

Ron Gettelfinger, UAW President

Larry Cohen, CWA President

October 29, 2009

Dear Representative:

The House soon will take up health care reform legislation that combines measures previously approved by the Ways & Means, Energy & Commerce, and Education & Labor Committees. CWA and UAW strongly support this critically important legislation. On behalf of our over two million active and retired workers, the CWA-UAW Legislative Alliance urges you to vote for this bill, and to oppose any weakening amendments.

Our nation's health care system is in crisis. Costs continue to escalate at unsustainable rates, placing ever increasing burdens on working families, businesses and government. Meanwhile, millions of Americans lack any health care coverage.

The health care reform legislation that will be taken up by the House takes major steps to address these serious problems. In particular, it would:

- extend health insurance coverage to millions of uninsured persons, thereby ensuring that most Americans have quality, affordable coverage;
- require most employers to share in the responsibility for financing health care coverage, either by providing coverage directly to their workers or by contributing a meaningful amount to pay for most of the costs of their coverage;
- provide substantial subsidies to help make coverage more affordable for middle income families, and expand Medicaid to guarantee that coverage will be affordable for lower income persons;
- help employers and other entities continue coverage for pre-Medicare retirees, thereby providing greater protection for this vulnerable population;
- implement insurance market reforms to prevent individuals from being denied coverage because of pre-existing conditions, and to limit premium differentials based on age and other factors;
- reduce costs for individuals and businesses by eliminating uncompensated care, reforming the delivery and provider payment systems, and creating a national exchange to facilitate coverage in a cost-effective manner; and
- establish a public insurance option to ensure there is adequate competition in all areas of the country, which will help to hold down rates charged by private insurers.

CWA and UAW believe that the foregoing reforms would provide enormous benefits to our nation. Workers would no longer have to fear the loss of health care for themselves and their families if they are laid off. Pre-Medicare retirees would be less vulnerable to cutbacks in their health care benefits. There also would be more effective restraints on the constant escalation in health care costs, which has driven up deductibles, copays and premiums for working families and made American businesses less competitive.

CWA and UAW are pleased that the House health care reform legislation is paid for by requiring most employers to share in the responsibility for financing health care coverage for workers and their families, and by requiring wealthy individuals to pay their fair share. Shared responsibility for employers and the rich is especially important to ensure that coverage is affordable for working families, and to establish a level playing field among all employers.

CWA and UAW also are pleased that the House bill rejects any tax on health care plans (like the tax contained in the bill reported by the Senate Finance Committee). Although proponents of this type of tax have claimed it would only affect "gold plated" plans, the reality is it would impact plans that happen to cover older workers and retirees, or workers in high cost regions or high risk occupations. Inevitably, this discriminatory tax would force plans to cut back important health care benefits that are now enjoyed by millions of Americans. The number of persons adversely affected by this tax would rise dramatically over time, since the thresholds for the tax are tied to an index that is significantly below actual health care cost increases. In our judgment, the provisions in the House bill requiring employers and wealthy individuals to pay their fair share represent a much better way to finance health care reform.

For all of the foregoing reasons, the CWA-UAW Legislative Alliance strongly supports the health care reform bill that will be taken up by the House. We urge you to vote for this bill and to oppose any weakening amendments.

Thank you for considering our views on health care reform, which is a priority issue for CWA and UAW.

Sincerely,



Larry Cohen
President, CWA



Ron Gettelfinger
President, UAW