



AT&T: Healthcare Legislation

May 17, 2010

To: All C&T Local Presidents

Greetings:

Below you will find some facts regarding the Healthcare legislation provided by our Research Department. In addition, a separate document providing [additional information](#) is attached. The presentation can also be accessed on the www.cwa-union.org website as well as under the Healthcare and Retiree Tabs of the C&T website. I hope you find the information helpful.

In Unity,

Martha Flagge
CWA Representative
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Here Are The facts:

Employers will be required to report the value of the health plan on workers' W-2s. That is it. The worker is not taxed for the value of the plan. Of course, there are new taxes to fund health care reform. Here is the list:

\$210 billion from Medicare Taxes applied to high-income earners (those earning more than \$200,000 single or \$250,000 married). There is a slight bump (0.9%) in the Medicare tax for income in excess of those amounts, and, for the first time, the Medicare tax will be applied to unearned income, like dividends, royalties, rents, and interest income for those in these ultra-high income brackets.

\$107 billion from taxes and fees assessed on drug companies, medical

device manufacturers and health insurance companies.

\$52 billion from a penalty assessed against employers who don't provide health insurance.

\$32 billion from the excise tax on high-cost health plans (note this tax is on the plan or plan sponsor; not on people covered by the plan).

\$17 from individuals who do not have health insurance.

\$5 billion from a tax change in the Medicare drug subsidy provided to employers who offer retiree drug coverage.

\$3 billion from an excise tax on tanning salons.

While we don't like the excise tax on health plans and we don't like the change to Medicare Part D subsidy, these taxes are not assessed against individuals or families. It can be truly said that this health care reform bill is financed progressively. Almost half the financing comes from taxes on the wealthiest Americans and the next biggest source of financing is the health care industry itself, which has been among the most profitable industries in the country.

Our mission is to stop the destruction of our Union by our employers. It is to protect and better the lives of our retired, current and future members. We will re-grow our Union by educating, strengthening and uniting our membership in order to impact our employers through strategic use of our power.

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