



Blue Storm Brewing?

6/26/2008

It now appears the so-called "Blue Cross" (individual healthcare market reform) bills could have a tougher row to hoe than previously believed if they are to have a chance of moving anytime soon.

The bills (HB 5282 and HB 5283) are currently in the House Insurance Committee. They are the Senate version of individual healthcare reforms. Blue Cross Blue Shield of Michigan (BCBSM) doesn't like the Senate version and would prefer a version much closer to the original package the House passed last fall.

Rumors have been rife at the Capitol this week that the House was ready to not concur with the Senate versions and send the whole issue into a conference committee (See "No Deal On Blues, Conference Possible," 06/25/08).

But it now appears that BCBSM can't count on the Democrat-controlled House to oppose the Senate version of the bills.

Apparently, Wednesday's rumors that the House was ready to send the bills to a conference committee were rooted in the belief that the unions were ready to sign-off on a version that was acceptable to BCBSM. However, it turns out that this information was either untrue or that the unions changed their minds. A well-placed source told MIRS it was most likely a misunderstanding.

But the fact that the unions still oppose what BCBSM wants to obtain is an indication of how far BCBSM may be from getting what it wants. Recall that the BCBSM version of the bills is opposed by not only the AFL-CIO and UAW, but also by consumer groups, business groups and Attorney General Mike COX. With this array of groups in active opposition, by some counts, BCBSM might not be able to stop the House from concurring with Senate the version if the issue were taken up now.

Tales are now being told on the House floor about lobbyists working for BCBSM threatening the careers of lawmakers if they don't vote for nonconcurrency and send the bills to conference. If these stories were true, it would support the premise that BCBSM isn't confident it can get to the magic 56-vote level.

In addition, despite what some insiders have claimed, it is apparently not a sure bet that Senate Majority Leader Mike BISHOP (R-Rochester) would appoint conferees that are sympathetic to the BCBSM version of the bills even if they were sent to conference.

But this is just a snapshot of what's occurring at the moment. It's still an open question whether the opposition to the BCBSM version of the legislation will remain strong enough to block the measures throughout the rest of the year.