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Healthcare Reform and EBMUD By Eric Larsen

The Patient Protection and Affordable Care Act of 2010 (Obamacare) of course has its pros and cons. I am not an expert on either, but I think the plan, while imperfect, is moving us in the right direction of providing better access to healthcare for more people. Of course, everyone should have access to good healthcare, preventative medicine, cures for ailments and treatments for injuries. A single-payer plan that eliminates profit driven insurance brokers and middlemen (that absorb nearly 1/3 of each dollar spent on healthcare¹) could solve this, relieving a system that currently only treats the uninsured in the ER, further driving up hospital costs. The real problem is that of attempting to care for people in a capitalist framework; which does not care for people, merely generating profit.

But I digress, and we have what we've got. President Obama was unable to adequately challenge the insurance lobby, so now we've all got to be insured by private insurance under Obamacare; which does contain some very good things. Such as:

- Insurance companies must spend at least 85% of their revenues on providing healthcare or reimburse the insured the difference.
- ALL children of insured parents can remain on their parents plan until age 26 (and not just the ones who go to college).
- People with pre-existing conditions cannot be denied coverage.
- A single woman can no longer be charged more than a single man (apparently, having a uterus meant that you were more likely to access healthcare and thus a greater cost to the system).

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<http://www.forbes.com/sites/carolynmcclanahan/2012/05/15/what-is-a-medical-loss-ratio-the-check-will-be-in-the-mail/>

- Much of this is being paid through taxes on the wealthy – those with earnings over \$250,000/yr.

Yet, we have all heard of the ‘Cadillac Plans’ the unions get. We at EBMUD are accustomed to good access to healthcare, with a variety of options and levels of service – a standard that should be a bench-mark, not an pinnacle. I am not sure what makes a plan a ‘Cadillac’, but I am certain that purely elective procedures will still cost me; I still pay a co-pay, a prescription drug fee, and various other fee-for-service items, and now we’re going to be taxed on it? No, that is not quite true. Companies that offer plans with annual values of over \$10,200 for single coverage in 2018 will have to pay an excise tax to the provider of 40% of the value in excess of the \$10,200 (i.e. a plan that cost \$10,201 would be taxed \$0.40 on the additional dollar). The employees should only indirectly feel any costs, such as through changing plans, not payroll deductions.

Now management, through negotiations, is trying to maneuver and manipulate our plans by transferring the costs of the plans onto us. Such backward thinking, must be challenged and fought. First, they are trying to directly transfer costs to us by offering a very-high deductible plan with a tax-free health savings account – they actually believe that one of the drivers of increased healthcare costs is that you are over subscribing – yes, you’re going to the doctor too much because it’s too cheap and easy and you just like to go to the doctor and THAT is driving up costs! If you are young, health and actually

don’t go to the doctor much, a high-deductible plan might sound good, but heaven forbid something does happen to you that will require you to more routinely needed access, such as a serious injury. What’s more, it’s bad for people who do regularly need more access due to health issues – it’s important to remember here that the Longshoremen’s slogan “an injury to one is an injury to all”. Second, management is trying to keep Kaiser’s rates low by providing competition to the Kaiser plan by increasing its premiums and making Blue-cross and Health-net more cost neutral with the assumption that more participants would then go to those plans – Kaiser has 8.9 million members (with 3.3M in Northern California²). I don’t think we’re going to do much to provide them any competition.

We’ve got decent healthcare. Nothing that any other American should be deprived of, excessive or extravagant. We must not tolerate take-aways, we will have to fight to keep what we have, and in the long run we must continue to shape Obamacare so that it better serves all Americans’ right of access to decent healthcare.

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http://en.wikipedia.org/wiki/Kaiser_Permanente