



JOIN THE HEALTH CARE FIGHT



Health Insurance Reform Builds Bargaining Power – Power Point Presentation Script

Slide 1: Into Graphic – Health Insurance Reform Builds Bargaining Power

Presenter: Introduce yourself, why you are presenting this today: 1.) Educate USW members/leaders about health insurance reform 2.) Update on latest action 3.) Make it clear where we stand, what we're doing and why.

Slide 2: President Obama's Principles

Presenter: President Obama is pushing for reform with these guiding principles: 1.) More stability, security if you have insurance. 2.) Quality, affordable choices if you don't have insurance. 3.) Reins in health care costs for our families, our businesses, and our government.

Slide 3: The President's Plan – If You Have Insurance

Presenter: Most union members fall into this category because of union-negotiated benefits for you and your families. President Obama's principles would not change anything for you, except make things more stable and secure: 1.) Ends discrimination against people with pre-existing conditions. 2.) Prevents insurers from dropping coverage when you are sick and need it most. 3.) Caps out-of-pocket expenses so you don't go broke when you get sick. 4.) Eliminates extra charges for preventative care like mammograms, flu shots and diabetes tests to improve health and save money. 5.) Protects Medicare for seniors and eliminates the "donut-hole" gap in coverage for prescription drugs.

Slide 4: The President's Plan – If You Don't Have Insurance

Presenter: How many of you know someone who lost insurance when they got laid-off, or can't afford insurance for some other reason? There are 47 million Americans uninsured and millions more who are underinsured. For them, President Obama's plan: 1.) Creates new insurance marketplace for quality insurance at affordable prices – called The Exchange. 2.) New tax credits to help people buy insurance, help small businesses cover employees. 3.) Public health insurance option for those who can't afford alternatives. 4.) Low-cost "high risk" pool to protect those with pre-existing conditions until The Exchange is created.

Slide 5: For All Americans

Presenter: President Obama's vision would benefit all Americans by lowering costs for employers, working families and our governments who are hampered

with billions in health-related expenses. The plan is: 1.) paid for upfront – won't add to the deficit. 2.) Creates an independent commission of doctors, medical experts to find waste, fraud and abuse in system. 3.) Orders immediate malpractice reform projects. 4.) Requires large employers to cover their workers and individuals who can afford insurance to buy basic coverage to lower costs for all.

Slide 6: Graphic showing rising health insurance premiums and worker contributions to health insurance costs

Presenter: Many of you may wonder why health insurance reform matters to us, since most of us have decent benefits. Does anyone have any ideas? (Encourage participation here.) Well, we all know health care costs are the biggest issue at the bargaining table. Those costs have gone up year after year as this chart from the non-partisan and well-respected Kaiser Foundation shows: Premiums have risen 131 percent since 1999 and workers are paying more and more – 128 percent more over that past 10 years.

Slide 7: Graphic Showing Premium Projections

Presenter: How many of you could use an extra \$13,000 a year in wages? How about an extra \$30,000 a year? As this slide shows, this year, the average cost for health care for a family is a little over \$13,000. If we do nothing to fix our system, costs are expected to continue to rise – a lot. Up to over \$30,000 in 10 years.

Slide 8: Why We Care

Presenter: What would bargaining be like if those numbers were off the table for health care costs? That's among the top reasons why reform matters to us. But there are other reasons, top among them our human morality: 1.) Cost affects our wages, ability to bargain for health and safety improvements, and help our retirees. 2.) Takes resources away from other government programs: education, national security, job creation and economic development, trade enforcement, etc. 3.) The rest of our agenda: manufacturing policy, trade, Employee Free Choice.

Slide 9: Why We Care – 2

Presenter: The time for reform is now: 1.) Every 12 minutes an American dies because they lack health insurance (45,000 annually). This is more than the number of deaths due to drunk driving or homicide. 2.) 46.3 million Americans are uninsured. When they can't pay, the costs for their care shift to the insured. On average, insured Americans are forced to spend an additional \$1,100 in premiums (family coverage) due to this cost-shifting. 3.) Between 2000 and 2008, the percentage of employers offering health insurance coverage to their employees declined from 69 to 63; for firms employing less than 10 workers, the decline was even greater – from 57 to 49 percent. 4.) From 2000 to 2008, the percentage of employees with an annual deductible greater than \$1,000 increased from 1 percent to 18 percent. Among small businesses, more than one

in three workers must spend at least \$1,000 out of pocket before their health benefits kick in. 5.) A recent study found that 62 percent of all 2007 bankruptcies were linked to medical expenses. Of those filing for bankruptcy, nearly 80 percent had health insurance. 6.) The cost of healthcare now causes a bankruptcy in America every 30 seconds.

Slide 10: For Our Retirees

Presenter: National health care presents some issues specific to our retirees and our union will fight for what's best for them: 1.) **Medicare Advantage:** Some plans such as Sen. Baucus' bill would cut funding to Medicare Advantage. President Obama promises benefits will be the same if the subsidies to insurance companies that offer these plans are eliminated. 2.) **Employer Mandate:** A proposal to replace the employer mandate with a so-called "free rider" provision would require employers to pay half the average national cost of Medicaid for every employee who receives Medicaid. An employer would have to pay the full cost of any tax credit an employee uses to purchase health insurance. 3.) **Pre-Medicare:** People ages 55 through 64 who do not have employer-sponsored insurance or Medicaid coverage could voluntarily enroll in Medicare beginning January 1, 2011. 4.) **Age-Rating:** Setting premiums based on age at a 5-to-1 ratio. This means that the same basic package that would cost a 30-year-old \$100 a month would cost \$500 a month for an uninsured Americans aged 50-64.

Slide 11: Health Care is Costing Us All

Presenter: Health care is 16 percent of the total U.S. economy – the fastest growing sector. The costs associated with health care are huge: 1.) \$2.4 trillion in health care costs in 2008. 2.) \$1.1 trillion of that was federal, state and local health care costs – 46 percent of the total cost. 3.) \$810 billion, or 36 percent, was federal costs alone.

Slide 12: Graphic Showing Health Care Costs to Federal Government

Presenter: Health care costs take up a major part of our federal budget as this chart shows. How many other priorities are suffering because of this? And what is the burden on tax payers like us?

Slide 13: Future Costs

Presenter: If we do nothing now, the costs are only going to climb: 1.) By 2030, health care costs will be biggest part of federal budget – 6 percent of the entire economy. 2.) Medicare, Medicaid spending will exceed Social Security spending next year. 3.) Deficit will increase \$1 trillion a year without health care reform. 4.) Rising health insurance premiums will continue to eat away at working families' pocket books - \$30,000+ a year by 2019.

Slide 14: Facts and Figures

Presenter: Here are some more facts and figures to help show why we desperately need reform: 1.) U.S. health care costs are 90 percent higher per person than rest of the world. 2.) Per-person cost is \$6,900 annually. 3.) 47

million Americans are uninsured, millions more underinsured. 4.) Only 30 percent of retirees are covered by employer-provided health insurance. 5.) Employer-provided health insurance coverage has dropped from 82 percent in 1990 to 75 percent in 2005. 6.) Even so, 160 Americans receive coverage through employers.

Slide 15: Health Care Costs Are Hurting Workers

Presenter: Again, we can't emphasize enough how much the cost of health care is hurting working families: 1.) Health insurance increases exceeding wage increases. 2.) Costs exceeding rate of inflation by 2.5 percent a year. 3.) Medical bills responsible for 62 percent of personal bankruptcies – 80 percent had insurance. 4.) Hidden tax of about \$1,100 per year/per family to cover emergency room visits of uninsured.

Slide 16: Graphic Showing Cost of Health Care vs. Inflation

Presenter: This graphic helps put this into perspective: Health insurance costs are rising higher and faster than nearly everything else we pay for, from energy and education to food and recreation.

Slide 17: USW Graphic: Join the Health Care Fight

Presenter: You can see why this fight matters so much to our union. Health insurance reform is the civil rights issue of our time and the moment for action is now. Reform is key to regaining economic strength, bargaining power, protecting jobs and business, helping our retirees and doing the right thing for those in need.

Slide 18: Where Our Union Stands

Presenter: Not all health insurance reform proposals are created equal, and our union will only support legislation with these core components that will protect our members and retirees: 1.) Affordable health insurance options that means health care for all Americans and increased bargaining power for our members. 2.) Public option that will lower costs by competing with the private sector. 3.) No taxation for employer-provided insurance, rules to ensure big employers retain coverage. 4.) Shared responsibility by requiring all employers to provide coverage, also known as "pay to play." 5.) Significant cost containment to help families, retirees, businesses and our governments. 6.) A federally funded catastrophic reinsurance program to help employers and VEBAs that provide benefits for pre-Medicare retirees ages 55-64.

Slide 19: Tools and Resources

Presenter: It's critically important that we remain educated and engaged in this battle. We're working day and night to provide you with the latest info and resources: 1.) Health Care Tool Kit – www.usw.org/healthcare. 2.) "War Room" staff at International headquarters and district coordinators. 3.) Legislative staff in Washington, D.C., monitoring bills and political actions and pushing for what's best for our members.

Slide 20: What We're Doing

Presenter: We must remain active: 1.) Actions, letter writing against big insurance companies that are funding anti-reform campaigns with our premiums – Begins Sept. 22, 2009. 2.) Urging support of our key principles from our Congress members; monitoring legislative action so our members, retirees are protected. 3.) Working with Workers Uniting and our sisters and brothers in the U.K. who are providing solidarity in various ways. 4.) Urging that the bill proposed by Sen. Max Baucus be fixed.

Slide 21: What's Wrong with the Baucus Bill

Presenter: It appears that the bill introduced by Sen. Max Baucus is the bill that will be the vehicle for reform legislation in Congress. This is bad because so much is wrong with that bill: 1.) **No employer responsibility:** shifts costs to workers. 2.) **Not affordable:** High premiums and out-of-pocket costs; much higher rates for older people and people with families. 3.) **Poor coverage:** Barebones benefits at work; high costs in the Exchange. 4.) **Unfair taxation:** Tax on high-cost plans forces higher costs and lower benefits on businesses and workers that have good benefits; live in high-cost states; or have older work forces. 5.) **No public option:** State co-ops designed to fail. Insurance companies keep their monopoly. 6.) **Eliminates choice:** Goes against President's promise to give people choice, stability. 7.) **Hurts early retirees:** No early retiree coverage. 8.) **Weakens regulations:** Allows insurers to shop around for states with weakest consumer protections.

Slide 22: Baucus Bill Would Tax Most Union Plans

Presenter: Baucus is proposing an excise tax on "gold-plated or Cadillac" insurance policies – would raise more than a quarter of the \$774 billion needed to pay for his plan: 1.) That excise tax plan would hit many union member plans. 2.) Under the Baucus plan, insurers selling a plan costing more than \$8,000 for an individual and \$21,000 for a family would have to pay a 35 percent excise tax on the excess amount. 3.) **The national average premium is currently \$13,000 for a family policy.**

Slide 23: House Bill 3200

Presenter: Another bill getting a lot of attention is the House version, 3200: 1.) Would impose a surcharge on the wealthiest 1.2 percent earners – **by far most of our members DO NOT fit into this category, nor do most Americans.** 2.) House expected to take up bill late September or October. 3.) Stay tuned to www.usw.org for latest info.

Slide 23: Health Care for America Now graphic and Web address

Presenter: Again, I'd like to remind you to stay updated by visiting our Web site often – www.usw.org. Are there any questions?