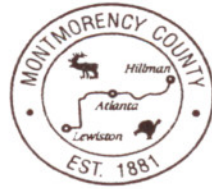


Roger D. Frye, Chairman  
Paul Wingate, Vice-Chair  
Albert LaFleche  
Gene Thornton  
Zachary Weaver



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**Montmorency County  
Board of Commissioners**

**RESOLUTION NO. 08-03**

**Oppose / HB-5282, 5283, 5284, & 5285**

**Whereas,** The Montmorency County Board of Commissioners desires to go on record as being strongly opposed to HB-5282, 5283, 5284, & 5285 as introduced to the House on October 11, 2007, and as passed by the House on October 24, 2007, by a margin vote, and subsequently referred to the State Health Policy Committee; and

**Whereas,** This pending legislation imposes a potential devastating hardship to older residents and other persons with disabilities and chronic illnesses in the State of Michigan; and

**Whereas,** Attorney General Mike Cox has reviewed these bills, and has subsequently warned citizens that, if the bills pass, and are signed into law, "People, the old, sick and most vulnerable, will pay more or lose (health) insurance coverage"; and

**Whereas,** House Bill No.-5282 is tie barred to House Bill No.-5283, and similarly House Bill No.-5284 is tie barred to House Bill No.-5285, (meaning neither bills could take effect unless both were enacted into law), and because this legislation is presented in a "packaged format" strongly supported by Blue Cross/Blue Shield of Michigan, and as such this proposed legislation would dramatically change the way BC/BS operates; and

**Whereas,** Blue Cross/Blue Shield of Michigan is a nonprofit organization that covers almost three fourths of Michigan's citizens, and was chartered by the State Legislature in 1939 for the benefit of Michigan citizens, and is regulated by the state; and

**Whereas,** As a state-chartered charity, it must accept all customers and is charged with keeping prices affordable through utilizing a "community-rating" process, meaning that premiums remain the same for everyone including those who are young or old, sick or healthy; and

**Whereas,** In contrast, these bills would allow insurance companies to "underwrite" – meaning that they could reject sick or older customers – or they could charge these persons higher premiums, in some cases up to 250% more than other customers, based upon where they live, or their age, or their health condition based upon pre-existing condition(s) for up to 12 months; and

**Whereas,** this would allow BC/BS of Michigan to increase administrative costs from 10 to 30%, that would be charged back to consumers; and

**Whereas,** said bills if passed would eliminate the Attorney General's ability to challenge proposed rate hikes on behalf of Michigan citizens; and

**Whereas,** such legislation would eliminate oversight in setting reasonable BC/BS of Michigan premiums, given that the Legislature must continually scrutinize the imposition of

increasing health care premiums within our state in order to keep health insurance affordable for everyone; and

**Whereas,** BC/BS of Michigan currently controls approximately 70% of the health care business, and has reserves of \$3 billion which more than meets any standard ratio-test relating to organizational financial security,

**Now Therefore be it Resolved,** that the Montmorency County Board of Commissioners hereby strongly opposes House Bills No.-5282, 5283, 5284, and 5285, and formally solicits the support of the Legislature in not allowing passage of these bills.

**Be It Further Resolved,** that copies of this resolution be forwarded to Governor Jennifer Granholm, Senator Tom George, M.D. / Chairman Senate Health Policy Committee, Honorable Members Senate Health Policy Committee as follows:

- Senator Bruce Patterson
- **Senator Alan Sanborn**
- Senator Jason Allen
- Senator Hansen Clarke
- Senator John Gleason
- Senator Gilda Jacobs,

and also to Senator Tony Stamas, House Representative Matt Gillard, and the Michigan Association of Counties.

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**PRESENT:**

Commissioner Roger D. Frye / Chairman  
Commissioner Albert LaFleche  
Commissioner Zachary Weaver  
Commissioner Paul Wingate  
Commissioner Gene Thornton

**ABSENT:**

None

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**On a motion by Commissioner LaFleche, and supported by Commissioner Weaver:**

**Yeas 5**

**Nays 0**

✓ **Resolution Declared Approved**

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I, Cheryl Neilsen, County Clerk, hereby certify that this is a true and accurate copy of the resolution adopted by the Montmorency County Board of Commissioners at their regular meeting held on February 13, 2008.

  
Cheryl A. Neilsen, County Clerk

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