

October 16, 2009

Dear Senator:

We the undersigned unions are writing to share our views on our bottom line for real health care reform.

We all believe it is great news that we are closer than ever to winning comprehensive health reform that brings down costs, improves the quality of care, and guarantees coverage for all—something so many have dreamed about and worked for a lifetime to achieve. Good affordable health care is an economic and moral imperative, and we are working hard to make it a reality.

But we are not there yet, and we believe the Senate Finance Committee bill is deeply flawed.

First, we believe a public health insurance plan option is essential to reform. A quality public option would lower premiums for everybody and reduce the cost of health reform by \$110 billion, according to the Speaker's office. That's because nothing less than a public plan option sets up the competition to break the stranglehold of a handful of big insurance companies that have made 96 percent of metropolitan areas uncompetitive. A public health insurance option would mean that coverage will always be there, even as private plans change benefits, contract with different providers, and move in and out of markets. And a public plan can introduce quality advancements into the system that private insurers have no incentive to implement. No wonder 73 percent of voters support providing the choice of a public health insurance option.

Second, health care reform has to ease the cost burden on individuals and families, not worsen it. Americans whose health care premium costs have gone up 300 percent—while insurance company profits have gone up 1,000 percent—should not be asked to pay money we do not have. Penalties on individuals who cannot obtain coverage should not be more than what employers are required to pay.

Third, employers have to pay a fair share of costs. Over 160 million Americans get health care at work, but more than \$1,000 of each family plan premium paid by employers and employees actually goes to cover the cost of the uninsured—mostly those whose employers do not pay. The only fair way to cover the cost of care for all is to include an employer responsibility provision that requires all employers to provide health coverage or contribute a truly meaningful sum to help pay for subsidies.

Fourth, health care reform can't be paid for by a new tax on middle class benefits. The Senate Finance Committee health reform bill slaps a 40 percent excise tax in 2013 on plans valued at more than \$8,000 for individual coverage and \$21,000 for family coverage (with some adjustments). The Congressional Joint Committee on Taxation has estimated that this enormous tax would soon hit 40 percent of all plans. Most likely to be hit: plans with people who are older

or sicker or those who work for small employers. That is not the change America voted for. A new tax on the middle class is unacceptable.

We support real health care reform, and nothing less. Unless the merged bill that goes to the floor of the Senate makes substantial progress to address the concerns of working men and women, we will not support it.

Sincerely,

AFL-CIO  
AFSCME  
Air Line Pilots Association  
Amalgamated Transit Union  
American Federation of Government Employees  
American Federation of Musicians  
American Federation of Teachers  
Association of Flight Attendants  
Bakery, Confectionery, Tobacco Workers and Grain Millers International Union  
Building and Construction Trades Department  
California School Employees Association  
Communications Workers of America  
International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States, Its Territories and Canada  
International Association of Fire Fighters  
International Association of Machinists and Aerospace Workers  
International Brotherhood of Electrical Workers  
International Federation of Professional and Technical Engineers  
International Longshoremen's Association  
International Union of Bricklayers and Allied Craftworkers  
International Union of Painters and Allied Trades  
Laborers' International Union of North America  
National Association of Letter Carriers  
Professional Employees Department, AFL-CIO  
Sheet Metal Workers International Association  
Transportation Communications International Union/IAM  
UAW  
UNITE/HERE  
United Mine Workers of America  
United Steelworkers