

Our Goal: Comprehensive, Lifetime Health Care for ALL



LABOR and Publicly Funded, Universal Access To Health Care

There are many challenges facing union bargained healthcare plans coming up in the near future. Some of you may already be experiencing some of those challenges.

- Healthcare is a major issue for almost all unions in negotiations.
- Keeping up with rising healthcare costs consumes monies that could be used for COLAs, raises or other bargaining needs.
- Healthcare is the most common issue resulting in strikes.
- Taft-Hartley plans are excluded from the Marketplace Insurance Exchanges and will face new low cost (skinny benefit plans) competition, especially among small contractors.
- Hard won healthcare benefits are difficult to defend, especially when many other workers have inferior or no benefits.
- Many unionized industries are seeing increasing numbers of employees who fall below the threshold for employer sponsored insurance or the use of temporary employees who don't qualify for benefits.
- Workers may have good healthcare plans, but they are always at risk of losing it if they are laid off or become disabled and can't work.
- The Cadillac Tax, contained in the Affordable Care Act, exerts a downward pressure to shift costs to employees through high deductible and co-pay plans in order to stay below the threshold and avoid the 40% excise tax.
- Bargained healthcare plans for retirees are not protected by the courts in bankruptcy proceedings.

For generations, working people in this country have fought to expand access to health care. Organized labor was an early advocate for a national, publicly funded health care system, a goal that seemed within reach at the close of World War II. But Congress failed to act, and unions turned their energies instead towards winning employer-paid group health insurance for their members.

Initially, the strategy worked well, so well that even nonunion employers felt compelled to offer coverage for their employees. Union health plans set the standard for everyone else, and the benefits spread far beyond union ranks. But over time, job-based health insurance gave rise to a hugely profitable industry whose bureaucratic waste, predatory business practices, and formidable political influence now threaten to destroy all we have fought for and won over the years.

COST OF INSURANCE IS RISING

Today the cost of insurance is rising two to three times as fast as workers' income, and employers are increasingly reluctant to foot the bill. Union members are being forced to accept reduced coverage, high deductibles, and a bigger share of the premiums. To keep their health benefits intact, many have had to make major contract concessions in wages and other areas.

In a global market, employers complain that they cannot compete with employers in other countries where health care is publicly funded and not a cost of doing business.

Meanwhile, cash-strapped state and local governments blame the high cost of insuring their workers for a problem which has its roots in rising inequality and tax policies that favor the very rich.

THE AFFORDABLE CARE ACT

The Affordable Care Act (ACA) addresses the health care crisis by subsidizing the insurance industry while simultaneously subjecting it to stricter regulation. Unions supported it as a step in the right direction because it promised to extend coverage to millions of uninsured. It was not supposed to threaten those who already have coverage.

But in practice, that's exactly what's happening. ACA gives large employers a strong financial incentive to cut their workers' hours or eliminate coverage for part-time workers. It undermines the multi-employer trust funds which have allowed seasonal, temporary, and low-wage workers to enjoy access to decent care even between jobs. It gives non-union employers a competitive edge over businesses which accept responsibility for covering their employees. It encourages a loss of benefits by imposing a punitive tax, beginning in 2018, on union health plans which

go beyond the minimum standards of coverage required by the government-run insurance exchange.

Worse, by providing insurers with a guaranteed market and massive taxpayer subsidies, the law actually strengthens their control over access to our health care system, already the costliest and least efficient in the developed world. Its costs will continue to rise, and ultimately they will be borne by working people.

ORGANIZE AND FIGHT FOR SOMETHING BETTER

SPAN Ohio believes that everyone should have health care and any attempt to restrict access to needed care should be resisted. We also recognize that the current system of private health insurance is unsustainable and our efforts to protect what we have will succeed only if we are prepared to organize and fight for something better.

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