

James Conklin, NJ Main Street Alliance

*(Presented by Crystal Snedden, NJ Citizen Action Small Business Organizer)*

In Support of S-2532

March 9, 2009 Senate Commerce Committee Hearing

My name is James Conklin. I am speaking today in support of S2532 as the owner of a small business and member of a new coalition called the New Jersey Main Street Alliance. The Main Street Alliance is a new, independent coalition currently representing over 250 small business owners and self-employed people from across the State, committed to quality, affordable health care for all. For just over thirty years my wife and I have operated our architectural woodworking company in Essex County, for the first 10 years in Montclair and for the last 20 in Bloomfield. We employ 14 and provide health insurance coverage to all who wish to participate. Our current monthly premium payment to HMO Horizon Blue Cross is six thousand six dollars (\$6,006.00), of which our employees now contribute 23%.

The proposed conversion of Horizon Blue Cross Blue Shield of NJ from a non-profit to a for-profit is an action that should receive the utmost public scrutiny. My 30 year on again, off again relationship with Blue Cross Blue Shield has left me with a deeply held sense that the company views me not as a customer, but as a problem. Fortunately for Blue Cross and for the health insurance industry as a whole, the customer is trapped by a fundamental human need. The magical market place for this industry seems to lead inexorably to higher costs, more co-pays, deductibles and reduced service. Inconvenience, anxiety and distrust are real products health insurers provide, health care is an incidental bi-product.

If Blue Cross wants to take 50% of New Jersey's health care market in a new direction (the company claims it aims to capture 50% of the state's insured lives within the next 5 years),

perhaps they should expect some oversight. Like the giant insurance and financial institutions that have wreaked havoc on the world's economy, Blue Cross of New Jersey would like nothing better than to keep the blinds drawn and the doors closed to public prying. In light of recent events, as a taxpayer, a constituent, a business owner, a premium payer and an insured, I would think this proposed legislation would be pro-forma.

I cannot see how any responsible legislator would be reluctant to have an independent third party conduct an open public examination of the conversion of Blue Cross, from a non-profit to a for profit. I cannot fathom how anyone can object to a public discussion including all the affected parties. I cannot believe we would contemplate anything short of a thorough review of this change to a dominant force in a critical market and the impact it may have on the insured and health care providers. This legislation proposes nothing more than that. Members of the Committee, with the public's interest in mind should put this legislation on the floor and see that it passes.