

# Fighting for Healthcare for All or Sitting Out the Fight?

January 11, 2019



While a Single Payer healthcare system is on the table nationally (in the form of several bills, but perhaps more importantly, in the platforms of nearly all the top presumptive Democratic presidential nominees), the actual creation of such a system is perhaps more likely to be accomplished at the state level first, and it's possible New York and California are tied for "most likely to succeed." Even as some advocates caution that we should only fight for a national single payer plan, despite there being even less of a "pathway to victory" in the short-term, I see these campaigns as complimentary. Ambitious and aspiring New York State politicians are well-attuned to what constitutes "progressive" on the national scene, and it is to everyone's advantage if supporting single payer is viewed as part of proving their credentials.

The New York State Assembly has passed the New York Health Act (NYHA) annually for a while now, and with a newly elected Democratic majority in the State Senate (and one considerably more progressive than prior Democratic majorities), there is hope that it could reach the Governor's desk this year or next. That hope has been moderated by some more recent signals from the Senate Democratic leadership (Andrea Stewart-Cousins), implying that they commit to discussing — but not passing — the NYHA this year. For his part, Governor Cuomo publically criticized this bill in his debate with Cynthia Nixon, saying that while it's nice "in theory" it's not practical for the state budget.

While the NYS AFL-CIO has endorsed the bill in prior years, and many major unions support single payer on paper, none have devoted any significant portion of their political activity to supporting the NYHA, with the partial exception of the NYS Nurses Assoc. Moreover, the bill has been strongly criticized by many of the unions that represent NYC municipal workers (together, they're called the Municipal Labor Committee). It's important to know that the MLC members are perhaps the largest remaining group of civilian workers in the U.S. who pay no premium for family health insurance (the City pays our full premiums of about \$17K per year, which is typical for NY); compared this to the average NY worker, who pays \$4,232 per year in premiums for family coverage. Out of pocket costs (in the form of co-pays and deductibles) have grown over the past few years, but remain lower than nearly all other workers (the average family deductible in NY is \$2,273).

The concerns raised by the leaders of these unions focused primarily on it being a "bad deal" for their members, but also on losing a comparably good benefit system that they cite as a "Union Advantage."

For members of these unions who hope to win their unions over to supporting the NYHA within the

next two years, the question remains, How? To answer that, I'll outline three observations about these dynamics, and a few tactical suggestions that seem flow from them.

1. *To win, we need more than tacit union support - we need the full institutional backing of our unions.*

Cuomo and other centrist Dems would happily use the labor movement as political cover for caving into that section of capital that would be put out of business with this single payer plan. To overcome these pressures, our allies in legislature would need to start with much more than a simple majority in support, creating a political consensus that Cuomo would not risk opposing if he wants a political future (as I'm sure he does).

Given the landscape of NYS politics, I don't see how this can happen without the strong backing from most of the labor movement, including the largest of the City unions. When the labor movement decided in 2017 to oppose the NYS Constitutional Convention ballot measure, they mounted perhaps the most coordinated campaign in recent memory. Not only did they buy ads for TV and radio, several large unions - including DC37 and UFT - launched large-scale canvassing operations, making tens of thousands of house visits to make sure their own members understood the objections to the "Con Con" (i.e., in large measure that a constitutional convention in this gerrymandered state could likely empower the far right to eliminate much of what is progressive in the state constitution while endangering a woman's right to choose, among other things) and committed to voting it down. While this may seem like an *Organizing 101* tactic, these unions hadn't done it in a generation. This campaign was a major success, with 80 percent of voters siding with the unions, despite a significant (though smaller) campaign backed by many progressive groups usually allied with unions arguing for the Con Con.

The labor movement can still be a major political player in NY when it wants to, and winning any form of single payer in NY would require *at least* this type of commitment from unions.

1. *Unions will put members first, even ahead of the needs of working people who are not their members.*

Union leaders campaign for their positions largely based on their ability to improve - or more commonly today, maintain—the standard of living for their members, because that's who is eligible to vote for them. Some try to link class demands - like teachers who might say, "Our working conditions are our students' learning conditions" - but I've seen at least a dozen internal election campaigns use the "Members First" slogan, and someone is probably using a similar message in nearly all of our unions, including the incumbents.

Socialists are by definition focused on the collective benefit of the whole working class - as a class - and going back to the Wobblies' critiques of the AFL, there's a tension with unions that put their own members' interests ahead of other workers'. It's a major strategic difference, with socialists arguing that we will never win what we deserve without unified class-wide struggles. But without a clear pathway to class-wide power available at this moment, our union leaders will generally seek out the (smaller) collective interests of their membership.

In the long-term, we need to win more leaders over to a class-struggle model of labor organizing (which hopes to build class-wide power while also winning more for the members along the way), but I'll defer to Kim Moody's "Rank and File Strategy" for that discussion. The question at hand assumes we're talking about the union leaders over the next two years, and for these purposes, we can simply observe that they will put their own members' interests ahead of other workers, and if we want to move them towards supporting the bill, we do so on those terms, that any decent healthcare

bill must benefit or, more to the point, improve union members' healthcare protections, too.

To understand why the NYHA as presently scripted could be a "bad deal" for municipal workers, we have to understand the funding proscribed by the bill. The proposed healthcare system is funded through a variety of taxes, including a payroll tax (referred to as a "premium"). The dollar amount of this premium is graduated according to income (higher paid employees pay more), but the exact amounts would only be determined after the bill is passed, based on the costs required to implement the new system. There have been two economic studies to estimate what the payroll taxes would be, with one (by UMass Prof. Gerald Friedman) estimating the portion paid by a worker making \$50K a year would be about \$1,000 annually, and the other (by Rand Corp) estimating it to be \$3,800.

While both of these are substantially lower than what nearly all other workers currently pay for healthcare, they are both larger than the \$0 premiums currently paid by City workers. Keep in mind that City workers have given up wage increases in every contract for a generation in order to retain these benefits, while most other workers have conceded healthcare premiums and often traded them for higher wages, and as a result, our wages are often lower than comparable unionized State and private-sector workers. Our union leaders are demanding that the NYHA be funded in such a way that there is zero increase in costs paid by our members; given our bargaining history and comparatively low pay, this seems to be a reasonable goal.

Thankfully, the NYHA sponsors have agreed to include a provision in the new version of the bill that would cap the premiums for state and municipal employees at the percentage of premiums they are currently paying, which for us is 0%.

There are a few other matters that have been raised, including whether the prescription plan would match our current plan, and whether retirees would face any additional costs, but I'm confident that the legislators can work out resolutions to those concerns as well.

A remaining issue is how NY workers living outside of NY will access healthcare, and the potential for their benefits to cost more - per member - due to the smaller pool of insured people. Given that our unions currently manage a portion of our healthcare benefits directly (typically prescriptions, dental and vision), this is also not an unreasonable concern. Again, the sponsors of the bill have come through, and offered language that would require public employers to bargain over any healthcare savings as a result of the NYHA, which could be used to supplement these benefit funds to cover any increase in costs.

Once finalized, these changes are expected to be published in the beginning of the 2019 legislative session, and I'm confident that they will address nearly all the economic concerns that the MLC leaders have raised. Having done so, advocates of the NYHA can turn our focus to the opportunities that the new system would provide us: Quality healthcare will be more accessible for everyone (with zero copays, no "out-of-network" restrictions and vastly improved funding for our safety-net providers) and the new bill is also expected to include long-term care - still without additional costs to patients - which is currently unavailable to our members.

#### 1. *Unions want to maintain the "union advantage."*

Unions are funded by our membership dues; more members means more money, and leaders are typically preoccupied with being able to show potential members that paying the dues is worth it, especially since the *Janus v. AFSCME* Supreme Court decision banned mandatory dues payments. Organizers are trained to persuade workers of the "union advantage" by citing not only the job security provided by the contract, but also the comparatively better benefits - or pay, when that's true - compared to other workers.

Class-struggle unionists argue that instead of “selling” the union to workers, we should be organizing them to build the shop-floor power needed to win much more than these basic benefits and protections. The honest state of most of our unions, however, is that they are not prepared – or perhaps not even interested – to organize their members to demand dramatic improvements in contract negotiations. The default message is often, “Pay your dues, and let the leadership negotiate for you,” and we settle for wages that barely keep up with inflation. Yes, we maintained our low-cost healthcare, but with little else to brag about.

As organizations responsible for bargaining with our employers, the most obvious direct opportunity of single payer for unions is removing all these healthcare costs from the table, allowing us to focus our negotiations on more substantial wage increases or other benefits beyond basic healthcare. Even for our leaders committed to “selling” the union advantage, it’s easier to brag when your wages really are better than other workers. In fact, this is largely why some union leaders have chosen to negotiate wage increases at the expense of healthcare costs; but the NYHA gives us the opportunity to have our cake and get treated too.

### **Tactical implications**

Winning our leadership over to supporting the NYHA will probably require both lobbying our union officials and educating our coworkers. Precisely how we do that depends on our access to the leadership and how open they are to single payer in principal. Perhaps in some cases a sympathetic leadership just needs a nudge, but more likely they’ll need to see some evidence that there is broad support for this among the membership. While there is broad public support for “universal healthcare,” few of our coworkers in my experience are likely familiar with the details of the NYHA or nuances such as discussed above, hence the need for some form of education on these issues.

Complicating our efforts is the possibility that some oppose the NYHA for other reasons entirely. Some may be ideologically opposed to sharing taxpayer-funded benefits with people they view as “undeserving” (a racialized poor, immigrants, etc). Some may get personal gain from access to large benefit funds (which could be diminished as less necessary under NYHA). A comparative union advantage could also be maintained by holding down other workers’ pay or benefits, and in our darkest hours, trade unions have followed that disgraceful path (most unions were segregated into the 1930s, with Black members getting less). Few union leaders would publically acknowledge these or other conservative reasons for opposing the NYHA, perhaps knowing that they would be unpopular among their members, and might damage their alliances with liberal politicians.

Union members advocating for NYHA will need to assess whether their leadership really is just trying to get a “good deal” for members and retain their union advantage. Such leaders could be convinced to throw their support behind the legislation if their practical concerns can be addressed. A simple first step might be to ask for an explanation of the union’s concerns regarding the NYHA, ideally in writing. Try to learn about the nuances of our benefits, their funding and the union’s concerns, and work with our allies in the Campaign for NY Health to identify how those might be resolved in the legislation itself. If they seem “moveable,” work with them, and see how far you can get towards supporting the bill.

The educational activities among our coworkers will also need to be tailored to our particular union contexts, the leaderships’ concerns and their openness to single payer in principal. For example, there may be no benefit from aggressively criticizing the leadership if they’re already moving toward supporting, and we would need to reach and win over enough members to convincingly demonstrate broad support, a daunting goal in large unions.

However, if all the practical concerns of leadership have been convincingly addressed, we may be

left to conclude that their opposition stems from a more conservative approach to our labor movement, they may not be moveable, and you may need to consider your other options in the run-up to the next leadership election. Educational efforts among members might still be a good idea, but the goals and tone might be different — certainly harsher — if there's little or no hope of moving the leadership.

### **One more reason to support Single Payer**

Though I haven't seen this come up in the recent statements from union leaders, the potential positive impact that single payer could have on new union organizing and the broader labor movement's militancy warrants a brief comment.

Ambitious unions want more members not only for the dues revenue, but also because higher union density provides us with greater political and economic leverage to protect what we have and fight for more. In the course of a new organizing campaign, workers are faced with lots of decisions: when to "go public," what tactics to use against the boss, how much to demand in bargaining, and many more. Without the benefit of a contract, these workers risk provoking retaliation for the efforts; of course this employer payback is usually nominally illegal (under federal law for private sector workers, and under many state laws for state and municipal workers), yet enforcing these laws often takes too long to be useful for the organizing campaign (getting a fired worker reinstated two years after losing an election is a small victory for the overall campaign).

As a result, the leaders of an organizing campaign are often asking themselves if they can afford to get fired. The answer to this question is often very personal (Are there other jobs you can get quickly? Do you have savings? Stable housing? A family who can help out?), but for workers whose healthcare is tied to their employment, getting fired might be too much to risk for themselves and their families. Establishing healthcare as a right, disconnected from employment, dramatically reduces the practical risks that workers face when standing up for themselves and form a union. It's the type of game-changer that could be a huge boost to new organizing efforts, one that the labor movement desperately need.

Finally, for ambitious unions, there's yet another opportunity: Reducing the costs of striking. Workers lose employer-paid healthcare in a prolonged strike, and unions' strike funds are often quickly depleted trying to provide them with income and also some — perhaps limited — access to healthcare. Under single payer, not only would the risks associated with losing a strike be lower (even in the event of termination), but the costs of staying out long enough to win would be lower.

*Andres Nin Jr. is the pen name of a veteran New York City public sector union activist.*