

# Detroit Free Press

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## Cox files suit against Blue Cross in for-profit venture

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LANSING – Michigan Attorney General Mike Cox will file a lawsuit today against Blue Cross Blue Shield of Michigan for allegedly violating state law by giving \$125 million last year to the Accident Fund, a for-profit subsidiary, to buy a California insurance company.

The money should have been used by the nonprofit company, established by state law as Michigan’s insurer of last resort, to lower health insurance costs for consumers, Cox said. He said the transaction and other spending shows that Blue Cross “is losing its way. We’re trying to keep it on its way.”

The Ingham Circuit Court lawsuit asks that Blue Cross and the Lansing-based Accident Fund sell CWI Holdings Inc. and two other for-profit companies the Accident Fund has purchased since 2005.

Cox’s lawsuit challenges a May 22 opinion by Michigan Insurance Commissioner Ken Ross that concluded the CWI Holdings purchase was legal.

Blue Cross had no immediate comment on the lawsuit.