

## Wal-Mart Signs On To Employer Mandate

By Brian Beutler - July 1, 2009, 1:00PM

Despite being the largest member of the Chamber of Commerce, Wal-Mart isn't normally seen as a major obstacle to broader health care reform efforts. But their announcement yesterday was nonetheless surprising: They support a mandate that would require employers to provide insurance to their employees.

You can see their letter, co-signed by SEIU president Andy Stern and Center for American Progress president John Podesta <u>here</u>.

I've put out some calls on this, and hope to have more soon, but a few things to keep in mind.

- 1. Most of Wal-Mart's employees already have coverage of some kind--but that has a lot to do with Wal-Mart's ability to cherry pick employees who have outside coverage of some sort.
- Wal-Mart could be jockeying for marginal advantage over their larger competitors. See <u>here</u> and <u>here</u> for how that might work. Whatever you (or Wal-Mart) think about the merits of the policy, that's shrewd business. And Wal-Mart is nothing if not shrewd about its business. Keep in mind that the Chamber of Commerce is still strongly opposed to this measure.
- 3. From the White House side of things, having Wal-Mart on board with health care reform could be a major boon to passing legislation. Keep in mind that Sen. Blanche Lincolnd (D-AR) is a Finance Committee member who opposes a public option

Those are some preliminary thoughts, but I'll be looking deeper into this development.