

August 25, 2023

Dear Department of Financial Regulation

I'm writing to express my opposition to BC Michigan's "merger" with BC BS VT. To put it mildly, this is an asymmetrical merger: BC BS MI is a full 25 times larger.

Having experienced asymmetrical mergers twice during my career (UVM's "merger" with CVMC being the most recent), I can state with confidence that ALL of BC BS VT's actions and strategies will be dictated from the central office in Michigan. Actions taken here will need to be approved in Michigan, but when workers in Michigan want to change a policy, the idea of consulting the Vermont office will draw puzzled looks.

Another health care example: Just two days ago, Optum Health announced that all the RNs currently working at every one of Med Express's 150 urgent care centers will be laid off—every single one.. Guess Optum's appreciation of the key role RNs have played at these centers in performing phone triage throughout the COVID pandemic has worn thin quickly. And Optum's statements back when they bought MedExpress 8 years ago that they would handle the financing while the Med Express team would continue to run the medical side has also become a remote memory. So it goes with asymmetrical "mergers".

The greater experience the Michigan insurer has with Medicare Advantage plans and the "value based transition" are also cited as rationales for the merger. Well that's a real selling point: During the 12 years since the value based care concept became the latest health care fad, and Medicare began obsessively shoving value based care-- with its byzantine privatization schemes-- down the throats of unwitting Medicare beneficiaries, we've accumulated no evidence that value-based care provides any benefit whatever.

Vermont's regulatory authorities—desperately trying to rein in runaway health costs already have trouble exerting much influence over Vermont's own facilities and insurers. To think that DFR or the GMCB will have any power over this Michigan insurer, whose covered lives amount to a total 9 times higher than the entire population of Vermont is ludicrous.

By the way, if you do decide to accede to the big money that is pushing this "merger", please at least insist on a modicum of honesty and force them to use their proper name: "Blue Cross Blue Shield of Michigan"

I appreciate your consideration of this comment

Sincerely,

 MD MPH