

SENATE COMMITTEE PLANS APRIL 30 VOTE ON BLUES BILLS

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The Senate Health Policy has scheduled an April 30 vote on legislation known as the Blues Bills, which as originally introduced called for greater regulation of the individual health insurance market but which as now drafted would alter some of the financial structure of Blue Cross/Blue Shield of Michigan.

And so far no other proposed amendments or substitutes to the proposals Sen. Tom George have surfaced, though a number of Senate members had indicated they would make alterations to his proposals.

Mr. George is chair of the Health Policy Committee, and his office has forwarded a schedule to individuals of how the committee will proceed through the rest of April, which includes discussion and a vote on the bills on April 30.

The committee plans a hearing on the proposal Mr. George has made on Wednesday, April 16.

Then on Wednesday, April 23, the committee will hear from consumer advocates and others on the proposals. They will follow that on Thursday, April 24, with a hearing from officials of the Blues, commercial insurance companies and health providers on the proposal.

Mr. George published an op-ed in the Detroit Free Press on Friday on his proposal for the bills that would have the Blues maintain their current status as insurer of last resort and exempt from state taxes, allow it to consider health behaviors (such as smoking) when setting rates on insureds, require a shorter time for considering rate requests by the Blues but maintain oversight of the health insurance giant by the Office of Financial and Insurance Services and the attorney general, require some of the Blues reserves be used to help the uninsured acquire insurance, and expand the Blues' board of directors to include legislative appointees.

The proposal would also bar re-reinsuring by commercial companies, which can push up rates.

As the bills were passed in the House they would have put controls on rate increases for the individual health insurance market, allow for creation of pool for high-risk individuals and allow the Blues to acquire other types of insurance companies.

Officials for the Blues have said they prefer the version of the legislation as it came from the House.