

ATTENTION:

Local 514 has had some problems with members accepting grievances that belong to other members. Article 31 sets out certain obligations the company has when it comes to grievance handling. The company is required to provide written answers to grievances. These answers have always been provided to the grieving member.

A co-worker or Union Representative should not accept a grievance for another member. When the grievance is answered by the company, this answer should be supplied by the company to the grieving member.

Many unions are outspoken in their opposition to taxing healthcare benefits. We reprint below, a letter sent to all members of the House and Senate by James C. Little, International President of the Transport Workers Union (TWU).

<http://www.twu.org/international/article/486/>

Below President Little's letter is an article from Tuesday's New York Times which indicates some are hearing the rank and file sentiment.

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Dear Congressional Member:

On behalf of the Transport Workers Union of America, AFL-CIO, and our over 250,000 active and retired members I am writing to you to express our strong opposition to the excise tax provision in the Patient Protection and Affordability Act of 2009. This tax amounts to a betrayal of the campaign promise made by President Barack Obama that alluded to our hard earned, collectively bargained, healthcare benefits would not be taxed under his healthcare reform plan. We now express our intention to oppose this bill if the excise tax is not eliminated from it.

Supporters of this tax claim that it is a tax on "Cadillac" healthcare plans held by wealthy bankers and business executives, but it's not. The reality is that the vast majority of plans considered "Cadillac" are comprehensive health plans held by middle class working Americans which includes union members who have foregone increases in their pay to have access to fuller healthcare benefits. A tax

on these plans amounts directly to a tax on our members and sends the signal that this Congress and this President think it is acceptable to pay for healthcare reform on the backs of working Americans.

As it is currently written, an excise tax of 40% would be levied on insurance companies for health plans with annual premiums above \$8,500 for individuals and \$23,000 for families. This description is misleading because we all know that the costs of these taxes will be passed down to workers one way or another. Employers will probably cut the benefits that they offer to get their plans under the threshold. In any scenario, such a tax hurts workers, especially those with collectively bargained benefits or in high risk professions where more comprehensive benefits can mean the difference between a lifetime of health or a lifetime of suffering due to ailments caused by high risk jobs. Furthermore, we strongly believe that the threshold cannot be raised high enough to protect all workers from having their benefits taxed.

There is only one option: eliminate the excise tax from the bill. If the tax is not eliminated, we will be forced to oppose this bill.

In Solidarity,

James C. Little
International President

Excise Tax Loses Support Amid White House Push

by Robert Pear

WASHINGTON – An agreement to tax high-cost, employer-sponsored health insurance plans, announced with fanfare by the White House and labor unions last month, is losing support from labor leaders, who say the proposal is too high a price to pay for the limited health care package they expect to emerge from Congress.

But the White House is still urging Congress to adopt the excise tax as a way to help pay for President Obama's ambitious health care proposals. With support for the tax eroding, Congressional leaders are searching for alternative sources of revenue.

The search has some urgency because Mr. Obama has said he hopes House and Senate Democrats can resolve their differences and come up with a final version of the legislation before he convenes a bipartisan meeting on the issue Feb 25.

When the tax agreement was announced on January 14, White House officials described it as a breakthrough that would help clear the way for passage of sweeping health legislation.

Besides producing a substantial amount of revenue, they said, the excise tax on the most expensive insurance plans would slow the growth of health costs by giving consumers a powerful incentive to shop for cheaper policies.

Under the agreement, which builds on a provision in the larger health bill passed by the Senate on Dec. 24, the federal government would impose a 40 percent tax on the value of employer-sponsored health coverage exceeding certain thresholds. To win the endorsement of labor leaders, White House officials agreed to changes in the tax that would lessen its impact on workers, including union members with collectively bargained health benefits. But labor leaders have backed away from the proposal in the wake of the special Senate election in Massachusetts.

"I do not believe there will be an excise tax enacted," said Larry Cohen, president of the Communication Workers of America. It appears that the administration and Congress will be taking a much more modest approach to health care reform. The cost and value of such reform would not justify using an excise tax."

A wide range of House Democrats continue to criticize the tax as bad policy, even with the changes negotiated by labor leaders and the White House. Moreover, House Democrats said, the tax is bad politics because it would set the middle class against the poor-people struggling to keep health insurance against people struggling to get it. Revenue raised by the tax would help finance coverage for people who are uninsured.

Reid H. Cherlin, a White House spokesman, said he was not aware of any erosion in support for the tax among administration officials.

"The president" he said, "continues to believe that charging insurance companies a fee for their most expensive policies— an idea that has the support of experts from both parties — will help achieve the core goal of health insurance reform putting downward pressure on long-term health costs while ensuring that we aren't placing new burdens on hard working middle-class families."

But as a practical matter, labor leaders said, the excise tax was killed by the election in Massachusetts, where the Republican candidate, Scott Brown, won the Senate seat long held by Edward M Kennedy. In opinion polls and in conversations with lawmakers, Massachusetts voters expressed deep hostility to the excise tax.