

ALLIANCE FOR
ADVANCING
NONPROFIT HEALTH CARE



www.nonprofithealthcare.org

PO Box 41015

Washington, DC 20018

877-299-6497

FOR IMMEDIATE RELEASE: Friday, March 27, 2009

Contact: Bruce McPherson

877-299-6497

HORIZON RESPONSES TO NEW JERSEY REGULATORS STILL INCOMPLETE, RAISE MORE QUESTIONS THAN THEY ANSWER ON ITS APPLICATION TO CONVERT TO FOR-PROFIT

WASHINGTON – Earlier this month Horizon Blue Cross Blue Shield of New Jersey responded to questions raised almost four months ago by the Department of Banking & Insurance (DOBI) and the Office of the Attorney General (OAG) pertaining to its application to convert from a nonprofit health care service organization to a for-profit insurance company.

Bruce McPherson, President of the Alliance for Advancing Nonprofit Health Care, wishes to issue the following statement:

“Horizon’s responses to DOBI and OAG, while weighty in pounds, are lacking in substance in many material respects. Horizon claims confidentiality for a great deal of information that the statute requires to be made publicly available, and in many cases fails to even submit such information to the state, instead telling the state to come to its offices to view the information. Completely hidden from the public eye is the information necessary to assess the degree of due diligence exercised by the board and management in deciding on this proposed course of action, and whether individual executives or other individuals would personally gain from such a transaction or any subsequent acquisition by an out-of-state for-profit health insurer.

These responses are completely contrary to its claimed desire for a fully transparent review process.

It continues to be a mystery why Horizon wants to spend millions more of its subscribers’ money pursuing this conversion application in one of the most turbulent economic times in our nation’s history. Moreover, its own financial data would appear to make a compelling case that it can prudently fund its

capital investments out of surplus while maintaining its national association's ranking as a strong plan.

The Alliance has joined with the New Jersey Hospital Association, the Medical Society of New Jersey, QualCare, and the Catholic HealthCare Partnership of New Jersey in submitting a letter to DOBI and OAG presenting our mutual, detailed concerns. A copy is available upon request.”

The Alliance for Advancing Nonprofit Health Care represents nonprofit health plans, hospitals, nursing homes, community health centers, and other health care providers dedicated to preserving a robust nonprofit health sector while enhancing its performance in serving communities and society as a whole.

###