

# Health care reform is a critical postal reform



**“S**top pushing health care reform and focus on saving the Post Office and our jobs,” a member recently told me in a letter. “Besides, we already have good insurance.” Other carriers are disgusted with the partisan warfare around the issue and want the union to steer clear of the fight. But health care reform is not a separate issue from securing the future of the Postal Service and we cannot afford to let others decide for us.

Of course, NALC will not blindly support just any old plan Congress cooks up. But every member should understand that the stakes are high for both the Postal Service and letter carriers. Let me give you three reasons why health care reform is a “postal” issue.

**First, skyrocketing health care costs are** damaging our standard of living. Our FEHBP premiums have doubled since 2000—rising two, three or four times faster than inflation. You know our wages have not doubled, so health care costs are eating into our take-home salaries.

As more private businesses duck these costs by cutting benefits, increasing numbers of the uninsured receive “uncompensated care”—often in overcrowded emergency rooms—and that expense is passed on to those with “good insurance.” Our rates will keep escalating if the law does not require all companies and/or workers to help finance health care. That is why reform with a strong employer mandate is necessary.

**Second, without real reform, our nation’s** economy and the fiscal stability of our national and state governments will be severely damaged. Other countries provide universal coverage at much lower costs, without weighing down businesses or their governments, giving them a competitive edge. A weak economy is bad news for the Postal Service, and rising federal deficits driven by soaring Medicare and Medicaid costs expose letter carriers’ pension and health care benefits to the relentless pressure

of budget cuts. Health care reform that helps all workers pay for affordable coverage with funds raised through progressive taxation is in the interest of every letter carrier, both as workers and as American taxpayers.

**Third, the soaring cost of health care** poses a major financial threat to the Postal Service and, therefore, to the security of our jobs. Just consider the \$5.5 billion annual cost of pre-funding retiree health benefits. That onerous cost is so high because the Office of Personnel Management assumes that our experience over the past decade, when health premium costs increased by 7 percent annually, will continue over the next 75 years. The OPM is wrong—that rate of growth is simply unsustainable. But unless we fix our dysfunctional health care system, it will be difficult to get the kind of long-term relief from the pre-funding burden that the USPS needs to prosper. Reform with a strong public option is needed to slow climbing costs and provide relief to employers like the Postal Service.

As I write, leaders in Congress are trying to cobble together unified bills from the five approved by various committees. NALC is joining the AFL-CIO’s national mobilization to shape the legislation as it moves ahead. Our key goals: universal coverage with a strong public insurance option, a broad employer mandate, and fair funding provisions that do not tax workers’ health benefits. I hope every NALC member will join us to secure affordable health care for all Americans in a way that strengthens the Postal Service and secures our jobs.

**As I told that brother who wrote to me:** Yes, we have “good insurance” now, but not all our children, families and friends do—and it won’t be good for long if health care costs keep soaring. I also told him that we will carefully study whatever legislation emerges. If it is good for letter carriers, we’ll support it. If it’s not good for us, we will oppose it with all our might. For us, the right kind of health care reform is really another form of postal reform. ✉