



This just in, Generalissimo Francisco Franco is still dead

Posted by Paul Markovich in Paul Markovich's Blog on Jul 6, 2015 9:21:49 AM

I grew up watching Saturday Night Live. Many iconic comedians and legendary punch lines came out of this program. One of the earliest was in 1975 when on a satirical newscast, Chevy Chase announced, "This just in, Generalissimo Francisco Franco is still dead." He was poking fun at the mainstream media, which for weeks was providing extensive news coverage of the imminent death of the Spanish leader. It was funny because the news outlets kept treating the story as breaking news, even after it had been repeated over and over again.

That line kept ringing through my head as I read the LA Times article about Blue Shield on Sunday. I've lost count of how many articles they have published regarding the Franchise Tax Board's decision to revoke our state income tax exemption, but it is a whole lot more than one story, which would have been plenty.

In short, after reading that article, we "discovered" Blue Shield:

- Has still lost our state tax exemption
- Is still a non-profit, mutual-benefit corporation and not a charity
- Will still distribute any proceeds to our members in the highly unlikely event that we ever dissolve the company, as per our current by laws

All of which have been publicly disclosed multiple times before.

I can't tell you why the LA Times considers this news when all the facts have been reported before or why they are giving this \$26 million health story (\$26 million is how much we will pay in incremental taxes each year should we lose our appeal on our state tax exempt status) so much repeated prominence in a time period when the Supreme Court ruled in favor of the ACA and there have been over \$40 billion of health plan acquisitions announced recently, with potentially more to come.

What I do know is that for however long this remains in the public eye, we will continue to do what we have been doing: patiently, publicly, and honestly sharing the facts.

In the meantime, don't be surprised if the next LA Times headline reads, "This just in, Generalissimo Francisco Franco is still dead."