

Health Care Reform:

What's in it for OCSEA members?

With media outlets, bloggers and social networking sites spreading half-truths, wild rumors and bogus speculations about what's in the health care reform bill, it's important to set the record straight about how the Patient Protection and Affordable Care Act will affect OCSEA members. The good news is many provisions in the bill, such as protections against being denied coverage, are things OCSEA has already fought for and won at the bargaining table.

A Joint Health Care Committee made up of manage-

ment and labor meet throughout the year to ensure health care remains affordable and sustainable for State of Ohio employees. As a result of efforts by the joint committee, OCSEA members already have no co-pays for wellness visits and can't be dropped from insurance because of illness, to name a couple of examples.

While savvy bargaining has already made many of the federal provisions a reality for OCSEA members, there *are* important aspects of the bill that will have an affect on bargaining unit employees - and many in positive ways.

Health care costs and bargaining

One of the most important changes that could benefit OCSEA members will be the fact that everyone will now be required to purchase health insurance.

Health care costs, which have risen by double digit figures each year in the U.S., have made it tough for unions like OCSEA to bargain for anything besides keeping health care affordable. Health care rises in part because hospitals and other medical providers - which by law cannot deny care to the uninsured - pass the cost of their unpaid

bills onto the people who are insured. That means you!

Suppose an MRI imaging clinic charges \$3,000 for an imaging scan. Let's say 1,000 people receive MRI scans a year at the clinic at a total cost of \$3,000,000. Now suppose 200 of the patients were not insured, which leaves a deficit of \$600,000 in unpaid bills or 20 percent of the total cost. The next year, the MRI clinic makes up that cost by raising the costs of the MRI. So now the MRI scan costs \$3,600 instead of \$3,000.

The next year, the same thing happens and so on and

OCSEA members ask...

Q: How will this affect OCSEA's ability to bargain for health care?

A: In years past, health care inflation and massive state budget deficits have made it tough for public employee unions like OCSEA to bargain for anything besides keeping health care affordable. Because all Americans will be required to purchase health care under the new federal legislation - bringing the overall cost of health care down - unions will be able to put a greater focus on other issues that members care about, including wages and job security. Additionally, with the reduced burden on state agencies that must also purchase health care, it is hoped OCSEA will see fewer forced take-aways at the bargaining table.



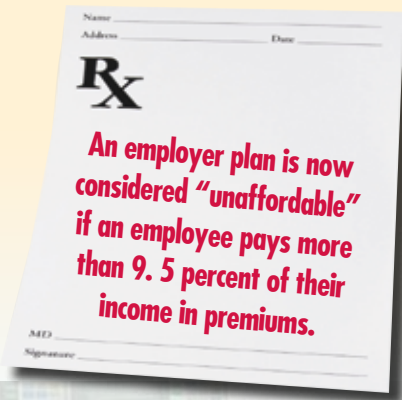
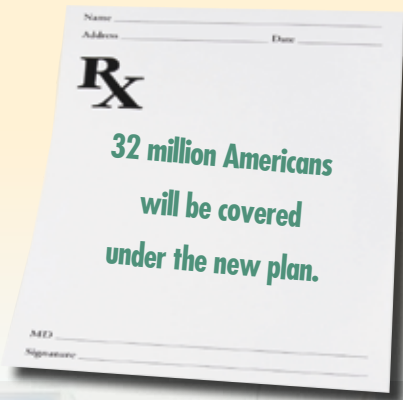
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Q: Will my health care premiums and out-of-pocket expenses go up?

A: No. OCSEA members and their dependents will keep their employer-provided health plan and doctors in accordance with plan rules, and OCSEA will continue to negotiate benefits and costs, including premiums and out-of-pockets expenses. It is anticipated that measures aimed at driving down health care costs nationally, including mandatory coverage for all Americans, a tax that deters price gouging by insurance companies and out-of-pocket limits for those with incomes up to 400 percent of the federal poverty level, will give OCSEA bargaining ammunition to help keep members' premiums and out-of-pocket premiums at or below where they are now.



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so on. In fact, over the last ten years, health care premiums in the U.S. have risen 131 percent while inflation has increased just 28 percent, in large part because those with insurance are bearing the cost of those without it.

While some people believe that mandating insurance will unduly burden low-income families, in fact, mandating insurance coverage will help keep health care inflation in check. Plus, low-income families will have an opportunity to purchase low-cost health care from one of the state's health care exchanges, based on their ability to pay.

Spreading the risk of health insurance to everyone is expected to reign in costs, and will, in turn, help ease the union's ability to bargain for other benefits besides health care.

Health care costs and the state budgets

Another significant health reform outcome could be the effect it will have on the State of Ohio's budget. One of the largest portions of the state budget is spent on health care for the poor, disabled and elderly.

The Dept. of Rehabilitation and Corrections also has significant costs with respect to

inmate health care that it must manage. In fact, a year ago they enacted a statewide tobacco ban to directly address this and try to bring their health care costs in line.

Other agencies that receive Medicaid dollars such as the Dept. of Mental Health, the Dept. of Job and Family Services and the Dept. of Developmental Disabilities must purchase health care for some of the hardest to serve individuals in the state.

By mandating health care, even for high cost individuals, the cost of state-based high-risk pools is also projected to drop,

allowing state budgets to reap the benefits of health care savings.

Additionally, expanded Medicaid coverage in the health reform bill will bring additional federal dollars to Ohio to help pay for it.

For more information, go to www.ocsea.org/healthcare.



Q: How will the new health care bill affect my dependent's eligibility?

A: Dependent eligibility will see little or no change under the federal bill. However, eligibility is being expanded under a new state law. Now, married children up to age 28 can be covered under the state plan at an additional cost, even if they are not enrolled in college. Participants can enroll their eligible dependents during the upcoming open enrollment period from May 3 to May 16. While the federal legislation allows for dependent coverage for unmarried children up to age 26, this change does not go into effect until July 1, 2011.



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Q: Will I be subject to a tax to pay for the reforms?

A: No. Your international union, AFSCME, negotiated directly with the Obama administration around the issue of the excise tax. While they were not successful in getting it eliminated, it will not take effect until 2018 and will be levied on insurance companies, not employees. For plans costing more than \$10,200 for individuals and \$27,500 for families, a 40 percent annual tax on the amount above these thresholds will be charged to insurance companies in an effort to eliminate high cost plans. Currently, the State of Ohio health plan is well below the threshold that would trigger the tax.



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