



NJ HORIZON WATCH COALITION

Working for Quality and Affordable Health Care for All

PRESS RELEASE

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Health Care and Consumer Advocates tell Senate President Codey: ‘Protect New Jersey Families, Post S-2532 for a Full Senate Vote Now’

Open Letter Urges Codey to Post S-2532, Legislation Ensuring Transparency and Consumer Protection in the Proposed Conversion of Horizon BCBS

Highland Park, NJ – Today, January 5, 2009, over 30 health care and consumer advocates representing over two million New Jersey residents sent an open letter to NJ Senate President Richard Codey, asking him to post S-2532 for a full Senate vote during the current legislative lame duck session (*see letter attached*).

S-2532 introduced by Senator Loretta Weinberg in the Senate, and passed by the NJ Assembly, clarifies existing State law that governs the proposed conversion of Horizon Blue Cross Blue Shield, a non-profit health service corporation, to a for-profit company. S-2532 has passed in the Senate Commerce Committee and requires a full Senate vote.

S-2532 would require the NJ Department of Banking and Insurance (DOBI) to hire an independent expert to undertake a health impact study as part of and prior to the State’s evaluation of the proposed conversion of Horizon to a for-profit entity. Horizon is the only remaining non-profit health insurance company in New Jersey and the largest insurer.

“An independent health impact study is critical to protect New Jersey consumers,” said Eve Weissman, Health Care Campaign Coordinator for NJ Citizen Action. “State law dictates that Horizon’s proposed conversion can only be approved if it is in the best interest of NJ residents. A health impact study is necessary to assess whether the proposed conversion will or will not improve the health status of New Jerseyans, particularly vulnerable populations.”

“This bill would put the health and wellbeing of our families and communities at the forefront, as the State considers whether or not Horizon should become a for-profit,” said Senator

Weinberg. “I urge my Senate colleagues, including Senate President Codey, to join with members of the Assembly in passing this important pro-consumer legislation before the current legislative session comes to a close.”

The proposed law also ensures transparency, accountability, and adequate public participation in the conversion process, increasing the number of public hearings the State is required to hold from one to four and creating a formal role for consumers to weigh in during the conversion proceedings.

New Jersey’s conversion law currently requires that the cost of the State’s analysis be borne by Horizon, not New Jersey’s taxpayers. Accordingly, the health impact study would not generate any additional cost to the State.

“As Horizon’s application is pending, the need to move this legislation now, in the lame duck session, is of utmost importance,” said Renee Steinhagen, Executive Director of NJ Appleseed Public Interest Law Center. “Without the process and procedures outlined in S-2532 in place, New Jersey will not be able to make a complete assessment of the conversion’s impact nor fully protect consumers and our entire state’s health interests.”

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The NJ Horizon Watch Coalition is a broad-based alliance of over 20 health care, consumer, labor, senior, faith-based, student, disability, civil rights and social justice organizations working to ensure that the proposed conversion of Horizon Blue Cross Blue Shield, from a non-profit to for-profit insurer, takes place in accordance with both the spirit and full letter of the law. The NJ Horizon Watch Coalition is also working to ensure that the public’s interest is adequately represented, promoted and served, especially for low and moderate income individuals and families who are likely to have difficulty finding affordable health insurance.

NJ Horizon Watch Coalition Partner Organizations: AARP NJ, Alliance for Disabled in Action Inc, Alliance for the Betterment of Citizens with Disabilities, Bergen Country Central Trades and Labor Council AFL-CIO, Bergen Peace and Justice Coalition, BlueWave NJ, Community Catalyst, Consumers for Civil Justice, Consumers Union, Council of NJ State College Locals AFT, Communication Workers of America District One, Communication Workers of America, Local 1032, Communication Workers of America Local 1037, Elder Rights Alliance of NJ, Family Voices NJ, Gray Panthers of South Jersey, Health Care for All–NJ, Health Professionals and Allied Employees, Lutheran Office of Governmental Ministry of NJ, National Association of Social Workers NJ Chapter, NEXT STEP, NJ Appleseed Public Interest Law Center, NJ Citizen Action, NJ Citizen Action Education Fund, NJ Primary Care Association, NJ Public Health Institute, NJ Public Interest Research Group, NJ Working Families Alliance, Rutgers AAUP-AFT, South Jersey National Organization for Women Alice Paul Chapter, and the Statewide Parent Advocacy Network.