

November 24, 2020

From Michele N. Siekerka, Esq., President and CEO of the New Jersey Business & Industry Association

“As representatives of New Jersey’s business community, we support Bill S-3218, which allows Horizon Blue Cross Blue Shield (HBCBS), the sole state health insurer headquartered in New Jersey, to change its corporate structure to a not-for-profit mutual holding company.

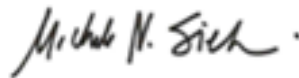
“In its current structure, Horizon is limited on the size of investments it can make and has a ceiling on revenue outside of traditional commercial insurance services. It also faces stringent restrictions on its capital reserves.

“These restrictions hold back the company’s ability to invest, innovate, and provide their members with the high quality, affordable health care they are demanding. A change in structure will allow HBCBS the opportunity for better investment in new and emerging technologies, the ability to add additional products and services for their members and the expansion of programs for underserved communities.

“These benefits to their members will be matched by a much-needed economic boost to New Jersey. As a result of this change, the state stands to see more than \$4 billion in additional economic output in the first 10 years of becoming a mutual insurer. New Jersey will also benefit by this change in the form of a projected 2,000 additional full-time jobs, \$1.9 billion in new wages and benefits and \$62 million in additional state tax revenue, according to an independent study.

“HBCBS is a significant economic driver, as well as being the health insurance provider for much of New Jersey’s population. The ability to leverage their capacity in a way that will inure greater benefit to their members and New Jersey’s economy is something we should all agree on.”

Sincerely,

A handwritten signature in black ink that reads "Michele N. Siekerka".

Michele N. Siekerka, Esq.
President & CEO