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## Conspiracy Theory In Blue?

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By Jay Greene

Today, lawmakers received copies of a letter that basically claimed a House work group on the small market insurance reform was a sham because Blue Cross Blue Shield of Michigan (BCBSM) had already written the legislation the workgroup would ultimately produce.

The story behind the letter is that opponents of the BCBSM version of individual healthcare market reform legislation claim BCBSM is trying to hijack the legislative process. Those on the BCBSM side of the debate claim the so-called legislation BCBSM allegedly wrote was just a written version of the position BCBSM was taking within the work group.

"This (what the workgroup is working on) is a work in progress. Nothing has been finalized," said House Insurance Committee Chair Virgil SMITH Jr. (D-Detroit). "We take input from all of the parties involved and that's what this was."

But the letter, which was from J.P. WIESKE of the Coalition for Access and Affordability in Michigan (CAAM), painted a portrait of BCBSM attempting to orchestrate a return to the version of individual healthcare market the nonprofit supported last fall. That version shot through the House virtually unchallenged in 12 days (See "Blues Bills Head To Senate," 10/24/07).

That legislation was changed in the Senate after a bumpy ride, that included declarations of opposition to the House version by unions and Attorney General Mike COX, a bevy of TV commercials supporting the House version and some complete redrafting of the legislation at the direction of Senate Health Policy Committee Chair Tom GEORGE (R-Texas Twp.).

Even with the redrafting, two bills from the package (HB 5282 and HB 5283) that emerged from the Senate may have been rushed more than George would have preferred. After the bills returned to the House, Smith had the workgroup organized to study the legislation, (See "Blues Workgroup To Start Next Week," 05/02/08). It was this workgroup that Wieske refers to in his letter.

Excerpts from the Wieske letter, which was ostensibly directed to House Speaker Andy DILLON (D-Redford Twp.) include the following:

I am stunned and outraged by the House Workgroup Proposal I received on Wednesday, June 18th from Danielle LANG of Representative Virgil Smith's office. Similar to earlier efforts by the House this proposal is special interest legislation for tax-exempt Blue Cross Blue Shield and not health insurance reform for Michigan consumers.

When invited, I reluctantly participated in this private, closed-door process established in the House. I have worked across the country with similar legislative workgroups who genuinely work toward a compromise and I held out hope that we could craft our own agreement.

I was shocked and disappointed when I opened the email and discovered Blue Cross Blue Shield of Michigan was the originator of the House Workgroup Proposal. I, like many others had participated in good faith, but it now appears that I was an unwilling participant in a sham process. It now appears the process was a charade. I hope you will take [a] look at the attached document to see first hand the evidence of this deception.

The "evidence of this deception" Wieske referred to was a tracked email document revealing that the email Wieske received with the proposal originated (before getting to Smith's office) from a BCBSM office.

According to Wieske, this evidence coupled with his claim that the workgroup proposal was virtually the same as the legislation BCBSM backed at the beginning of the process, added up to "bad faith."

But Smith said that he found Wieske's letter to be "disingenuous" and accused Wieske of using a trick to try to gain a few P.R. points.

"This is the first time I've seen something like this," Smith said. "I didn't know you could play these kinds of tricks on a computer."

Here's how both sides are spinning the story in terms of both background descriptions as well as up-front quotes:

Those opposed to the Blue Cross-preferred version of the bills claim there was a movement afoot for the House to not concur with the Senate version (possibly as soon as today) and send the legislation into conference committee. They claim the legislation Smith's office sent out was "getting greased" to become the eventual conference report.

Upon hearing this, John TRUSCOTT, a spokesman for BCBSM disputed any claim that BCBSM was trying to "grease" its favored legislation.

"I just today talked with Mark COOK, vice president of government affairs for BCBSM," Truscott said. "He was saying that Blue Cross isn't completely happy with what's in the legislation (presumably the Senate version) but that they might end up having to accept a lot of it. "

Truscott added that he thought Wieske's letter was, "In keeping with the general paranoia."

Meanwhile, those who support the Blue Cross-preferred version of the bills claim that "yes," Smith and others who like the House version did request information on a proposal that looked a lot like what they wanted, but it wasn't expected to be the final workgroup product. As far as the email being traced back to a BCBSM, they claim that was a natural place for the workgroup members to turn to for the type of proposals (and some talking points) they wanted to start out with.

BCBSM accused its opponents, which it referred to as "large, out-of-state, for profit Insurers" of attempting to kill reform.

"Blue Cross was asked to provide information during the workgroup process, as was the opposition," said BCBSM spokesperson Helen STOJIC. "We will continue to work in a cooperative bipartisan fashion to help the Legislature develop insurance reform Michigan consumers need and deserve."

George said he only attended a few House workgroup meetings, although he said he appreciated being included.

"I didn't learn anything new there," he said. "The end product was a recycling of the House version."

On a more positive note, George added that consumer protections could serve as an area of common ground for a future conference committee, if the process goes that route.

It should also be noted that those who oppose the House version claim that Dillon reacted immediately today after receiving to Wieske's letter by making phone calls to get to the bottom of things. Opponents to the BCBSM version tend to give the Speaker a pass, saying they don't believe he was part of the conspiracy they claim was starting to unfold.