

How does a financial restructure of U.S. Healthcare affect unionized employers?

Unionized employers are required through a collective bargaining agreement to provide a healthcare benefit to their employees. The agreement specifies the size of the contribution and whether the employer pays all of it or employees also contribute something. The health and welfare plan administers payments from the fund to the healthcare delivery system when employees use the system.

The Federal law creating the restructure will be supported by at least 70% of Americans which includes 70% of union members. The requirements of this Federal law supersede what is in collective bargaining agreements (CBA).

Because the restructure lowers the cost to operate the U.S. Healthcare System by 25%, it lowers what employers and employees have to pay to fund the system.

Union members and officers will support this change because they want to pay less for healthcare during their lifetime just like everyone else.

How does this change affect employers and the CBA?

- 1 The CBA no longer specifies the amount of the total contribution. Federal law now specifies how much each individual contributes to fund the healthcare system which will mostly likely be a percentage of their gross wages.
- 2 There will be no separate contribution to Medicare because all healthcare will be rolled up into one fund eliminating payment administration duplication.
- 3 Funds to pay healthcare will go through one payment system which can be government or private. A supermajority of Americans will decide which one.
- 4 The CBA will specify what percentage of the contribution is paid by the employer and what amount is paid by the employee. This split will be different because the total contribution covers all healthcare needs birth to death. It eliminates duplication of payment administration through hundreds of plans and organizations. Depending on what American's want, it may also eliminate deductibles and co-pays and include those funds in the total contribution.
- 5 Employers will now send funds to this new payment system instead of plan administrators. There will be no need for plan administration to process funds separately. The cost of administering a health and welfare plan will be eliminated as an unnecessary duplication that adds to the cost of healthcare.

A restructure of U.S. Healthcare lowers cost for employers and employees