Tanya Ex SB 317

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SENATE PUBLIC HEALTH, WELFARE & SAFETY
EXHIBIT NO. 10
DATE: 2-11-05
BILL NO. SB 317

February 1, 2005

The Honorable Greg Lind
Montana State Senate

The Honorable John Cobb
Montana State Senate
P.O. Box 200500
Helena, MT 59620-0500

The Honorable Tom Facey
Montana State Representative
P.O. Box 200400
Helena, MT 59620-0400

Dear Senator Lind, Senator Cobb and Representative Facey:

On behalf of the Board of Directors of Blue Cross and Blue Shield of Montana (BCBSMT), I assure you that we have no interest in converting our company to a for-profit corporation. We also did not have any intention of doing so in the past.

We closely monitor health care policy direction at both the federal and state level. Based on potential public policy changes and marketplace activities during 2001 and 2002, the CEO at BCBSMT believed the company's future as a not-for-profit, independent Blue Plan was uncertain.

Consequently, prior to the 2003 Legislature, the Company requested draft legislation to define the process by which a not-for-profit health services corporation could convert to a for-profit corporation. The purpose of the legislation was to provide a "roadmap" only in the event such conversion became necessary because of external forces.

We no longer see public policy or business reasons to convert, and there is certainty that BCBSMT's future is as a not-for-profit, independent Blue Plan.

Therefore, I reiterate that the Board has no interest now or in the future of converting to a for-profit organization.

Sincerely,

Jerry E. Lusk

Jerry E. Lusk
Acting Board Chairman

Presented by Tanya Ask
BCBSMT