October 5, 2015

Union Negotiations Increase Health Plan Profits

The Obamacare 40% “Cadillac Tax” begins in 2018 so employers are trying to cut benefits. About 400,000 union workers’ contracts are up for negotiation and strikes could ensue. What amazes me is what union workers are willing to give up in wages.

For example, union health plans costs $35,000 per year per dockworker. Over five years, that’s $175,000 to an insurer even if the worker never sees a doctor. Unions could negotiate for higher cash wages but their negotiations increase health plan profits. NOTE: the 60 million dollars that shipping companies must pay for the ‘Cadillac Tax’ means higher prices for you and me.


“Coast dockworkers face huge backlog as job action ends,” CBC News (The Associated Press), February 21, 2015.