

FIND@bcbsfl.com @import "assets/designs/mainsite/main/styles/main.css"; <!-- startList =
function() { if (document.all && document.getElementById) { navRoot =
document.getElementById("nav"); for (i=0; i
qFormAPI.setLibraryPath("assets/scripts/qForm/"); qFormAPI.include("*");
qFormAPI.include("ronsmods"); function valNavSearchForm() { if
(document.gNavSearchForm.q.value == "" || document.gNavSearchForm.q.value == '- Search
BCBSF Intranet - ') { alert('Please enter text in Search field before clicking Search.'); return
false; } } function clearNavSearchField () { if (document.gNavSearchForm.q.value == '- Search
BCBSF Intranet - ') { document.gNavSearchForm.q.value = ""; } } .gNavSearchButton {
font-family: Arial, Verdana, sans-serif; font-size: 11px; font-weight: bold; color: white;
border-top: 2px solid #74CFFF; border-right: 2px solid #006094; border-bottom: 2px solid
#006094; border-left: 2px solid #74CFFF; background-color: #0090DD; cursor: hand; }
#gNavSearchForm { font-size: 10px; } PHONES SEARCH: Tuesday, January, 3, 2006 Home
Business Intelligence Clinical Medicine Healthcare Industry Human Resources Leadership &
Management Medicare searchBox = new qForm("searchForm"); if (
searchBox.criteria.getValue() == "") { searchBox.criteria.setValue("search");
searchBox.criteria.obj.style.color = "#818181"; } function SetSearchText() { if (
searchBox.criteria.getValue() == "search") { searchBox.criteria.setValue("");
searchBox.criteria.obj.style.color = "#000000"; } } searchBox.criteria.description = "Search
field"; searchBox.criteria.required = true;
searchBox.criteria.addEvent("onClick","SetSearchText();"); function performSearch() {
searchBox.submit(); } Search Catalog Nexis.com eBooks Intranet Internet Our Services Borrow
a Book Get Article Ask a Question Reference Search Nexis .bold { font-weight: bold; }
Common.AddEventHndlr(window, "load", HitNav.Init);Common.AddEventHndlr(window,
"onload", HitNav.Init); Copyright 2005
Providence Publications, LLC The Providence Journal (Rhode Island) December 29, 2005
Thursday All Editions NEWS; Pg. A-01 661 words Blue Cross board denied compensation
ELIZABETH GUDRAIS, Journal Staff Writer "The evidence is overwhelming," says state
Health Insurance Commissioner Christopher F. Koller, "that the boards of nonprofits in the
health-care sector generally do not receive compensation." PROVIDENCE - Blue Cross &
Blue Shield of Rhode Island will not be allowed to resume paying its board members for their
service, the state's health-insurance commissioner ruled yesterday."The largest nonprofit hospital
facilities, employ thousands of professionals and staff, and generate revenues ranging from the
hundreds of millions to over a billion dollars, do not compensate their boards," Health Insurance
Commissioner Christopher F. Koller said in a news release announcing the decision. "Why
should the Blue Cross board expect to be treated any differently?" Until May of last year, Blue
Cross paid its board chair \$20,000 a year, regular board members \$12,500 each, and each
member \$750 per board meeting and committee meeting attended.The insurer stopped
compensating board members in response to a law passed by the General Assembly barring the
company from doing so. In July of this year, Blue Cross filed a petition requesting that Koller
authorize reinstatement of board compensation at the previous rates, retroactive to May 2004. All
told, the average annual compensation rate for a board member would be \$25,219 -- about \$450
per hour worked on the part-time board -- according to Koller's report.In reaching the decision,
Koller and the Health Insurance Advisory Council surveyed other large nonprofits in Southern
New England. On his list of those that don't compensate members of their boards: Boston

College, Harvard University, the Lahey Clinic, Lifespan, Massachusetts General Hospital, and Neighborhood Health Plan of Rhode Island. Harvard Pilgrim Health Care and the Tufts Associated Health Maintenance Organization do compensate their boards, but "despite the fact that both of these entities are larger than Blue Cross in terms of annual revenues and number of subscribers, both entities compensate their board substantially less than the board compensation amounts proposed by Blue Cross," Koller wrote. In support of its application, Blue Cross submitted a report from Michaud Economic Consulting saying the company's directors "are entitled to annual compensation in the range of \$75,000-\$130,000," Koller quoted the report as saying. Blue Cross also submitted a survey showing that most Blue Cross plans, including other nonprofit plans, compensate their boards, and a letter from the consultancy SpenserStuart calling the company's request "justified and below the appropriate benchmarks for other organizations of [Blue Cross'] size and complexity." But, Koller ruled, "The evidence is overwhelming that the boards of nonprofits in the health-care sector generally do not receive compensation." Blue Cross, he wrote, "provided no evidence that the responsibilities of its board are any more difficult or demanding than those of the boards of other complex health-related entities." Blue Cross spokeswoman Kim Keough said the insurer was "disappointed" with Koller's decision, but was yet decided whether to appeal. The insurer came under increased scrutiny last year after the disclosure of executive perks given to its president, Ronald A. Battista, who has since resigned. The perks included \$600,000 in company loans, a Mercedes and a \$2.8-million compensation package in 2003. Blue Cross' request to Koller, and Koller's opinion, stayed away from the issue of health coverage. The company ceased providing free health coverage for board members appointed after 2000, but current board members, and past board members remained eligible, as did past board members with at least three terms of service. In January, Superior Court Judge Michael A. Silverstein ordered the six sitting board members to start paying the insurer for their coverage.