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## **Coalition Calls on MI Legislature to Abandon Blue Cross Legislation**

(Lansing) In light of today's announcement that Attorney General Mike Cox is filing suit against Blue Cross, Blue Shield of Michigan (BCBSM), the Coalition for a Fair and Competitive Insurance Market is calling on the Michigan legislature to drop the efforts of Blue Cross Blue Shield of Michigan (BCBSM) to use their unfair monopoly to expand into other lines of business and insurance.

"We were confident when we raised this issue in April that the Blues were violating the law by down streaming money to the Accident Fund and using subscriber funds to purchase other companies," said Kurt Gallinger, V.P of Amerisure Insurance. "The law was clear; the Blues cannot use their non-profit monopoly status to unfairly compete in the marketplace."

Gallinger continued, "Attorney General Mike Cox has confirmed our suspicions. We see no reason to continue negotiating with Blue Cross on the legislative package of bills and we see no reason why the legislature would want to legalize what the Blues have been doing illegally for years. There are no firewalls that you can put in legislation that the Blues won't get around or completely ignore."

The Michigan House of Representatives passed H.B. 5284 and 5285 in October 2007. The legislation would have allowed BCBSM to purchase any other type of business and allow the Accident Fund to sell other lines of insurance. A hearing on the bills was held on April 16, 2008 in the Senate Health Policy Committee. The Coalition raised the issue of a potential violation of P.A. 350 at the hearing. The legislation was put on hold after Attorney General Cox announced an investigation into the Blues purchase of other companies and potential illegal subsidization of the Accident Fund.

The Coalition for a Fair and Competitive Insurance Market is a coalition of Michigan based Insurance companies with more than 7,000 Michigan employees.

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*Copies of our April 16 press release calling for this investigation and other helpful background information can be found at our web-site, <http://www.nobluesopoly.com/>*