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INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA-UAW

RON GETTELFINGER, President



ELIZABETH BUNN, Secretary-Treasurer

February 26, 2007

To: Senator Handley, Rep. Sayers and Members of the Public Health Committee

From: Dwight Loines, Political Director United Auto Workers Region 9A

Re: HB 6693 AAC Creation of a State Health Care Plan

My name is Dwight Loines and I am the Political Director for the United Auto Workers Region 9A located in Farmington, CT.

The United Auto Workers Region 9A has a long history of supporting universal health care, both nationally and in Connecticut. In fact, the UAW, along with its fellow unions in the Connecticut AFL CIO has resolved to make universal health care its number one priority this year and to push for a single payer system of health care as we believe is the intent of HB 6693 which we strongly urge you to support.

Since its inception the UAW has supported national single payer health insurance. Ron Gettelfinger, the current International President, has vowed to continue the union's fight for a national, single-payer health insurance plan, maintaining that "health insurance should be a basic right for everyone, not dependent on the whim of any employer." The UAW was the first union to offer employer-paid health insurance to industrial workers and played a vital role in passing such landmark legislation as Medicare and Medicaid, the Occupational Safety and Health Act, the Employee Retirement Act and the Family and Medical Leave Act.

Not only has the UAW been a leader, but the **Big Three** automakers, GM, Ford and Chrysler, have called on national leaders to reform our health care system citing health care costs as their largest and fastest growing cost of doing business. In 2005, GM alone spent over \$5 billion annually on health care costs for both active and retired employees and their families and it is estimated that

over \$1500 is added to the price of every car made due to health care costs. Successful negotiations with the UAW reduced those health care costs by about \$1 billion but the problem continues to be daunting.

Bargaining table negotiations are increasingly contentious because of the rising costs of health care. Employees, employers and union members are losing at the bargaining table because every time they negotiate to simply maintain current health benefits, it means less in wages and other benefits. Labor unions are founded upon the belief that working people have a right to health and economic security but the fight to maintain both is increasingly challenging.

A single payer system provides universal coverage, reduces administrative costs, is less bureaucratic, and eliminates the incentive to profit by denying care. In fact, according to research conducted by the Universal Health Care Foundation, the benefits of expanding a single payer system to all people under age 65 in Connecticut include a 5% reduction in total health care spending, 16% decline in average health costs per insured, 11% decrease in employer payments, up to \$1.3 billion in new net annual income for households, and stabilization of provider reimbursement rates and administrative costs. Additionally, due to an overall reduction in employer's labor costs, as many as 6,000 to 11,000 new jobs could be created.

We urge this committee's support for HB 6693 and if you do not support this bill we urge you to support health care reform bills that lead to universal health care and not piecemeal incremental approaches that will take years before everyone in the state has access to quality health care.

Thank you.