

Health Care

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The United States' outdated approach to health care coverage is to rely on employers to voluntarily provide health insurance coverage for American workers. This approach is no longer sufficient.

Out of control health care cost increases are causing corporations to shift ever increasing costs upon workers, diminish the quality of the health care benefits offered, or not offer health care benefits at all. Some employers are dropping their group health plans altogether. In 2000 about 70% of employers offered group health insurance plans for their employees. By 2005 that share had dropped to 60%. And as more and more employers abandon their group health plans, those firms that continue to provide coverage find their costs rising even faster. A recent study found the cost of caring for the uninsured adds over \$900 to the annual cost of an employer-sponsored family insurance plan. The situation for retirees is worse. The share of employers offering group health insurance coverage to their retirees has dropped from 66% in 1988 to 36% in 2005. Retirees younger than 65 – the age when Medicare begins covering older Americans – often cannot find an affordable health insurance policy.

In large part because of the failing employer-based health care system, the numbers of uninsured Americans continues to rise at a rate of about 1 million persons per year. At latest count forty-seven million Americans are uninsured, and millions more are a risk of losing their coverage every year.

This approach by our country is a failure in two key areas: it fails to guarantee its citizens that they will be able to get the health care they need, and it puts American business at a competitive disadvantage.

The World Health Organization ranks the United States at 37th among the nations of the world in delivering quality care. And, that's despite our spending double the amount per capita, Japan, Canada, and

European nations spent on health care. When it comes to infant mortality, we're 44th in the world, far behind all other advanced economies. Our current system is the most expensive in the world and amounts to 16 percent of our gross national product.

American business is at an ever-growing disadvantage in the global marketplace. Only in the United States are individual companies responsible for providing their workers health insurance. In every other industrialized country, health insurance and pensions are provided either through the government or through large groups of companies in ways that assure everyone and every employer pays their fair share. Additionally, American businesses that do offer health insurance are at a competitive disadvantage at home where their own U.S. competitors are not required to offer health insurance at all.

CWA takes great pride in the health benefits packages we have negotiated over decades of collective bargaining on behalf of our members, our retired members and their families. But our ability to maintain these benefits is challenged at every turn. In the past few years, at every CWA bargaining table, health care has been a hot button issue, making for difficult negotiations, and sometimes leading to strikes. It is very evident that the problems created by the health care crisis cannot be solved at the bargaining table. The cost has grown to the point that the only solution will come when unions, employers and governments work together to resolve this ever-growing problem.

CWA must now, more than ever, step up its efforts to make affordable health care coverage a right for all citizens. CWA must get involved at the deepest level, engaging as many of our members as possible, and speaking out to assure that our goals are met and our interests protected. This is especially important as health care is highlighted in many political debates and already leading candidates have drafted proposals.

Medicare for All

One plan that meets the test of comprehensive, universal health coverage would build on our nation's successful universal health coverage plan for seniors: Medicare.

In its 40-year history, Medicare has delivered substantial advances for the health care of older Americans and people with disabilities. Medicare has guaranteed coverage, has made health care more affordable, and includes a form of shared financial responsibility. Medicare has been the largely unheralded financier of many medical science advances in the U.S.. Medicare also has been a leader in advancing quality care and improvements in health care service delivery in the United States. And, despite its size, Medicare's administrative costs are significantly lower—about 2 percent of total plan spending—when compared to private health insurance where these costs average more than 14 percent.

Such an approach would require expanding Medicare eligibility and updating Medicare benefits to fit the working population and children. In order for Medicare to serve as a platform for guaranteed coverage for all, all employers would have to contribute to Medicare, just as they do today to assure Medicare benefits for workers and retirees age 65 and older. Thus, employers' responsibility for health care financing would be broadly and equitably shared, those employers that offer health coverage would no longer be a competitive disadvantage, and employers who currently offer health coverage to workers and retirees would experience significant cost relief.

Two bills introduced during the 109th Congress currently take the approach of building on and expanding the successful Medicare program to help achieve guaranteed, affordable health care for all in the US. Senator Ted Kennedy (D-MA) and Congressman John D. Dingell (D-MI) introduced the Medicare for All Act in the 109th Congress (H.R. 4683 and S. 2229 in the 109th Congress), and as of this writing, are intending to reintroduce it in the 110th Congress. The bills recognize the urgent need to secure health care for retirees by creating an enhanced Medicare plan for citizens between the ages of 55 and 65 and for children under the age of 20. Over a few years, other age groups would be included until guaranteed coverage for all is achieved. In addition, individuals or employers would be able to purchase private insurance plans. Also employers and unions would be allowed to negotiate supplemental benefits to as add-ons to the guaranteed standard benefits.