



California Labor Federation | AFL - CIO

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Health Care Reform Proposals Must Include Key Elements in Order to Meet Needs of Working Families

Statement from Art Pulaski, Executive Secretary-Treasurer, California Labor Federation

“Health care reform is a serious issue for working people, and we are committed to finding a solution to this crisis. In that spirit, California’s unions have been working very closely this year with our state’s elected leaders to hammer out legislation that will fix our broken system. The California Labor Federation has not yet taken a formal position on the current proposals, and we continue to review the details of both plans released this week with our affiliate leaders.

“But in the final stages of this year’s health care debate, we want to ensure that all proposals include key elements that are vital to achieving real reform. Any framework for a final reform compromise must include the following elements if they are going to meet the needs of California’s working families:

Affordability. Health care coverage for individuals and families must include affordable products with valuable benefits. To do that, health care affordability calculations must include the total cost of coverage including premiums and out of pocket expenses. Reform proposals cannot include just one expense or the other as the basis for total costs. Proposals should also:

- Allow us to know what those costs and benefits will look like up front. Working families cannot be asked to sign blank checks for empty promises;
- Allow people the option of group coverage; and,
- Never require workers to pay a higher percentage of their paycheck than employers pay of their payroll.

Shared Responsibility. We cannot make sweeping changes to our health care system without paying for those changes, and everyone must pay their fair share in order to get what we need and deserve. Employers must be fairly included in any scenario so that working and middle-income families are not forced to navigate a minefield of exploding health care costs alone.

Proposals should:

- Ensure that employer fees are meaningful, and fair to employers who currently provide coverage at higher costs;
- Ensure that employer fees provide for all workers—low, middle and high income; and,

- Ensure that employer fees account for the fact that health care costs are rising much faster than wages.

Cost Containment. Left unchecked, health care cost increases will undermine any progress California makes toward reducing the ranks of the uninsured. Reform efforts have to tackle the biggest drivers of health care costs – drug companies, hospitals, health insurance companies – so reform proposals should:

- Allow bulk purchasing of prescription drugs;
- Provide a public insurance option; and,
- Provide transparency of cost and quality for providers, including hospitals, so that purchasers can make informed decisions about care.

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