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[Citizens Confront WellPoint: Poster Child for Health Insurance Reform](#)

Citizens will pay a visit today to WellPoint's Indianapolis headquarters to protest the giant insurance company's abusive practices and its opposition to real health care reform.

The rally is one of a nationwide wave of protests today in about 150 cities -- including events outside the Cigna headquarters in Philadelphia and the United Health Group headquarters in Minneapolis -- to highlight the private health insurance industry's misdeeds and to call for reform that guarantees good, affordable health care and includes the choice of a strong national public health insurance option.

Activists also plan to rally in Milwaukee today, where WellPoint CEO Angela Braly will deliver the keynote speech at Marquette University's annual Business Leaders Forum luncheon at the Alumni Memorial Union on campus.

The Los Angeles rally will target WellPoint's California subsidiary, Anthem Blue Cross, whose offices are located at 801 S. Figueroa St., starting at 11 am.

The national day of protest is sponsored by [Health Care for America Now](#) (HCAN), a broad coalition of community and religious groups, unions, MoveOn.Org, and others. HCAN expects that today's events, and those in subsequent weeks, will re-energize a grassroots movement and push Congress -- including several conservative Senate Democrats now resisting a public option -- to enact significant reform.

WellPoint, the nation's largest health insurance company in terms of membership, has become one of the poster children for why reform is needed.

With 35 million customers, one of every nine Americans is a member of a WellPoint health plan. Its annual sales of \$60 billion netted corporate profits of \$2.5 billion last year.

WellPoint is one of the insurance industry giants leading the charge against President Barack Obama's plan to create a "public option" -- essentially an expansion of Medicare for working families -- to create more competition and give consumers more choices.

Ironically, WellPoint is one of a handful of insurance companies that have a virtual iron grip on the insurance market in almost every state. The American Medical Association reports that 94 percent of insurance markets in more than 300 metropolitan areas are now highly concentrated. WellPoint runs Blue Cross-Blue Shield plans in 14 states. In Maine, for example, WellPoint controls 78% of the health insurance market. It dominates the market in Missouri, with 68% of the business, as well as in its home state of Indiana (60%), Georgia (61%), New Hampshire (51%), Kentucky (59%), Connecticut (55%), Virginia (50%), Ohio (41%, with the next largest company garnering only 17% of the market), and Colorado (with 29%, larger than runner-up United Health Group, with 24% of market share). In New York and California, WellPoint ranks second, with 21% and 20% of the health insurance market, respectively, in those two huge states.

These near-monopolistic conditions -- where one or two companies dominate the insurance market -- allow big corporations like WellPoint to drive up premiums, restrict coverage, and take advantage of consumers. Nationwide, health insurance premiums have been rising much faster than family incomes. No wonder WellPoint wants to quash potential competition from a public option.

To thwart such competition, and to limit government regulation of its practices, WellPoint has spent millions of dollars -- dollars it gets from the families and businesses paying sky-high premiums -- to wield political influence.

According to the non-partisan Center for Responsive Politics, WellPoint employees and associates have contributed more than [\\$922,000 to federal political campaigns](#) over the past two and a half years. And the corporation has spent \$7.8 million lobbying Washington policymakers over the same time period.

Not surprisingly, these legal bribes aren't given out randomly. The top recipients are key members of the Senate and House with influence over health care policy, including Senator Max Baucus (D-Mont.), the chairman of the Senate Finance Committee and a leading opponent of the "public option" in health care reform.

Moreover, WellPoint is a seasoned player in the Washington "revolving door" game. For example, WellPoint's former Vice President for Public Policy and External Affairs, Elizabeth Fowler, now serves as Senior Counsel to Baucus. Fowler's predecessor in Baucus' office, Michelle Easton, currently lobbies for Wellpoint as a principal at Tarplin, Downs, & Young, a well-connected lobbying firm.

Leading the charge against health care reform is WellPoint CEO **Angela Braly**, the company's chief lawyer before moving up the corporate ladder to the top job in 2007. Last year WellPoint paid Braly \$9.8 million. She lives in a 16,013 square foot mansion at 832 Alverna Drive in Indianapolis, valued at \$1.98 million, according to the county assessor's office. She serves on the board of directors of America's Health Insurance Plans, the industry's powerful lobby group.

According to *Forbes*, Braly's top priority is to "[keep WellPoint a money machine.](#)" To help her, Braly has the backing of a powerful board of directors. The 16 other WellPoint directors have a web of corporate and political connections that supplements the company's campaign contributions and lobbying expenditures.

One is **Susan Bayh**, wife of Evan Bayh, the Democratic Senator from Indiana. She is a former attorney with the giant Indianapolis-based drug company Eli Lilly & Company. She is also a director of Curis (a drug company), Dendreon (a biotechnology company), Dyax (a biopharmaceutical company), and Emmis (a media corporation that owns radio stations and magazines). In the last two years, according to the Indianapolis Star, she has earned more than \$2 million serving on the boards of these corporations. Her husband recently told an Indiana newspaper that [he is an "agnostic" regarding the public option.](#) That means he's sitting on the fence, trying to decide which side he's on -- the insurance industry or the majority of people of Indiana.

Another WellPoint director is **William "Bucky" Bush**, younger brother of former President George H.W. Bush, and the uncle of former President George W. Bush. He is chairman of the board of Bush-O'Donnell & Company, a St. Louis-based investment management firm, and former chair of the Missouri Republican Party.

Donald W. Riegle Jr. is another WellPoint director with political connections. He is a former Democratic Senator from Michigan (1976-1995). Since 2001 he has been chairman of government relations for APCO Worldwide, a DC-based lobbying firm that has been working secretly for years for AHIP, the insurers' trade group. He was also, until earlier this year, a director of Stillwater Mining Company, based in Montana, Baucus' home state.

Larry C. Glasscock, Braly's predecessor as WellPoint CEO, remains chairman of WellPoint's board and is also a director of Sprint Nextel (the giant telecommunications corporation) and Zimmer Holdings (an Indiana-based manufacturer of artificial hips and knees). **William G. Mays** is the CEO of Mays Chemical Company, based in Indianapolis. He also is on the board of Vectren, an energy company serving Indiana and Ohio. **Ramiro Peru** is chief financial officer of Saint Corp., a holding company of Swift Transportation Co., and previously CFO of Phelps Dodge, a mining company. Peru is also a director of Tucson Electric Power Co., and Unisource Energy Services, a utility based in Arizona. **Warren Jobe**, like Peru, is on the boards of both WellPoint and Unisource. Until his 2001 retirement, Jobe's day job was senior VP of Southern Company, a huge Atlanta-based utility. He is also on the board of the Atlanta-based HomeBanc Corp. and chairman of the board of trustees of Oglethorpe University.

William Ryan is CEO of Banknorth, a Massachusetts-based financial services company. He is a director of Blue Cross and Blue Shield of Maine, the Federal Home Loan Bank of Boston, and Maine Machine Products. **Victor S. Liss**, retired CEO and now vice chairman) of Trans-Lux Corporation (an electronics company), also serves on the boards of BNC Financial Group, the Bank of Fairfield and Honey Hill Care Center (nursing care facility) and a trustee of Norwalk Hospital in Connecticut. **Jackie M. Ward** sits on the boards of the Bank of America, SYSCO (a Houston-based food service company), Flowers Foods, and Sanmina-SCI Corporation (a San Jose-based global electronics company). She served as CEO of Computer Generation Inc. **George A. Schaefer Jr.** retired last year as chairman of the board of Directors of Fifth Third Bancorp, based Cincinnati, Ohio. He sits on the board of Ashland, a chemical company based in Covington, Kentucky.

Sheila Burke, a professor at Harvard's Kennedy School of Government, and a veteran of the George W. Bush administration, also sits on the board of the Chubb Corporation, one of the nation's largest property and casualty insurance companies. **John Zuccotti**, is co-chairman of Brookfield Properties, a real estate firm based in Toronto, and senior counsel of Weil, Gotshal and Manges, a global corporate law firm based in New York City. He also sits on the board of Emigrant Savings Bank and the Dreyfus Investment Corporation. **Julie Hill** (a California real estate entrepreneur), **Jane Pisano** (president of the Natural History Museum in Los Angeles and a former executive at the University of Southern California), and **Lenox Baker, Jr.** (a heart surgeon and president of Mid-Atlantic Cardiothoracic Surgeons in Norfolk, Va.) also sit on the WellPoint board.

These individuals -- and their counterparts on the boards of the other major private health insurance companies -- are not evil people. Many serve on the boards of various charities and are civic leaders in their communities. But in their roles as board members of WellPoint, they serve the interests of the company and thus against the interests of the majority of Americans who want and need health insurance reform.

Forbes wrote that Braly ["is trying to put a kind face on this controversial business."](#) Braly gets paid big bucks to defend what is indefensible -- WellPoint's slimy practices that put profits over people.

In 2007, for example, WellPoint "settled lawsuits with 10 patients who claimed that their policies were canceled after an injury or diagnosis," according to [Forbes](#). (WellPoint had argued that the patients had concealed preexisting conditions -- in other words, that they were sick!)

Parvin Mottaghi's doctors determined, after cardiology tests and laboratory results, that her breathing difficulties resulted from a heart problem, according to the [Foundation for Taxpayer and Consumer Rights \(FTCR\)](#), now called Consumer Watchdog. WellPoint's California subsidiary (now known as Anthem Blue Cross) authorized open heart surgery to repair a defective heart valve. Her doctors performed the surgery at Cedars Sinai on

September 1, 2005, but on March 21, 2006, the insurance company rescinded her coverage, leaving Parvin with about \$100,000 in medical bills.

Another victim, Michael Norris, was left with \$15,000 in medical bills when the insurer retroactively canceled his son's coverage following a surgery.

"WellPoint is getting fat by breaking its promises to patients. Overturning insurance coverage after patients get sick is a devastating abuse that must stop," [said Jerry Flanagan](#) of the Foundation for Taxpayer and Consumer Rights. "These illegal retroactive cancellations make a mockery of health insurance." The company ended up paying \$10 million, reinstating policy holders' plans and covering their accrued medical expenses.

In 2007, California brought charges against WellPoint's California subsidiary, alleging that the company retroactively canceled health insurance policies of more than 6,000 policyholders. The class action suit ended in a settlement, including a \$1 million fine

Forbes also noted that "doctors in several states have filed class actions claiming WellPoint plans withhold payments." In addition, *Forbes* observed, WellPoint was "the only health insurer in California actively opposing Gov. Arnold Schwarzenegger's plan to provide everyone with health insurance."

On September 2, Consumer Watchdog accused WellPoint and another insurance giant, UnitedHealth Group, of pressuring employees to lobby against healthcare reform in Congress in violation of a California law against coerced political activity, [according to the Los Angeles Times](#). The group asked California Attorney General Jerry Brown to investigate its claim that the two corporations pressured workers to write their elected officials, attend town hall meetings, and enlist family and friends to lobby for an industry-friendly bill.

On Tuesday, employees at WellPoint's headquarters at 120 Monument Circle in downtown Indianapolis will be able to meet some of the victims of the insurance giant's greed. Several hundred people will rally at noon, including clergy, doctors and nurses, members of labor unions and community groups, and everyday citizens fed up with the health insurance industry's efforts to thwart much-needed reform. Like their counterparts at rallies around the country on the same day, people wronged by WellPoint will share their personal stories. In some cities, protesters will read the stories of those who are no longer alive due to insurance company abuses.

In Milwaukee, Marquette students, members of SEIU, AFSCME, and other unions, MICAH (a coalition of religious congregations), 9-to-5 (an organizing of working women), Wisconsin Citizen Action, and others will start picketing at 11:30 am outside the building where WellPoint CEO Braly will be speaking at a \$400-per-table business luncheon. The goal is to "expose WellPoint's shameful business practices and abuse of patients," explained Brian Rothgery, Wisconsin coordinator for Health Care for America Now.

At all rallies around the country -- under the slogan "Big Insurance: Sick of It" -- protesters will demand that Braly and other health insurance company CEOs pledge to do the following:

- Not stand between a doctor and a patient when it comes to deciding what care that patient needs.
- Not deny coverage or raise rates for individuals or businesses based on a pre-existing medical condition and end arbitrary caps on payments for necessary medical care.
- Terminate any policy or incentive that rewards employees financially or otherwise for denying care and rejecting claims.
- Not use any resources -- including funds, employees, and facilities -- to lobby against or oppose any aspect of the health reform proposals supported by President Obama and being considered by members of the U.S. Congress, including but not limited to a national public health insurance option

"The health insurance companies are spending \$641,000 a day to oppose reform because they profit by keeping the system exactly the way it is," said Richard Kirsch, HCAN's national campaign manager. "They take our money and then deny claims; raise premiums, co-pays, and deductibles at will; fabricate pre-existing conditions; and refuse to cover the treatments our doctors prescribe. Enough is enough. We're holding these events to tell big insurance we're sick of it. We need a guarantee of good coverage we can afford, and that includes giving us the choice of a strong national public health insurance option."

"The current health insurance system makes us sick -- as a country," said Justin Ruben, executive director of MoveOn.org, one of the cosponsors of the national day of protest. "If the health insurance industry wins in the health care reform debate, we will all lose. Health care reform with a strong public health insurance option will help lower skyrocketing health care costs and expand coverage to millions of Americans, but the health insurance industry opposes it because they are more concerned with protecting their sky-rocketing profits. It's time they got the message that we need real reform, now."

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