Michigan Blues

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I have a rule of thumb that's served me well my whole life: whenever corporate executives begin talking about how they support "free markets" and "competition," check to see if you still have your wallet.

That's because no one — not Karl Marx, not Fidel Castro, not your niece who owns the only lemonade stand on the block — hates competition more than corporations. The whole goal of a corporation is to crush all the competition. When corporate executives start pushing for "free market policies," what they mean is a government that lets them become a monopoly.

Don't believe me? Well, count how many corporate CEOs (and Republican politicians) stand up and cheer for the Obama administration today:

> The Justice Department sued Blue Cross Blue Shield of Michigan on Monday, asserting that the company, the state's dominant health insurer, had violated antitrust laws and secured a huge competitive advantage by forcing hospitals to charge higher prices to Blue Cross's rivals.
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> The civil case appears to have broad implications because many local insurance markets, like those in Michigan, are highly concentrated, and Blue Cross and Blue Shield plans often have the largest shares of those markets. […]
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> Blue Cross and Blue Shield, like most insurers, contracts with hospitals, doctors, labs and other providers for services. The lawsuit took direct aim at contract clauses stipulating that no insurance companies could obtain better rates from the providers than Blue Cross. Some of these contract provisions, known as "most favored nation" clauses, require hospitals to charge other insurers a specified percentage more than they charge Blue Cross — in some cases, 30 to 40 percent more, the lawsuit said.

As the New York Times reports, Blue Cross Blue Shield insures 60% of Michiganders — including me and everyone in my office. They have nine times more customers than the state's next largest insurer.

And they're just doing what businesses do, even non-profits like Blue Shield: use all their power to eliminate the competition. In fact, if Daniel J. Loepp, Blue Cross's CEO, didn't do that, he'd be kicked out and someone who did would replace him. (I'd hate to see that happen — he always seems like a real gentlemen when he writes every year to tell us they're hiking our premiums 27%.)

So this is the future we face with health care in the U.S., even with Obama's new bill: endless battles between the federal government and health insurance corporations as the companies use all their ingenuity to give us fewer choices and higher prices…at least until we get President Palin, who'll stop fighting the biggest insurance companies and start helping them kill their competition. Which she'll do while giving tons of speeches about the need for competition and free markets.

Is there any solution for Michigan? Yes, and it's just across the river in Canada: they have single-payer health insurance. Of course, at this point we pretty much do too. The difference is that our single-payer is run by a corporation. Theirs is run by the government — or to put it another way, democratically.

P.S. Blue Cross Blue Shield is fantastic at making secret agreements with hospitals, but not so great at actually getting people health care: the U.S. is now ranked 49th worldwide in life expectancy. Look out, French Polynesia, we're coming for you next!

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