

Unhealthy Association for Bayh

Indianapolis Star; May 25, 2009;

Editorial:

U.S. Sen. Evan Bayh's vote could prove critical as Congress debates health care reform later this year. Yet, the Indiana Democrat has a clear personal interest in the financial stability of one of the key players in that debate — Indianapolis-based WellPoint, the nation's largest commercial health insurer.

Bayh's ties to WellPoint could hardly be more direct for a sitting senator. His wife, Susan, as a member of the company's board of directors, earned compensation valued at \$327,000 from WellPoint last year.

Both the senator and the insurance company deny that there's a conflict of interest caused by Susan Bayh's work as a director. A spokesman for the senator said that WellPoint is prohibited from communicating with Bayh's office. Nor does Susan Bayh, according to the spokesman, discuss issues affecting WellPoint with her husband or his staff.

But WellPoint's future — and thus a significant portion of the Bayhs' income — could be at risk as the Obama administration and Congress attempt to reshape the nation's health care system.

In a meeting with The Star Editorial Board last week, WellPoint CEO Angela Braly noted that one potential approach — a government-run plan — could cover the health care needs of as many as 130 million Americans within a year of implementation.

Such a move would dramatically undermine WellPoint and other commercial insurers' business model. As Braly and many others have pointed out, there's much to be wary of in having the federal government try to meet Americans' health insurance needs. The federal government doesn't exactly have the best track record in controlling costs or rooting out fraud and waste in a broad range of its programs. The thought of dismantling a private-sector industry to further expand government's role also should give Congress serious pause.

Those are points that Evan Bayh, as a leading Senate moderate, can and should make. But the strength of his message is sure to be undercut by suspicions raised over his wife's ties to WellPoint.

Even if one accepts the Bayhs' and WellPoint's assurances that safeguards are in place — and there's no evidence that anything legally or ethically improper has ever occurred — the close relationship between the senator's wife and the insurer is an obvious conflict of interest. And it's one that by default limits the senator's ability to lead on an issue of critical importance to the nation.