

Appleseed This Week

DC Appleseed Successfully Champions for Public Health Funding

July 10, 2008 - As the result of a seven-year **DC Appleseed** project, the DC attorney general's office last month filed a lawsuit asserting that the nonprofit **CareFirst**, the DC area's largest health insurance company, can afford and is legally obligated to provide millions of additional dollars for community health care needs. On the same day, DC Councilmember **Mary Cheh** was granted subpoena power to compel CareFirst to provide information about its performance as a charitable and benevolent nonprofit health care entity.

These actions are based in part on a report DC Appleseed issued in December 2004, "**CareFirst: Meeting Its Charitable Obligation to Citizens of the National Capital Area**," and the numerous calls for government action DC Appleseed has made based on that report.

Since 2001, DC Appleseed has been working to ensure that CareFirst, the largest health insurance company in the mid-Atlantic region, meets its obligation to the public as a charitable and benevolent nonprofit organization. DC Appleseed has concluded that the company could and should be spending substantial amounts of money to improve public health -- approximately \$50 to \$100 million annually in the DC area alone -- without in any way harming its financial soundness, its competitive strength or its ability to meet the needs of its subscribers.

"DC Appleseed analysis concludes that the federal charter effectively requires the company, as part of its mission, to be devoting as much of its assets and profits to meeting community health care needs," said **Walter Smith**, executive director of DC Appleseed. "Former DC Attorney General **Robert Spagnoletti** has issued two opinions, essentially validating our view that the company has this broad, public-service mission."

DC Appleseed has founded the **CareFirst Watch Coalition**, which is comprised of a dozen organizations that share a commitment to enhancing access to health services and obtaining quality health care. DC Appleseed and the coalition will continue to work closely with the DC Council on possible legislation on this issue.

Pro bono support for these efforts has been provided by **Covington & Burling** and **Harkins Cunningham**. For more information on this project, visit DC Appleseed's [website](#).

For more information on Appleseed, visit www.appleseednetwork.org. To support the work of Appleseed, donate [here](#).

Appleseed, a non-partisan and non-profit organization, is a network of public interest law Centers working to identify and address injustices in their communities. Appleseed works to build a just society through education, legal advocacy, community activism and policy expertise, addressing root causes and producing practical solutions. As one of the nation's largest legal pro bono networks, Appleseed Centers work both independently and collectively, bringing their own experiences to create local solutions that are nationally relevant. We connect the top private practice lawyers, corporate counsel, law schools, civic leaders, and other professionals to tackle problems locally, at their root cause.