

Appleseed This Week

New Jersey Appleseed Fights to Defend Public Interest in Health Care

September 13, 2008 - More than 10 years ago, New Jersey Appleseed was a major player in the court decision ruling that Blue Cross Blue Shield of New Jersey, a nonprofit health service corporation, is considered a "charity" under the law. According to the court, converting to a for-profit would have required it to create a charitable health care foundation to serve the community.

Now called Horizon Blue Cross Blue Shield of New Jersey, that entity is seeking again to convert to for-profit status. New Jersey Appleseed is serving as the legal arm of a broadly based, growing coalition that is responding to the conversion. The new director of New Jersey Appleseed's Health Care Reform Program, George Hampton, will be spearheading the initiative, working with New Jersey Appleseed Executive Director Renee Steinhagen, pro bono counsel and other concerned consumer, health, public policy and good government groups.

The coalition will ensure that the state fulfills its legal role as a neutral regulator, as envisioned by the legislature, by assuring that the conversion process is public and not predetermined, and that the public interest is served. This requires a complete assessment of the potential impact of the conversion, as well as an independently conducted full and fair-market valuation of Horizon Blue Cross Blue Shield's assets.

If the conversion is found to be in the public interest, and therefore approved, the assets from the nonprofit ought to be placed in a charitable foundation that is dedicated to expanding access to affordable quality health care for underserved individuals and promoting fundamental improvements in the health status of New Jerseyans.

Similarly, DC Appleseed has been working since 2001 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. This summer the DC attorney general's office filed a lawsuit asserting that the nonprofit CareFirst can afford and is legally obligated to provide millions of additional dollars for community health care needs.

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.