



# Des Moines Catholic Worker

P.O. Box 4551, Des Moines, IA 50305

[www.desmoinescatholicworker.org](http://www.desmoinescatholicworker.org)

515-282-4781

June 19, 2009

John D. Forsyth, Chairman and Chief Executive Officer  
Wellmark, Inc.  
PO Box 9232  
Des Moines, IA 50309-2565

Dear Mr. Forsyth:

This letter is sent to you in connection with your role as Chairman and Chief Executive Office of Wellmark, Inc., which does business in Iowa as Wellmark Blue Cross Blue Shield of Iowa. We are writing you on behalf of the people of the state of Iowa because all Iowans are profoundly affected by decisions made by your corporation.

First, and foremost, we are affected by healthcare treatment payment decisions you make for us and our families through your approval or denial of claims or for coverage regarding our health care. Negative decisions on your part not only have the power to economically devastate our families, but can cause permanent suffering and cost life itself.

Second, a significant portion of your revenues are paid by tax dollars. We understand that as much as 40% of the premiums you collect are paid by public employers. When the public makes such a significant investment in a private corporation, particularly an investment so directly related to the quality of life and survival of the public, the public has a right to know how this investment is being administered.

Third, your policy holders, millions, who, by law, are co-owners of your corporation must have the right to know all the policy and financial dealings of their own corporation and in this prerogative have a clear governing voice in policies and decisions made regarding it.

It is our moral responsibility therefore, as involved residents of Iowa, including previous and current policy holders, to examine and evaluate the competence of your stewardship over such a large and pervasive public trust.

In order to conduct this examination, we need from you the information requested that is attached to this letter. We do not mean to imply that this will be all the information we may seek, but that this is the minimum disclosure we require to responsibly begin holding your corporation accountable.

Further, we, who are Catholic Workers, are directed to review your corporate activity in order to adhere to our commitment to the Works of Mercy and because your decisions profoundly impact and sometimes devastate the lives of the poor, the uninsured, and the under-insured with whom we live and work. We believe it is reasonable to receive this information by July 20, 2009. If you have questions about this request, please contact us.

Sincerely,

Mona Shaw <[monashaw@aol.com](mailto:monashaw@aol.com)>

Renee Espeland <[purpleclothlydia@aol.com](mailto:purpleclothlydia@aol.com)>

Frank Cordaro <[frankcordaro@gmail.com](mailto:frankcordaro@gmail.com)>

Edward Bloomer

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## **Wellmark Blue Cross Blue Shield Public Stewardship Report**

This information request is divided into two sections of general corporate and information and information about specific officers and board members within the corporation. Each sections includes a detailed list of the information we seek.

### **I. Corporate Report**

1. A copy of Wellmark, Inc. investment portfolio including full disclosure of all profits and losses from corporate investments.
2. A detailed list of all Wellmark Blue Cross Blue Shield subsidiaries or affiliate corporations or businesses and a financial statement from each for the past five years.
3. An itemized statement of all revenue received from public funds, including but not limited to premiums, administrative services, and consultantships, from all federal, state, county, municipal, and public schools, in the United States.
4. An itemized statement (without disclosing the patients' identity) of all claims denied and the reason/s for payment denial for the past five years.
5. An itemized statement of occasions when following the denial of claims, the patient died or was permanently disabled.
6. An itemized statement of complaints filed by policy holders for the past five years including a description of all settlements and appeals.
7. An itemized description of any and all litigation in which Wellmark Blue Cross Blue Shield, or any of its subsidiaries, was a party or a witness, and the resolution of that litigation.
8. Full disclosure of all those pre-existing conditions for which Wellmark Blue Cross Blue Shield has denied claims or coverage for the past five years.
9. Full disclosure of all financial formulas used to calculate premium rates and exclusion of treatment payment.
10. Full disclosure of professional courtesy items or gifts accepted by anyone within the corporate office, such as complimentary tickets to athletic or other performance events, free lodging, transportation on corporate jets, etc., whether for business or personal use.
11. Full disclosure of all transportation vehicular use, whether owned, leased, or otherwise contracted, private jet, limousine service, and model, year, and make of company vehicles.
12. An itemized listing of tax abatements received for the past five years from all federal, state, country, or municipal agencies.

## II. Reports for Individuals

This section of the request seeks the following information regarding those Officers and Board Directors named following the list.

1. The total salaries, benefits, bonuses, commissions, expense accounts, and all other perquisites received by the individuals listed below from Wellmark Blue Cross, Blue Shield.
2. An itemized list of each expense account item or expenses reimbursed for each individual below.
3. A detailed list of any other boards of directors (private or non-profit, foreign or domestic) of any individual below serves as well as any compensation, including but not limited to salaries, commissions, and stock options.
4. A detailed list for each individual below of any enterprise, private or non-profit, for which that individual serves as a consultant, including any compensation, including but not limited to salaries, commissions, and stock options received from that enterprise.
5. A detailed list for each individual below of enterprises (private or non-profit) which that individual owns (whole or in part) or has held any kind of employment, or is a voting shareholder, for the past ten years.
6. Any awards or citations received or honorary academic degrees conferred upon any of the individuals listed below including the names of the entities bestowing these.

### Board of Directors

John D. Forsyth, Chairman and Chief Executive Officer, Wellmark Blue Cross and Blue Shield

Melanie C. Dreher, PhD, RN, FAAN

Daryl K. Henze, Lead Director

William C. (Curt) Hunter

Paul E. Larson

Ernest G. Ludy

Kenton K. Moss, M.D.

Terrence J. Mulligan

Mary Lynn Myers

## Financial Officers

John D. Forsyth, Chairman/Chief Executive Officer

Richard C. Anderson, Senior Vice President, Finance

Mike Crowley, Vice President, Investments and Treasury Services

Philip M. Davis, President and Chief Operating Officer of Wellmark Blue Cross and Blue Shield of South Dakota

Michele A. Druker, Vice President, Associate General Counsel & Assistant Board Secretary

Michael D. Fay, Vice President, Health Networks

Scott Froyen, Vice President, Membership and Enrollment

Ellen J. Gaucher, Group Vice President, Operations, Quality and Customer Satisfaction

Janet Griffin, Vice President, Public Policy and Board Secretary

George B. Hanna, Senior Vice President and General Counsel

Patricia L. Huffman, Vice President, Actuarial

Laura Jackson, Senior Vice President, Human Resources

Paul Karazija, Vice President and Chief Medical Officer (interim)

Cheryl L. McCullough - Vice President, Audit Services

Debra L. Miner, President and CEO of First Administrators

Sandy J. Nelson, Vice President, Project Management & Shared Services

Cathy R. Noecker, Vice President, Key and National Account Sales

Elaine M. Palmer, Vice President, Customer & Provider Service

Lyndon T. Peterson, Vice President, Sales

Richard R. Riley, Vice President, Underwriting

Peter W. Roberts, Group Vice President, Provider Relations and Health Management

Denis J. Roy, Group Vice President and Chief Information Officer

Vicki Signor, Vice President, Claims Administration

David N. Southwell, Group Vice President, Financial Officer and Treasurer

Frank J. Stork, Vice President, Government Relations

Tim Weber, Vice President, Marketing and President of Wellmark Health Plan of Iowa