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Go slow on Blues' call for reforms

Between campaigning, deer hunting and holidays, Michigan legislators have met only a handful of times this autumn. The work has piled up.

Next week, when they return to Lansing for a lame-duck session, they'll find a controversial package of bills near the top of the stack. These bills would change the rules for regulating health insurers in Michigan.

Our advice is simple: Keep doing nothing.

Blue Cross/Blue Shield, the nonprofit giant that writes 70% of the health insurance policies in the state, is spending freely to lobby for the bills. Its TV spots and radio ads fill the airwaves.

Blue Cross argues it needs help if it is to remain Michigan's "insurer of last resort." By law, it is obligated to cover people who are rejected by for-profit carriers.

Certainly, a healthy Blue Cross is good for Michigan. This is as true today as it was 70 years ago when Blue Cross sprung into life as a social and benevolent organization.

The question is whether these bills will do more harm than good.

Opponents such as AARP, United Auto Workers, Consumers Union and Attorney General Mike Cox say the bills would reduce state oversight and cause premiums to soar.

"It is an erosion of the social mission of Blue Cross," the attorney general said Tuesday during a meeting with the Times Herald editorial board.

Cox scoffs at those who claim Blue Cross is in "a death spiral" because of Michigan's faltering economy. He notes:

- The Blues' cash surplus is nearly \$3 billion, up from \$1.3 billion in 2001.
- Its nine top executives earned \$9.6 million in salary and benefits last year, including \$1.6 million for the chief executive.
- In the past five years, the company and its subsidiaries have averaged about \$1 million a day in profits.
- In the past decade, Blue Cross has received \$1 billion in tax breaks, while absorbing only \$52 million in losses.

The upcoming lame-duck session includes 46 House members who are leaving office at year's end. Fairly or unfairly, it raises a suspicion of deals being brokered with legislators who won't be around to answer to voters.

Let's leave this complex, controversial bill for the new Legislature to take up in January. Delay has the added benefit of giving the state insurance commissioner time to complete an ongoing audit of Blue Cross.

If these bills have merit, they still can be on the governor's desk by the time the snow melts. It is better to risk an inconsequential delay than a massive mistake.