

TRANSCRIPT

American workers' desperate fight for healthcare security

Guest: Cindy Young (Podcast 1)

Welcome to Code WACK!, your podcast on America's broken healthcare system and how Medicare for All could help. I'm your host, **Brenda Gazzar**.

Why do more union workers than nonunion workers participate in employer-sponsored health plans? What would happen if health care was taken off the bargaining table? We recently spoke to **Cindy Young**, a consultant who helps the **Minnesota and California Nurses Associations** with bargaining health and welfare benefits. Cindy's a board member of the [California Alliance for Retired Americans](#) and serves as vice chair of the [Healthy California Now](#) coalition.

Welcome to Code WACK!, Cindy.

Young: Thank you. It's nice to be here today.

Q: We're so glad you can join us. So in the U.S., most people get their health insurance through their employer. Can you briefly touch on the historical link between health benefits and employment in the U.S.?

Young: That's an important question and I'm glad you asked it because in 1946, John Lewis, who was president of the Mine Workers, went out on strike for 56 days because over 2 million mine workers had either been injured or killed and the sole thing they wanted out of this strike was to be able to have money put in for health care. That strike crippled the country. You can imagine the railroad industry couldn't function, Ford Motors couldn't function.

So there was a lot of pressure that could be put on, and as a result, what the settlement was was 10 cents an hour would go into a fund to pay for health insurance for these mine workers and that started the model of an employer-based system and as that grew, then nonunion employers were saying 'well, I don't want my workforce to organize so I'm going to provide benefits that are similar to what the union workers are getting so I don't have to deal with union organizing' and that really is the beginning of health insurance in this country.

Q: Wow. What year was this again?

Young: 1946.

Q: Right, so it was just after World War II.

Young: It happened right after and this is when industry was starting to pick up right, the guys we're coming home and going back to work. So there was a lot of opportunities to, you know, organize.

Q: Fascinating. So bringing it back to the present, dramatically more union workers than nonunion workers participate in employer-sponsored plans. In 2019, as much as 30% more. Why is there much greater participation among union workers than non-union ones?

Young: Well, until the ACA passed, there was no obligation of any employer to provide any benefits at all, right, so an employer never had to provide health insurance to a worker. When the Affordable Care Act passed, then the employer was required -- and it's limited, but it does require the employer to offer insurance to full-time employees or to employees that work 30 or more hours in a week and that was the first time in the history of this country that an employer had any obligation to put any money into it -- so for years and years and years, how you got your benefits was either you were in a union and the union bargains wages, hours and working conditions or you got it, you know, through your employer who didn't want the union to organize. So they provided a level of benefits so that the union wouldn't come in because then they will say, well, we don't want this third party to come between me and you. I'll give you these things that are similar to what those unionized workers get.

So you know, once the ACA passed, now the employer has to make this offer of coverage, what is considered affordable coverage, of course, we know it's not but that's, you know, really the beginning of an employer having some kind of legal obligation to provide benefits so that's why unionized workers always have better benefits than nonunion workers and if unions go away, you will see a consistent decline in the level of benefits that are covered.

Q: So what has the impact been of the Affordable Care Act making health insurance a requirement for employers?

Young: Well, 23 million more people get insurance. That's significant. It lacks what my vision is, but having 23 million people insured and particularly raising the level for Medicaid and I know Medicaid is an inadequate program and has lots of holes in it, but it has saved people's lives. And in fact, my daughter's best friend was saved because of the Affordable Care Act so (it's) not perfect, lots of holes, but you know, providing access to insurance, actually guaranteed health care through the Medicaid expansion to 23 million more people is significant, and I think worthy of support in my opinion.

Q: Yeah. Can you tell us more about your daughter's best friend, and how she was saved?

Young: So my daughter's best friend was at UC Berkeley as a young student. My daughter knew her through the College Democrats. My daughter was active. She went to UC Irvine. She was active and there's a statewide network of Young Democrats on the college campuses and she made friends. This is how she met Paula. When Paula was 20 years old, she was diagnosed with brain cancer just out of nowhere and she did not have insurance and the campus insurance, the student insurance that they offered is not intended to provide comprehensive health care. It's intended to keep you know, students when they've got a cold, a flu, things like that.

So she signed up for the Affordable Care Act and as a result, she got comprehensive coverage. She got her tumor removed. She got chemotherapy. She's living now and she actually works for the State of California as a state employee. She does health policy, but that saved her life. So you know, there's lots of stories like that, but that's the one that hits my heart the most because we don't know what would have happened to Paula if she didn't have insurance.

I mean, you know, that is a success story to me of the Affordable Care Act. I think there are many, many others and like I said, it's not perfect. It's not the model I like but it's saving lives so I'll say yes for now and keep pushing for what I really want.

Q: Right. Which is?

Young: I want guaranteed health care for everybody. You know, I believe health care is a human right, that you know, nobody should be denied or declined care because they're sick and we are not consumers of health care, we are patients and everyone should be treated with a single standard of guaranteed health care.

Q: Thank you, Cindy. Clearly, health benefits are a major issue at the bargaining table since the financial stakes are high for workers and for employers. What are the stakes and how would Medicare for All benefit union workers?

Young: Well, the stakes for workers is every dime that we can bargain from employers goes into paying for health care, right? You know, employers oftentimes, almost all the time, say to us, here's how much money we have to pay for benefits and this is particularly true in the public sector. Like you know, we've got 1% of salary to pay for wages and benefits. If you want to take it in wages, take it in wages. If you want to take it in benefits, take it in benefits but we're not going to give you any more than x amount.

Right. And so workers are trying to juggle this 'where do I put money? Do I put it in my salary so that I can send my kid to college or I can pay for increased rent or increased prices for gasoline so I can get my butt to work?' Right, it's like or 'do I keep my family insured because I can't afford my share of the premium? Because if I don't put it in there, my share goes up out of my paycheck' right? And this whole issue of the taxation of benefits tying it back to World War II, you know, there was a deal that was cut so that workers wouldn't go out on strike during the war and so employers got to not pay taxes on benefits. Employees didn't have to pay taxes on benefits and employers didn't also have to pay this gross profit tax during the war. So they put the money in benefits and they got tax-free benefits so they could pocket the money.

So you know, there is this tussle that exists, right? And when you look at how much you know, the CPI goes up, how much wages go up and then you look at how much health insurance goes up, you have this huge chasm, you know, between these two axes, right, of how much it costs and so that's what's at stake for the employees.

What's at stake for the employer is control of the workers. Would you risk your family's health right and not (be) insured? You know, of course you wouldn't. Nobody would do that. Right. So the employer uses and manipulates the employees to keep them working or do things that they probably wouldn't otherwise do so they can continue to keep their families insured. So that's my observation of bargaining health insurance. It's a zero sum game for both parties. The employers, you know, use it to manipulate, right, but they like having that control, but they don't like dealing with it. We're stuck with this crappy expensive health insurance system.

Q: So unfortunate.

Young: It really is.

Q: So to reiterate, how would Medicare for All benefit union workers?

Young: Well, we could take it off the table, right? We don't talk about Medicare through bargaining. The employer pays a share, the employees pay a share, you get to be a certain age and you get it and you're done. Right? Nobody even talks about that. If we could extend that principle right out to "we don't talk about it anymore." It's off the bargaining table. It's dealt with people who know what to do with this, like experts... So we let the smart people deal with this and the employer and the employees just figure out who is paying what share. You know, as a union advocate, I would say the employer is going to pay all of it. From an employer perspective, they're going to say the employees are going to pay for all of it. And there will be some kind of compromise in between about how that gets split. And that's all you need to talk about.

Yes, like in Canada, unions still have a vibrant role in collective bargaining, right. So if somebody wants a private room right, they bargain that out of their employers. If somebody wants, you know, a tummy tuck, and an eyebrow lift, you know those types of things, then then the union bargains those things, and there are so many other things that we could bargain (for) like an employer paying for child care, an employer paying for disability insurance, right? There's a hundred other things that workers need for them and their families that could be bargained, instead of us paying for an adequate health care system.

Thank you Cindy Young.

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