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Unions lead fight to expand health coverage

Organized workers push for overhaul with a grass-roots campaign in Indiana

*By Maureen Groppe
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From health-care-themed picnics to public rallies to door-to-door campaigning, labor unions are behind many of the activities in Indiana aimed at drumming up grass-roots support for an overhaul of the nation's health-care system.

They're doing so even though union members have better health coverage than many nonunion employees.

"It's about what's good for America and making sure everyone has health coverage," AFL-CIO spokesman Eddie Vale said of the union's support for health reform.

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Indiana was one of the top 16 targeted states for the \$15 million the AFL-CIO budgeted for field work and communication on health care during August. The American Federation of State, County and Municipal Employees' rock-themed RV tour in support of health-care reform rolled through Indiana last month.

"We're tired of the insurance industry putting their profits ahead of the health and well-being of the middle class," said AFSCME President Gerald W. McEntee. "This tour is a unique way of taking that message to battleground states across the country."

About 12 percent of Indiana's work force is unionized, down from 21 percent two decades ago, according to the Bureau of Labor Statistics.

Michael F. Cannon, director of health-policy studies at the libertarian Cato Institute, said unions want Congress to pass a health-care bill that would require most employers to provide insurance to their workers or face a penalty.

"Nonunion shops have a competitive advantage in that their workers are willing to accept health benefits that are less expensive than union shops' health benefits," Cannon said. "An employer mandate would take away that advantage by forcing non-union shops to provide more expensive health benefits. That would either depress nonunion wages or force nonunion firms to increase prices. Either response benefits union shops at the expense of nonunion shops, consumers and the economy as a whole."

The U.S. Chamber of Commerce is running ads in Indiana warning of increased taxes, higher deficits and increased government control of health care if the Democrats' health plan passes.

Unions haven't been supportive of every reform proposal. They've been arguing against one proposed way to pay for expanding coverage to most Americans: taxing some of the value of health benefits they now enjoy.

The exclusion of employer-provided health care from taxable wages is the nation's biggest tax benefit. Labor unions argue they have sacrificed wage increases at the bargaining table in order to keep

decent health-care coverage and don't want it to be taxed.

The tax on health benefits is not part of any of the bills currently moving through Congress.

The bills do include a \$10 billion, temporary reinsurance program -- especially helpful to unions -- that would pay a portion of some claims for retirees covered by employment-based plans who are too young for Medicare, the government-funded health program for seniors.

Labor unions, including the United Auto Workers and the Communications Workers of America, are fighting for the provision. Layoffs, buyouts and cutbacks have pushed more people into early retirement at a time in their lives when their health-care needs are growing, making the coverage costs higher.

Sandra Land works for a home health-care company but didn't have health insurance herself until her shop was organized by the Service Employees International Union. When coverage kicked in this year, Land, who is 62, said she made an appointment to get her first physical in more than six years.

For weeks, Land has been one of the SEIU members knocking on doors in Indiana to encourage people to speak out for health-care reform. As she walked through the Cross Creeks Apartments complex in Indianapolis on Saturday, Land passed out literature about the Democrats' proposal and fliers promoting a health-care rally that will take place at 9 a.m. Saturday at North and Pennsylvania streets in Indianapolis.

"If you believe in (President Barack) Obama's health-care plan and in health care for all, he's asked us to help with calls to Congress," Land told retired trucker James Watson.

"We need to get on that," Watson agreed, as he signed Land's petition.

At the Hot Stylz barbershop in Indianapolis, where haircuts are \$10 before 1 p.m., barber David Lewis said he hasn't been following the debate closely but does support a proposal -- backed by unions and opposed by some business groups -- to create a government-run insurance plan that would compete with private insurers.

"Right now, the insurance companies are trying to make profits for their shareholders," Lewis said. "Prices are going to continue to go up if there isn't competition."

Land handed Lewis a flier for a rally and passed out information to waiting customers.

"The only way we can help Obama is by numbers," Land said. "We have to show how many people are concerned."

Additional Facts

'Tea Party Express' to stop in Indiana

The "Tea Party Express," a cross-country bus convoy of conservative political activists, will stop in Bloomington, Ind., this weekend.

The stop in Bloomington -- the 18th on the 33-city tour -- will be at 11 a.m. Sunday at Third Street Park, 352 S. Washington St.

Organizers say the stops touch on health-care reform and other topics. The convoy will conclude with a march in Washington, D.C., on Sept. 12.
