



LEGISLATIVE *Update*

State Employees Association of North Carolina • www.seanc.org
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March 6, 2009
Volume 26, Issue 6

Blue Cross and Blue Shield of NC Continues to Profit While the State Health Plan Suffers

Blue Cross and Blue Shield of North Carolina (BCBSNC) saw \$186 million in profits last year, which raised red flags for SEANC and other groups concerned about the rising costs of health care and a lagging economy. In addition to the profit margin, top executives at the non-profit each made more than \$1 million last year, including Chief Executive Bob Greczyn at close to \$4 million (a 23 percent increase over 2007). The other top five executives making more than \$1 million saw raises of 20 percent to 32 percent.

“How can they, in good conscience, pay their CEO almost \$2,000 an hour when the majority of state employees earn \$16 for that same hour of work?” asked Dana Cope, SEANC executive director.

BCBSNC administers the State Health Plan, which covers 650,000 state employees, retirees and families. The legislature is expected to spend \$300 million to meet the plan's deficit this year. In a time when North Carolina's working families are struggling to make ends meet and need a quality health plan, the state of Blue Cross' financials begs the question, “Why isn't BCBSNC sharing the responsibility for the State Health Plan's cash flow woes?” Cope said he finds Blue Cross' profits and executive salaries “morally reprehensible.”



State Health Plan Administrator Jack Walker explains a proposal to increase costs for members during a SEANC-sponsored town hall meeting in Raleigh on March 3.

*Please contact your legislators today
and tell them no cost-shifting to health
plan members!*

In other health plan-related news, SEANC central region districts hosted a legislative reception and town hall meeting on March 3. More than 30 legislators and 125 members attended. State Health Plan Administrator Jack Walker discussed legislative proposals, which included shifting the burden to members by increasing their costs. Senate Bill 287, filed last week by Sen. Tony Rand (D-Cumberland), decreases benefits and increases out-of-pocket expenses for active and retired employees and their dependents.

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