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Latest Corriveau Blues bills no better

Most recent increases disparity between Blues rates for seniors, disabled and preferred customers

Rep. Marc Corriveau has issued another set of pro-Blue Cross, anti-consumer bills (HBs 5282 and 5283 Sub 7) that look remarkably like the first bills rushed through the Michigan House a year ago and rejected by the Senate. This latest package is not the product of any compromise with those who opposed the House bills and supported the Senate bills. It contains almost none of the thoughtful changes approved by the Senate in May, after careful consideration under the guidance of Sen. Tom George. Given the gulf between the Senate and House bills, is it now clear that this complex legislation should not be considered in during this "lame duck" session.

These bills still will result in:

1. Dramatically higher rates for virtually all persons in the individual market.
2. Major reductions in oversight for the attorney general and state regulators when it comes to Blue Cross rates.
3. A huge disparity in rates that the Blues can charge seniors and the disabled compared to its preferred customers. **This package allows the Blues e to charge some individuals nine times what it charges its preferred customers. Previous bills set that at seven to one.** Today the Blues must charge all the same rate – part of its important social mission it is trying to escape.
4. Effective creation of a high risk pool and a new tax imposed on insurers to fund those with the high risk. Blue Cross will no longer be required to be provider of last resort – a job for which the company was created and for which it receives a unique tax exemption. This bill transfers that responsibility to all insurers, but does not give them any additional assistance to meet that responsibility, benefiting Blue Cross at the expense of every other insurer in the state.
5. An increase in the number of uninsured in Michigan. Every day, two people die in Michigan due to a lack of affordable health care. This will increase that number, particularly among seniors and the disabled.

These bills should be rejected by lawmakers who are concerned about the need to reduce the number of uninsured, seniors, the disabled, skyrocketing insurance rates, meaningful consumer protection and higher taxes imposed on insurers – and therefore on the people of Michigan.

The fact remains: Blue Cross has been one of the most profitable companies in Michigan so far this year, with \$213 million in profits through September compared to \$139 million for all of 2007. These bills will raise rates for all, particularly seniors and those disabilities, to benefit Blue Cross.

It is vital that Michigan move forward on comprehensive health care aimed at increasing affordability and accessibility to its citizens. This legislation fails that test. The Legislature should reject it and convene next year to address the real problems facing Michigan families.