

## **Resolution 6: Making Health Care For All A Reality**

October 24, 2017

*Submitted by the Executive Council*

The United States is at a health care crossroads. We either move forward toward making health care a basic right for everyone, or fall backward, with coverage and care increasingly out of reach as politicians actively take it away, employers cut back and higher prices make it ever harder to afford.

### **Making Health Care a Right**

Having the health care we need, no matter who we are and regardless of our circumstances in life, is fundamental to our well-being as individuals and as a nation. That is why the American labor movement has fought for more than a century to make quality health care a basic right in the United States. Our longstanding goal for achieving this is to move expeditiously toward a single-payer system, like Medicare for All, that provides universal coverage using a social insurance model, while retaining a role for workers' health plans. Any such system must guarantee everyone can get the health services they need without exclusions or financial barriers to care, and with access to high-quality doctors, hospitals and other health care providers; not diminish the hard-fought benefits union members have won for themselves and all working people; include long-term care for all; retain the Department of Veterans Affairs health care system as the primary direct provider of fully integrated care to veterans; provide multiemployer and other worker health plans the opportunity to administer core health benefits and to provide supplemental benefits, each on a fully tax-advantaged basis; and keep a strong federal role without shifting costs to states.

We will support legislation that guarantees health care as a human right through an improved Medicare for All, which we will judge according to our core values. We look forward to working with the sponsors of single-payer plans to ensure the needs and concerns of working people and their unions are met.

To transition to an improved Medicare for all system, we should begin taking steps toward creating a single-payer system by lowering Medicare's eligibility age from 65 to at least 55. This would extend health care provided on a single-payer basis to millions more Americans. Further, this could help preserve coverage for pre-65 retirees, whose current health benefits earned through work are increasingly at risk. We also should create a public health insurance option that builds on Medicare or Medicaid as an alternative to for-profit insurance companies.

### **Strengthening Worker Plans**

Health benefits earned through work are the primary way Americans get health coverage, with nearly 178 million people enrolled. Preserving this coverage must be a priority, and it

is imperative that Congress and President Trump take steps to strengthen it, as well as avoid unnecessary and harmful disruptions of it.

First, the misnamed 40% “Cadillac Tax” on high-cost health benefits earned on the job must be repealed immediately. It is based on the flawed assumption that health care cost growth is best controlled by making patients pay more, instead of directly targeting the major cost drivers in our system, such as rising pharmaceutical costs, use of new medical technologies and the pricing power of consolidating health providers. The threat of its implementation in 2020 already is inflicting real harm, as the tax creates an incentive for employers to cut benefits and shift costs onto workers and retirees through increased deductibles, copays and coinsurance. This is compounding long-term trends in which employers shift more and more costs onto working people through ever-higher out-of-pocket requirements; reforms that stop these trends and ensure affordability are critical. Congress also must reject proposals to limit the tax exclusion for workplace health benefits.

Second, the role that nonprofit, patient-centered worker plans play in providing quality, affordable coverage must be strengthened. Multiemployer plans, in particular, have long track records of providing portable, reliable, cost-effective coverage. Many of these plans cover working people who otherwise would be left out of typical employer plans, including those in industries where employment is highly mobile or part time; some are among our largest, most sophisticated and most innovative providers of health benefits in the United States.

Some federal health programs, such as Medicare and Medicaid, already recognize the critical value of worker plans, enabling them to play a role in providing stable coverage. The ACA, however, excluded worker plans from playing a direct role in providing coverage using the new federal premium tax credits and cost-sharing reduction payments available to for-profit insurance companies.

Future health reforms, whether through the expansion of Medicare or Medicaid, creation of a public option or improvements to the ACA, must include an explicit role for worker plans in expanding affordable health care as a competitor to for-profit insurance companies, particularly by using or building on direct federal funding for health coverage. In particular, workers’ nonprofit health plans must be given the opportunity to be part of the solution for the uninsured.

Proposals to weaken or repeal the ACA’s employer shared responsibility requirement also should be rejected. Instead, Congress should enact changes that strengthen it, preferably replacing it with a true pay-or-play requirement for all employers. This approach would solve many of the problems and complexities of the current rules, such as the difficulty of applying it to industries in which the standard workweek is not based on the number of hours. In the alternative, the existing rules should be tightened to apply to more employers, especially in the construction industry, where the vast majority of companies are small, and to assess a full penalty if coverage is not offered to workers averaging 20 or more hours per week, and a pro rata penalty for those who work fewer hours.

## **Making Drug Companies and Health Care Providers Accountable for Health Care Prices**

We must take steps to control health care prices, which are now a serious threat to all Americans' health care. To address the unchecked growth in pharmaceutical prices, we must empower the federal government to engage in binding arbitration with drug manufacturers on behalf of Medicare and all other payers when these corporations demand unreasonable prices; allow the government to reduce prices when taxpayers have helped fund the development of a drug; and curb corporate abuse of monopoly rights. Trade agreements that expand monopoly rights for drug companies should be rejected, and public investment in the development of new drug therapies should be leveraged to ensure medicines can be obtained for a fair price. The high and increasing prices charged by all health providers also must be checked, by setting fair rates for all health care payers and extending the application of quality measurement, value-based purchasing and payment reforms.

## **Defending Medicare and Medicaid**

We reaffirm our support for Medicare and our ironclad opposition to any and all proposals to cut Medicare benefits or shift costs to beneficiaries. Despite Medicare's clear success in providing guaranteed health benefits at a lower cost than private insurance companies—for more than 55 million seniors 65 and older and people with disabilities—House Speaker Paul Ryan and others plan to replace its guaranteed benefits with premium support or voucher payments that would end Medicare as we know it and hand it over to private insurance companies. We also oppose efforts to shift costs to Medicare beneficiaries in other ways—such as increasing premiums, raising copayments, taxing supplemental coverage, raising the Medicare eligibility age, or subjecting more beneficiaries to income-related premiums.

Instead of cuts and cost shifting, we call for improving Medicare. Medicare's benefits should be expanded to include dental, vision and hearing benefits, as well as essential health benefits and a cap on out-of-pocket costs. Doing so is an essential prerequisite to establishing it as a model for a universal, single-payer system.

Like Medicare, Medicaid is under attack from politicians ideologically opposed to government helping people get health care, and those who want to cut taxes on Wall Street and the wealthiest 1%. President Trump's FY 2018 budget proposal, for example, would slash Medicaid funding by half within 10 years, and the ACA repeal-and-replace plans pushed by Republican leaders in Congress would take Medicaid away from 14 million people. They would do this despite Medicaid's vital role providing health care for more than 70 million people struggling the most to make ends meet. It covers 1 in 3 children, pays for half of all childbirths, helps seniors and people with significant disabilities stay in their homes and communities, covers more than 3 in 5 elderly nursing home stays, supports schools assisting students with disabilities or limited means, and provides access to affordable care for the working poor.

We strongly oppose proposals that would end Medicaid's federal funding guarantee by replacing it with per capita caps or block grants. These approaches would devastate state budgets and force harmful cuts in Medicaid coverage and benefits, such as home and community-based services. We also oppose plans that would end the ACA's Medicaid expansion to all adults who have incomes below 138% of the federal poverty level. Instead, we urge the 19 states that have not yet adopted this expansion to do so as soon as possible.

### **Supporting Individual Marketplace Stabilization**

The labor movement has forcefully opposed legislation repealing the ACA because these bills would take health care away from more than 20 million people, and they threaten to unravel health insurance marketplaces throughout the country. The repeal bills also would hurt people by paving the way for states to eliminate or cut back on critical protections, like those that ban discrimination by insurance companies against people with pre-existing medical conditions. That said, we recognize there are real problems with the ACA's marketplaces that must be addressed immediately in order to protect people for whom this coverage is currently their only option.

We support taking short-run steps to stabilize the marketplaces. To counter President Trump's decision to cut off payments for cost-sharing reductions that help lower-income people, Congress should mandate that they are paid. We also are opposed to damaging, cynical policies that seek to sabotage the ACA marketplaces, such as slashing programs that help people sign up for coverage. Further, we encourage Congress to make additional changes to improve overall affordability for people buying individual coverage, especially by reducing the very large deductibles and other out-of-pocket spending requirements imposed in the benchmark silver plans.

Additionally, efforts to stabilize the marketplaces must not do any harm to worker plans. The temptation to finance new policies, such as a reinsurance program, by imposing fees on worker health plans must be avoided. While the aims of these policies may be valuable, these new costs for health plans usually ultimately are borne by workers, and we will oppose them.

### **Making Health Care Equity a Priority**

When working people join together in union to fight for good jobs that pay a living wage, safe and healthy workplaces, good schools, time off to spend with and care for our families, and secure retirements, we also are fighting to create a culture of health in which everyone has the opportunity to thrive, and against the unfair and unjust inequities in health and access to health care that exist throughout the country.

Addressing inequities in health care means everyone should be protected against discrimination in all federally funded, supported and conducted health programs and activities. This includes protections against discrimination on the basis of race, color, national origin, limited English proficiency, sex, disability and age, including discrimination on the basis of gender identity or sex stereotypes.

These protections are threatened, however, by proposals to repeal and replace the ACA. Plans pushed by President Trump and Republican leaders would let states and insurers discriminate by excluding certain health services from the covered essential health benefits, like maternity care, and charge more to those who need those services. These plans also would impose an age tax on older Americans, letting insurers charge them premiums as much as five times more than younger adults. Proposals to limit existing regulations under the ACA's nondiscrimination provision also threaten critical protections for LGBTQ individuals.

Women should have quality health care and the right to control their own bodies, including equal access to contraception, regardless of where they work. The Trump administration plans to gut the requirement that employers provide contraceptive coverage at no cost, allowing any employer or insurance company—whether a church, a nonprofit related to a church, or a for-profit corporation—that has any moral or religious objection to choose not to cover contraceptive services. We will fight efforts to roll back these protections and work unceasingly to build a society that promotes health and well-being for all.

### **Ensuring Health Care Quality by Securing Quality Jobs**

Quality health care is directly linked to quality jobs—jobs that provide fair pay for skilled work, adequate staffing levels, safe working conditions and good training. Projections continue to indicate health care will be among the fastest-growing of all industries, at the same time industry pressures move toward providing care in different settings and with less cost. While the health care workforce must adapt to new job categories and shifting responsibilities, we must work to safeguard workforce development and job security as integral components to patient safety and quality of care. And we must ensure that a living wage and dignity in the workplace are extended to the entire health care workforce, including foreign-trained health care workers. In addition, health care programs such as Medicaid must ensure they provide adequate reimbursement for health care services.

### **Fighting the Opioid Epidemic**

Opioid addiction is a national crisis that has driven millions of Americans from the workforce and devastated entire regions struggling through economic decline. Combating this epidemic demands a comprehensive response from the federal government, including a dramatic expansion of access to effective treatment, rigorous enforcement of mental health parity laws and a crackdown on unscrupulous over-prescribing of pharmaceuticals. At its heart, widespread opioid addiction is a mental health crisis and solving it requires lawmakers to dedicate funds to ensure universal access to mental health services. While Congress passed legislation in 2016 dedicating \$1 billion in funding over two years, this pales in comparison to the nearly \$80 billion annual cost of opioid abuse and will do little for the 90% of those suffering from opioid addiction who have yet to receive addiction treatment.

### **A Commitment to Move Forward**

We cannot take a health care timeout. Either we move forward to make health care better for everyone, or we will be pulled backward into a world in which health coverage, access to health care and health itself become increasingly unfair and unjust. We have a real opportunity to achieve the labor movement's historic demand for health care as a basic human right. To achieve that, we will engage with all affiliate bodies and constituency groups to fight to strengthen worker plans, take on excessive prices, improve health equity, defend Medicare, Medicaid and the ACA, tackle the opioid epidemic, and win Medicare for All.