

Health Care Reform: Why It Matters To UAW Members

In his address to Congress on September 9, President Obama said that for those who already have health insurance on the job, “nothing in this plan will require you or your employer to change the coverage or the doctor you have.”

If health care reform won't change our insurance, why do UAW members have a stake in the issue?

Because if Congress does not act to reform health care, our insurance *will* change – for the worse.

Without effective reform, the cost of health care will keep going up for our employer. The results are predictable. Employers will demand:

- **Higher co-pays and premiums** from UAW members
- **Less insurance coverage** for ourselves and our families
- **Lower wage increases** – or no wage increases – because more and more money will be needed for health care.

Rising costs: Over the last decade, employer-sponsored health insurance premiums have increased 119%*, further increasing the financial burden on workers and employer in this unprecedented tough economic environment. Total health insurance costs for employers could reach nearly \$850 billion by 2019.

Lack of choice: The American Medical Association reports that 94 percent of insurance markets in the US are not competitive, creating a lack of choice for consumers while increasing profits – and executive compensation – for insurance companies.**

High profits, high pay for CEOs: Profits at ten of the country's largest publicly traded health insurance companies rose 428% from 2000 to 2007. In 2007 alone, insurance company CEOs collected combined total compensation of \$118.6 --- an average of \$11.9 million each. That is 468 times more than the average American worker made that year.

Millions have no insurance: In 2008, 46.3 million people – including nine million children -- had no health insurance. The majority of the uninsured are working for employers who do not provide benefits. These families face potential medical and financial disaster every day – and the cost of providing care for the uninsured puts a burden on responsible employers who do provide coverage.

Healthcare reform is the only meaningful solution to reducing our overall labor costs at the bargaining table. Reducing costs can create incentives for employers to maintain and offer quality care for our families and the broader community.

*The Henry J. Kaiser Family Foundation. Employee Health Benefits: 2008

*National Coalition on Healthcare www.nchc.org

** Healthcare for America Now.org

A Common Sense Plan For Reform

The UAW supports key provisions H.R. 3200, America's Affordable Health Choices Act of 2009, which was approved by three committees of the U.S. House of Representative.

HR 3200 follows principles for health care reform outlined by President Obama. It will expand access for those without insurance – and also help control costs for those who are already covered.

Key principles include:

- Expanding health care coverage to 97% of Americans.
- Reforming the insurance market so individuals no longer can be denied coverage because of pre-existing conditions or other discriminatory practices.
- Requiring employers to contribute to the cost of health care coverage.
- Ensuring that health care is affordable by providing generous assistance to low- and moderate-income families, and placing limits on out-of-pocket costs.
- Establishing a strong public health insurance option to ensure adequate competition in all areas of the country.
- Reducing costs by eliminating uncompensated care, reforming the delivery and provider payment systems, and reforms to reduce administrative waste, fraud and abuse.
- Improving quality by preserving choice of providers, expanding choice of health care plans, and encouraging wellness and prevention programs.
- Helping retirees by expanding benefits under Medicare, and establishing a catastrophic reinsurance program for employers and Voluntary Employees' Beneficiary Associations (VEBAs) that provide health care coverage to pre-Medicare retirees, to encourage continuation of coverage for this vulnerable population.
- Providing equitable financing for health care reform, by reducing payments under Medicare and Medicaid and a small surtax on the wealthiest 1.2% of taxpayers.
- Ensuring there will be no new taxes on working families.

Please call your legislators and tell them they must support the key principles of our President.

To stay on top of the fast changing debate and participate in actions please check in on UAW websites.

http://www.uaw.org/news/features/vw_fst1.cfm?fstId=104

http://www.unionvoice.org/Uawire/notice-description.tcl?newsletter_id=27676968

