

Blues put millions into public policy debate

5/23/2008

By Jay Greene

A new report indicates Blue Cross Blue Shield of Michigan has spent more than \$2.2 million the past two years on advertising, lobbying and PAC contributions to legislators, according to the Lansing-based Michigan Campaign Finance Network, a nonprofit research and public education organization.

From 2007 through April 20, 2008, the Blues have contributed \$352,000 to House and Senate members and their PACs. But Blue Cross raised \$657,000 during that period, a 52 percent increase from the prior two-year period of 2005-2006, said Rich Robinson, MCFN's executive director.

"That is a substantial increase," said Robinson. "What this says is that an interest group with deep pockets can drive the policy agenda in ways that may or may not affect the broader public interest."

Helen Stojic, Blue Cross' media relations director, said PAC contributions actually declined in 2007 from 2006. She did not provide 2008 contributions.

Stojic said the money the Blues has spent on advertising and PAC contributions "represent the collective conscience of more than 2,000 Blues employees and their interest in good public policy."

However, during a 30-day period in January and February, Blue Cross ran a \$1.4 million statewide television ad blitz touting its proposal to remake the state's individual health insurance market. Four bills are pending in the state Legislature.

"Our advertising in this effort has been positive, centered on the issues and meant to inform people about the type of change we are supporting. This is in stark contrast to the negative, attack advertising paid for by those opposed to reform," Stojic said.

The legislators in the House and Senate who most supported the Blues in their efforts to pass favorable individual market reform bills also received the largest amounts of campaign contributions.

Blue Cross gave more money to Speaker of the House Andy Dillon, D-Redford Township, and Senate Majority Leader Mike Bishop, R-Rochester, than other legislators. Dillon's leadership PAC and campaign committee took in \$20,000 from the Blues. Bishop's leadership PAC received \$9,300.

Both Dillon and Bishop have used their influence to speedily move the Blue Cross bills through committees. While the House took two weeks and held one hearing last fall, the Senate Health Policy Committee, under Sen. Tom George, R-Kalamazoo, held six hearings.

Often a lone and vocal critic of Blue Cross, George received \$1,000 from the Blues, the least amount of any legislator. Other top money-getters were House and Senate members on the health policy and insurance committees, where the Blues bills have been developed.

On the House side, Rep. Kathy Angerer, D-Dundee, received \$4,900 and Edward Gaffney, R-Grosse Pointe Farms, received \$4,500. Both Angerer and Gaffney are on the House Health Policy Committee.

Rep. Virgil Smith, D-Detroit, who chairs the House Insurance Committee, received \$2,600. He also heads up the joint legislative work group that is hashing out the differences between the House and Senate versions of the bills.

Sitting on the Senate Health Policy Committee is Sen. Bruce Patterson, R-Lansing, who received the third largest Blues' contribution of \$6,000.

Also on that committee are Sen. John Gleason, D-Flushing, who received \$3,500; Sen. Jason Allen, R-Traverse City, \$3,400; Sen. Alan Sanborn, R-Richmond, \$2,900; Sen. Hansen Clarke, D-Detroit, \$2,500.

In 2007-2008, the Blues steered 70 percent of their House contributions to Democrats and 58 percent of their Senate contributions to Republicans.

“Our PAC approach has always been nonpartisan and will remain focused on developing sound public policy in Michigan,” Stojic said.

Blue Cross reported \$412,000 in lobbying expenditures in 2007, a 23 percent increase from 2006, Robinson said. Blue Cross is not required to report any lobbying expenditures for 2008 until the end of August, when reports are due for the first seven months of the year.

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