



Thursday, December 11, 2008

## Blue buster

Lansing steps in to help Blue Cross in Cox suit

by *Angela Vasquez-Giroux*

Lansing City Attorney Brig Smith filed a motion in Ingham County Circuit Court asking that a lawsuit filed by Blue Cross Blue Shield of Michigan against state Attorney General Mike Cox be dismissed.

Blue Cross subsidiary, Accident Fund, is in the midst of redeveloping the Ottawa Street power station in downtown Lansing. The lawsuit could jeopardize the project.

Lansing Mayor Virg Bernero had ordered Smith to intervene on behalf of the city.

Bernero has said that Cox is "playing political roulette with Lansing's future." Accident Fund would invest \$182 million into structures nearby.

"What we're asking the court to do is dismiss the case and send the final bite of the apple back to the person who should be the insurance commissioner," Smith said in an interview Thursday.

Cox's suit alleges that in November 2007 Blue Cross illegally transferred \$125 million to the Accident Fund to purchase CNA. Among other allegations, Cox has said that Michigan consumers shouldn't "have to pay higher health care premiums so that EPCOR can profit from insurance companies."

Two of Cox's three charges against Blue Cross have already been sent back to state Insurance Commissioner Ken Ross.

John Sellek, a Cox spokesman, declined to comment on Smith's filing, saying that the attorney general has not yet reviewed the case.