required to 'adjust' to the demands of an uncaring AI. (UnitedHealthcare was a trailblazer in use of AI technology, resulting in a torrent of complaints by clients seeking recourse.)

As a result of this slavish dependence on software, claims adjusters are effectively now just middlemen: clerks pushing paper.

Step 3: DEFEND

If all else fails, an insurance company's last resort is to litigate. In many cases, the mere threat of going to court is enough to cause a claimant to back down and accept a 'lowball' offer, knowing that the insurer has virtually unlimited resources and can drag out the legal process for years. This is often far beyond what any reasonable settlement to the claimant would justify, considering all the trouble and legal expense involved.

In the relatively rare instance a claim does manage to reach court, an insurer may resort to unreasonable interpretations of the law, making use of expert paid testimony and complicated scientific arguments—exploring every possible reason to justify a denial of a claim based on the minute details of a case. (When there are no facts to justify denial, a company may go looking for them: Many insurers employ in-house Fraud Investigation Units specifically for this purpose.)

Step 4: DEPOSE

With all the obstacles favoring insurance company profit over the interests of the insured, it's little wonder Brian Thompson's murder, while deplorable, unleashed a torrent of schadenfreude in social media. One perceived victim of insurance company tactics wrote: *“If you shoot one man in the street, it's murder. If you kill thousands of patients by taking away their ability to get treatment, you're an entrepreneur.”*

Unfortunately, the prospects for reform aren't very promising. The pace of justice is much slower than the rate of technological and business innovation, and even if successful class action lawsuits result in financial penalties against UnitedHealthcare or other insurers, they will simply consider it just another cost of doing business.

In the meantime: *Delay-Deny-Defend.* ■