Labor Day: Why Every Union Negotiation Is Really About Health Care

"Here's a dirty secret: every negotiation is about healthcare, even when it's not even on the table."

"People come up to you one on one and say, whatever you do, please try to hold on to our health care benefits. I don't care if we don't get a wage increase. I don't care about the vacation schedule. We just got to hold on to the health care benefits." Mark Dudzic

(music)

In honor of Labor Day, we're looking at the powerful connection between work and healthcare in America — and what it means for workers when their health coverage depends on their jobs.

Welcome to Code WACK! Where we break down how our healthcare system really works, what it means for you and how to make it better for everyone. I'm your host, Brenda Gazzar.

My guest is Mark Dudzic, a longtime union organizer and labor activist. He's a former president of Local 8-149 of the Oil, Chemical and Atomic Workers Union, now part of the Steelworkers, and a former national organizer of the Labor Party.

In 2009, he co-founded the Labor Campaign for Single Payer Healthcare and currently serves as its chair.

I asked Mark what tying healthcare to employment often means for workers and their families.

Dudzic: "First of all, when you lose your job, you lose your health care. This is particularly significant when you have mass layoffs and hundreds of workers lose their jobs at the same time."

Mark remembers being in Baltimore when Bethlehem Steel went bankrupt.

He says active and retired workers suddenly faced the loss of health benefits — a shock that rippled beyond individual families into the surrounding community.

But losing a job isn't the only time that connection between employment and healthcare becomes especially powerful.

There's also the moment workers decide whether to strike.

Dudzic: "Then you go on strike, you lose your health care. Employers often stop paying for health care benefits once you go on strike, or at least threaten to do so, and it just provides another tool of intimidation that they can use in those type of situations."

Think about what that can mean for a worker deciding whether to walk a picket line.

It's not necessarily just a question of going without a paycheck.

If your child needs medication...

If your spouse is undergoing treatment...

If you have a serious health condition...

The possibility of losing health coverage can become part of the calculation.

And Mark argues that gives employers power extending far beyond health care.

"On an individual basis, you're basically an indentured servant to your employer. You are reliant on this employer for your healthcare benefits, and that gives that person, that employer, so much power over your life and so much control over your working conditions that that shouldn't be allowed in a civilized society."

And even when workers keep their jobs, Mark says the insurance itself may keep changing.

Dudzic: "Workers are constantly being faced with changing insurance carriers, which might mean that your doctor is no longer in the network, with increasing copays and deductibles, with other terms and conditions that just constantly change every year, every two years."

For Mark, the conclusion is obvious.

Dudzic: “It's insane. It's insane to let employers control our healthcare and there’s no other industrialized country in the world that would tolerate such insanity.”

There's another consequence of job-based health insurance that's less dramatic than suddenly losing coverage.

But it can shape years of a person's working life.

Staying in a job because you need healthcare.

Mark spent years working with chemical and oil workers — people doing physically demanding and sometimes hazardous jobs.

Dudzic: *“You don't want to be 65 years old and have to climb up to the top of an oil tank on the Hudson River outside of New York City, and gauge it in the middle of the wintertime. I mean, it's just — those are the type of jobs that, you know, are not made for older people.”*

His union had fought for retiree health benefits, partly so people doing work like that wouldn't have to stay on the job indefinitely.

But as those benefits became harder to maintain, Mark says he saw something disturbing.

Dudzic: “You know, as we began to lose coverages for people who retired early and stuff, you know, I just saw people being forced to continue to do these extremely toxic and hazardous jobs well past the time that they should do it.”

And he says employers didn't necessarily want aging workers doing those jobs either.

Dudzic: “And the harassment they got because of it. Employers didn't really want to have 60-year-old people out there on top of those tanks, and so they would make life miserable for them.”

A worker may want to leave.

An employer may want that worker to leave.

But between them sits a very practical question:

How will that worker get health care?

And Mark says the problem isn't limited to just older workers.

He says he's also watched younger families struggle with medical debt while trying to build careers and raise children.

Different ages.

Different circumstances.

Same underlying vulnerability.

For many Americans, leaving a job can also mean leaving their health insurance behind.

Of all the workers Mark has known, though, there's one story he says still haunts him.

It happened in the 1990s.

A member of his old union named Paul G. worked at a Union Carbide chemical plant in New Jersey.

And Mark remembers Paul as…

well…

not exactly a pushover.

Dudzic: *"Paul was a tough union worker. He would not take crap from anybody."*

"I don't think he ever voted for a contract that we negotiated, because he always wanted us to fight for more, and he was just that kind of guy, and just a really tough guy."

That's the Paul Mark knew.

The guy demanding more.

The guy who always wanted the union to push harder.

Then Mark walked into the union hall one day.

And saw a different Paul.

Dudzic: "I came into the union hall one day, and Paul was in the hall in tears."

Paul had taken an early retirement.

His union had negotiated medical benefits for early retirees.

Mark says those benefits were particularly important for people who'd spent their careers in chemical plants, where workers could face serious occupational health risks.

Paul's wife was in the hospital.

She had cancer.

Then Union Carbide was acquired by Dow Chemical.

Mark says the retiree benefit program was eliminated.

"They lost benefits while his wife was being treated for cancer."

And Paul — the tough union guy who always wanted to fight for more — asked Mark a question.

"Paul was in tears, and he said to me, 'How could the union have let this happen? How could the union? I fought for this union my whole life. I'm a good union man, and how could that happen to me?'"

Mark told me that moment has stayed with him ever since.

I asked him what happened to Paul and his wife.

Dudzic: "You know, it turned out the way it turns out for most families. They cobbled together all kinds of things and took on big medical debt, and, you know, we tried to help them with some assistance and stuff as best as we can."

But Mark says Paul's wife got less care than she should have.

Eventually, she died.

And what stays with him isn't only that Paul lost the health benefits he had counted on.

It's what the struggle over those benefits took away from the family during the final days of his wife's life.

Dudzic: "And in the last days of his wife's life instead of being with her he was dealing with all of the kind of struggles that you have to argue with all the bill collectors and the insurance companies and everybody else."

Paul's story is an especially painful example of what can happen when health coverage disappears.

But Mark says the possibility of losing healthcare influences workers even when they're healthy.

Even when they're employed.

And especially when they're negotiating a contract.

Dudzic: "Here's a dirty secret: every negotiation is about healthcare, even when it's not even on the table."

Mark says he heard it when he was negotiating contracts more than 20 years ago.

And union negotiators tell him they still hear it today.

Workers approach them privately before bargaining begins.

Dudzic: "People come up to you one on one and say, whatever you do, please try to hold on to our health care benefits. I don't care if we don't get a wage increase. I don't care about the vacation schedule. We just got to hold on to the health care benefits. Whatever you do, got to do that."

And Mark says employers understand exactly how important those benefits are to workers.

Dudzic: *"You know who also knows that dirty secret? The employers know that when they go to the bargaining table, and they know that they can hold health care as a threat over people's heads when they bargain."*

He says that leverage can play out in different ways.

An employer might open negotiations by proposing cuts to health benefits or higher copays alongside other demands.

Then, it might offer to drop the healthcare proposal — if workers give something up somewhere else.

Other times, Mark says, the company simply puts a fixed amount of money on the table.

And healthcare has to compete with everything else.

Dudzic: "Sometimes they just go and straight up say, 'Okay, we got two bucks an hour here, and you've split it up between pension, wages and healthcare benefits.

You know, we don't care how you cut the pie, but, you know, that's all we're going to give you.'"

And if most of that money is needed just to maintain existing health coverage...

Dudzic: *"When you need a buck and a half for health care, that doesn't leave much left for pensions and wages and all the other side benefits."*

"When we hit the bargaining table, when we have to rely on our employers for healthcare, it means that we start by bargaining against ourselves. All our other issues become secondary to that issue, and the employer holds us hostage at the bargaining table."

Of course, millions of Americans do have health insurance through their employers.

And we're often told that workers value the coverage they already have.

So I asked Mark what he actually hears when he talks to workers about their insurance.

His answer was striking.

Dudzic: *"I will tell you that workers fear and hate their insurance coverages."*

He says people worry about whether the doctor they need will be in network.

Whether treatment will be approved.

Whether an insurance company might change its decision in the middle of treatment.

And then there's the uncertainty that comes when an employer renews — or changes — the health plan.

Dudzic: *"They know when someone in their family gets sick, that they're gonna face a nightmare. They're going to have to struggle with finding the right doctor that's in network. They're going to have to struggle with getting pre-approval for treatments that that doctor wants, they're going to have to struggle with maybe the insurance company changing their mind halfway through a course of treatment and saying they're no longer going to approve that."*

Even when none of those things happens, Mark says the possibility hangs over people.

Then, there are the out-of-pocket costs.

Dudzic: *"Copays never go down; they only go in one direction, up."*

But here's where it gets complicated.

Because Mark says there is something workers fear even more than dealing with the insurance they have.

Dudzic: *"The only thing they hate worse than their insurance company is the prospect of being without any insurance whatsoever and that's sort of the fear opponents of Medicare for All play on."*

That's a powerful contradiction.

You can be deeply frustrated with your health insurance...

and still be terrified of losing it.

Mark describes part of that as "loss aversion."

Dudzic: *"People are more afraid of losing something they have than they are anticipating gaining something that they need."*

And he says that fear has enormous power in debates over changing America's healthcare system.

For organizers, Mark says, the lesson is to address those fears before opponents define the debate.

It's something he learned from union campaigns.

Dudzic: *"It's too late. It's too late to wait until they got control of the dialogue."*

In union organizing, he says employers may hold meetings where workers hear arguments about what they could lose if they unionize.

If organizers haven't prepared workers for those arguments beforehand, Mark says the effect can be dramatic.

Dudzic: *"If you have not prepared your folks for that event, it's amazing the impact that those kind of stories have on workers. It can turn a campaign around overnight, and then you're playing catch up."*

Mark says he sees a parallel in the healthcare debate.

Fear of losing what you already have can be more powerful than the promise of something better.

Mark has been thinking about the connection between healthcare and labor for nearly four decades.

His union took up the issue in the late 1980s.

And in the years that followed, he became increasingly convinced that health care wasn't separate from the broader struggle over workers' rights.

Dudzic: "You know, back in the late '90s and the early 2000s, I was part of a project that was trying to build a labor-based political party in the United States. My union was one of the sponsors of this effort, so we were doing a number of organizing projects during that period. And one of the projects we called it just healthcare. Now we call it Medicare for All was was to you know bring forward this fight for healthcare, national healthcare along around a single payer model, and it was there was incredible resonance. It was one of the issues that we took up that really moved a lot of people to action. So it was clear that this was an important issue for working class Americans."

The more he organized around healthcare, the more he came to see it as a question of power.

Dudzic: *"I realized that this is not a question of policy debate."*

For Mark, healthcare became connected to the same issues he'd spent his career organizing around:

Who has security?

Who bears the risk?

And how much power does a worker have to say no to an employer when something as essential as health care is on the line?

"There was an incredible link to the movement building that we were doing around Medicare for all and the need for workers to have more rights and more power in this country."

And that brings us back to Labor Day.

It's a holiday rooted in the struggles and achievements of American workers.

But Mark's stories raise a question about one of the most important benefits millions of those workers receive today.

What kind of power does a worker really have if losing a job can also mean losing health care?

For Mark, that question is answered by workers every day.

It looks like an older worker climbing an oil tank in the winter because retiring could mean losing health coverage.

It sounds like workers telling their union negotiator:

Forget the raise.

Forget the vacation.

Just don't lose our healthcare.

And it looks like Paul.

A tough union worker who spent his career fighting for better benefits...

sitting in a union hall in tears after the health coverage his family had counted on disappeared while his wife was being treated for cancer.

Dudzic: *"'I fought for this union my whole life. I'm a good union man, and how could that happen to me?'"*

Stay tuned for Part Two of our Labor Day special, where we'll look at the other side of this question:

What would it take to separate healthcare from employment altogether?

And why does Mark Dudzic believe organized labor could be essential to winning healthcare for everyone?

That's next time on Code WACK.

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