



December 29, 2008

Doing nothing was best call on Blues

Lame-duck stalemate plays to state's advantage

The Legislature often gets chided in this space for inaction.

This month, lawmakers earned kudos for not doing something.

The Legislature adjourned without passing bills sought by Blue Cross Blue Shield to rewrite state insurance law. And inaction gives Blue Cross, commercial insurers and the new Legislature a chance to review the health insurance market and how state policy should respond to market changes.

How the Legislature changes, or doesn't change, insurance law will affect the fortunes of insurers, the prospects for jobs and the health bills of thousands upon thousands of Michigan residents. It's a daunting task, one not tackled in the waning days, even hours, of a term-limited Legislature.

Blue Cross has been pushing individual market reform - and some unrelated insurance changes - for more than a year. The nonprofit and its House allies argued during the lame-duck session that further delay was unacceptable; Blue Cross' very financial health is at stake. They further argued that the legislation in play in December had been extensively vetted.

Not exactly.

There is plenty of dispute, for example, over Blue Cross' financial state and the effects of potential regulatory changes. Attorney General Mike Cox has been most vocal in his questioning of the insurer's financial claims.

Meanwhile under the Capitol dome, legislation was being drafted and redrafted - up at least to a draft No. 9. Some of the changes being made were significant. And this work really involved only a small group of people, not the full Legislature.

Had this process played out like Blue Cross and the House's Democratic leadership wanted, rank-and-file lawmakers would have had only a brief time to study a bill then vote on it.

It's one thing to say that Michigan insurance law is ill-equipped to deal with market shifts, such as the decreasing ranks of employers offering health coverage to employees. It's quite another to push changes in a lame-duck session.

Maybe the work of Rep. Marc Corriveau, D-Northville, and his committee this month will turn out to be the wisest reforms for Michigan. Maybe not.

But by refusing to act this month, Senate Republicans under Majority Leader Mike Bishop, R-Rochester, have given the public, the Legislature and the industry time to proceed deliberately with due diligence in 2009.
