

November 24, 2009

The Honorable Roy Cooper
Attorney General
The State of North Carolina

The Honorable Wayne Goodwin
Commissioner of Insurance
The State of North Carolina

Dear Attorney General Cooper and Commissioner Goodwin:

In an apparent effort to maintain its dominance and control of the state health care market, BlueCross BlueShield of North Carolina has spent thousands of dollars paid by policy holders asking them to mail a pre-printed postcard to Senator Kay Hagan urging her to oppose health care reform and has engaged in automatic robo-calls urging policy holders to act on the mailings. This is most troubling to us as lawmakers and North Carolinians. We have heard from a number of constituents who are equally troubled. We have the following specific concerns.

We are concerned that BlueCross BlueShield of North Carolina has violated the intent of the Do Not Call Registry by using the exemption requiring a prior business relationship to engage in political advocacy. These robo-calls had nothing to do with providing care to patients, but were instead used to advocate a specific political stance. While we are strongly committed to the first amendment, we do not believe that policy holders intended for their relationship with blue cross to be used in this manner. We also believe BlueCross BlueShield has potentially broken the automatic dialing statute by not providing the contact information of the unsolicited caller in this recorded message. This lack of contact information appears to be in violation of federal guidelines surrounding automated calls as well.

Attorney General Cooper

Commissioner of Insurance Goodwin

Further, given BlueCross BlueShield of North Carolina's status as a not-for-profit with a share of 96.8% in our individual insurance market built on over 60 years of preferred tax exemptions, we are concerned as a matter of public policy and ethical business practices that they have inappropriately engaged in political advocacy. As a corporation that claims to deliver innovative health care products and services to its members, BlueCross BlueShield appears to be engaging in a blatant political campaign utilizing the premiums paid by their customers. Even if there is no apparent violation of existing statutes, we think this is bad public policy that deserves further scrutiny.

We would very much appreciate your respective offices investigating these issues for any potential violation of state laws or regulations.

Thank you for your service to our state.

Respectfully,

Sen. Stan Bingham

Rep. Alma Adams

Rep. Susan Fisher

Rep. Verla Insko

Rep. Marian McLawhorn

Rep. Ray Rapp

Rep. Edith Warren

Sen. Katie Dorsett

Rep. Larry Bell

Rep. Rick Glazier

Rep. Marvin Lucas

Rep. Grier Martin

Rep. Deborah Ross

Rep. Larry Womble

Sen. Ellie Kinnaird

Rep. Angela Bryant

Rep. Pricey Harrison

Rep. Paul Luebke

Rep. Garland Pierce

Rep. Alice Underhill