

What Information Do Unions Need to Make Informed Health Care Bargaining Decisions?

The Affordable Care Act (ACA), the health reform law passed in March 2010, includes many provisions that will impact employer-based insurance and union health plans in particular. The impact of the law will vary significantly by employer, primarily depending on the coverage currently offered and the demographics of the workforce. Even within a given workplace, workers will be impacted differently based on their family income, family size, age, documentation status and access to other sources of coverage. In order to make informed decisions in negotiations with employers over health benefits, most unions could benefit from gathering information about existing health plans and the union membership.

Collection of this information will be especially critical for unions with members who are not offered health insurance by their employer or who are enrolled in health plans falling short of the new standards in the law. Some of these unions, particularly those representing low-wage workers, will face a decision about whether to bargain for increased wages or to bargain for health benefits. Most workers will be better off maintaining job-based coverage, but some workers who are eligible for subsidized coverage may be better off receiving the amount an employer would have contributed to their health benefits in the form of higher wages and purchasing coverage in the exchange. Whether or not a union should consider bargaining for increased wages or health benefits will be highly dependent on the specific circumstances of each workplace. Unions facing this decision may want to survey members prior to bargaining to understand family income, family size, age, current source of coverage and other factors.

Even unions that have already negotiated affordable health plans meeting most of the plan standards in the law could benefit from collecting health care information prior to bargaining. Take-up of coverage may increase beginning in 2014 as a result of the individual responsibility tax penalty for individuals not enrolled in qualifying coverage (with some hardship exemptions) and the requirement that employers with more than 200 full-time employees automatically enroll employees into a plan unless they opt out of coverage. In order to assess how take-up will change after implementation, unions may want to collection information on current take-up rates, eligibility rates for job-based coverage and the share of the workforce that is uninsured, along with other factors.

This tool suggests information to collect and sample questions to ask in surveying union members. Not all information and questions will be relevant to all unions, and the level of importance of each of these questions will vary based on each union’s specific circumstances.

INFORMATION TO GATHER THROUGH UNION/ EMPLOYER/ HEALTH PLAN DOCUMENTS

This list contains questions that a union could answer by collecting and analyzing relevant documents, such as collective bargaining agreements, health plan summary documents and information requested from the employer and/or health plan.

Collective Bargaining Agreement

- When does the current contract expire?
- What is the expected length of the next contract?

Workforce Size

- How many total employees are in the firm?
- How many full-time employees are in the firm? (The law defines full-time as 30 hours or more per week.)
- How many total employees work at this location? (if firm is a chain)
- How many full-time employees work at this location?

Health Insurance Status

	Individual Coverage	Family Coverage
Does employer currently offer health insurance? (regardless of employer contribution to cost)		
If yes, how many hours per week or month must employees work to be eligible for insurance?		
How long must employees maintain employment before becoming eligible for insurance?		
How many employees are eligible?		
How many employees are enrolled? (by plan, if multiple plans are offered)		

Health Plan Description

(repeat if multiple health plans are offered)

Plan Name: _____ Plan Year: _____

	Individual Coverage	Family Coverage
How much is the total monthly premium?		
How much does the member pay toward monthly premium?		
How much does the employer pay toward the monthly premium?		
What is the plan's actuarial value?*		
What are the annual out-of-pocket maximums?		
What are the plan's lifetime benefit limits, if any? (for example, \$1 million per lifetime)		
What are the plan's annual benefit limits, if any? (for example, \$100,000 per year)		
How much is the annual deductible?		
How much is the office visit co-payment?		
How much are prescription drug co-payments?		
What is the co-insurance rate?		

* Actuarial value is a measure of plan generosity based on the percentage of the medical bill that the health plan will pay for a large standard population.

SAMPLE UNION MEMBER SURVEY

This is a list of sample questions that could be included in a survey of union members.

Demographics

- How many hours per week do you work at this job?
- What is your hourly wage at this job?
- What is your family's estimated annual income?
- How old are you?
- How old is the youngest adult in your family? (excluding dependents under age 26)
- How many family members are in your household?
- How many dependents does this include?
- Some unions may also want to ask about documentation status in a way that does not put members at risk.

Insurance Status

- Do you currently have health insurance?
- What is the source of your health insurance? (Medicaid, this job, spouse's job, other)
- Does your spouse currently have health insurance? (if applicable)
- What is the source of your spouse's health insurance? (Medicaid, this job, spouse's job, other)
- Do your children currently have health insurance? (if applicable)
- What is source of your children's health insurance? (Medicaid, Children's Health Insurance Program, this job, spouse's job, other)
- Are you eligible for employer coverage?
- If you are not eligible, why not?
- If you or a family member are not enrolled in health insurance, what is the reason for your uninsurance?

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