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State of the unions

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Labor Day may be the one occasion in the course of a year when the commercial media remember the union movement. For union-owned media like the Labor Press, it's an annual opening to take a step back and ask how workers — and the labor movement — are doing.

University of Oregon professor Bob Bussel, director of the Labor Education & Research Center (LERC), thinks evidence has continued to mount for the existence of what presidential candidate John Edwards called “two Americas.” In other words, the gap between rich and poor seems to be accelerating.

That's borne out by the Economic Policy Institute (EPI), a Washington, D.C.,-based think-tank. Once every two years, EPI puts out a thick report entitled “The State of Working America.” The next one is due to be released Labor Day.

NUMBERS TELL PART OF THE STORY

EPI reports that the business cycle that began in 2001 and ended in 2007 looks to be the first ever recorded in

which America's middle-class families ended the cycle with less real (that is, inflation-adjusted) income than they had at the beginning. Productivity rose 18 percent during that time, but the gains weren't evenly shared. Incomes rose for the top 10 percent, but stagnated for the rest.

This year, with a new recession beginning, economic stats looked bleaker. Unemployment rose, reaching 6.0 percent of the workforce in July. And as of June, nearly a fifth of the unemployed had been out of work for at least half a year.

In the last 12 months, 383,000 manufacturing jobs have been lost. The retail trade has lost 211,000 jobs since peaking in March 2007. And the construction sector has shed 557,000 jobs since its September 2006 employment peak, with nearly three-quarters of that in the last eight months. [One bright spot is health care, which has added 368,000 jobs over the past 12 months.]

Joblessness is a problem for the 9.4 million unemployed workers, but also for 145.8 million workers who remain employed. As EPI points out, when jobs are scarce, employees have little leverage to bargain for better wages and

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Emergency rule change in workers' comp medical fees could harm injured workers

SALEM — Union officials and some health care groups believe that a temporary emergency rule issued last month by the Oregon Workers' Compensation Division creates “sweeping changes” to the system that could drive out some medical providers.

WCD Administrator John Shilts ruled July 7 that workers' comp insurance companies can reimburse doctors, physical therapists, hospitals and others who are treating injured workers at fees those medical providers have discounted in order to be part of a preferred provider organization (PPO) network. PPOs are popular in the private sector because in exchange for the discounted fees, the network will direct patients to their practices.

Prior to the emergency order, a workers' comp insurer paid medical bills in one of three ways: at the provider's normal fee; at the amount

set by law under the Oregon medical fee schedule (if it is less than the normal fee); or at the rate contracted with a provider enrolled in a state-certified managed care organization (MCO). MCO rates typically are lower than both the medical fee schedule and the provider's normal rate. MCOs were allowed into Oregon's workers' comp system as part of a controversial major overhaul in 1990. The state regulates MCOs to ensure that injured workers are getting good care. PPOs are not regulated.

“PPOs exist solely to reduce fees paid to providers,” said Diana Godwin, an attorney representing physical therapists.

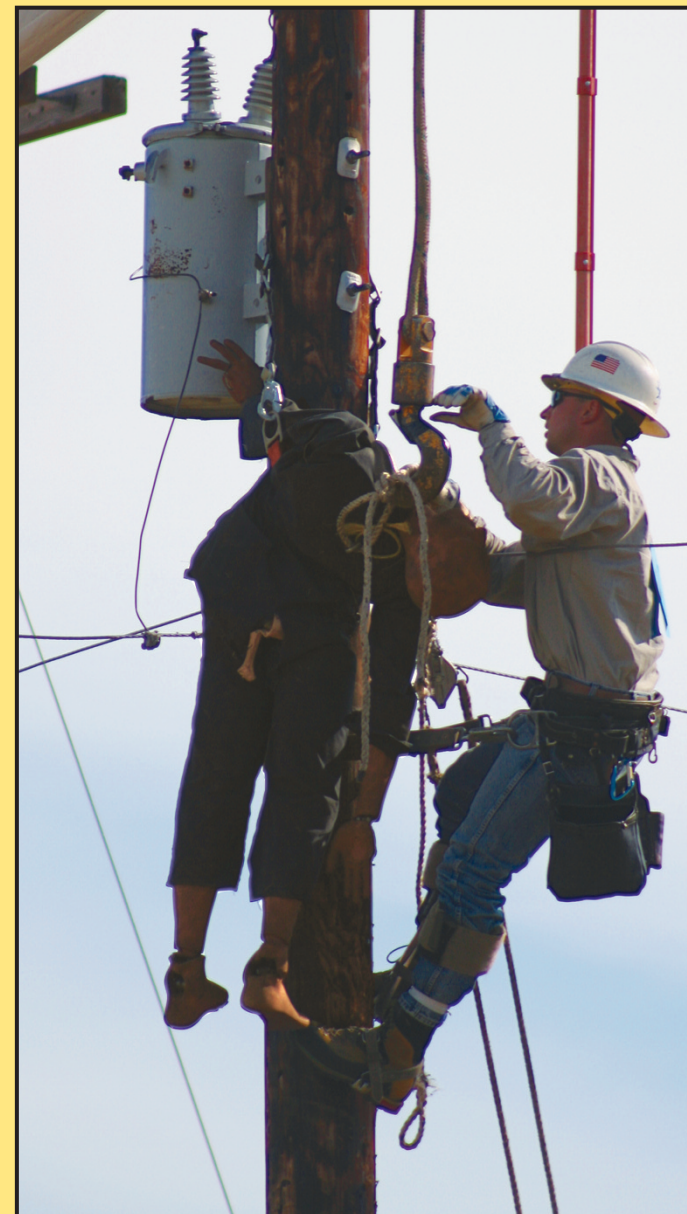
Only four MCOs are certified to serve injured workers. They are Providence MCO, Kaiser Foundation, Oregon Health Systems Inc., and Care-Mark Comp, which is owned by

Legacy Health and Adventist Medical Center.

Workers whose employers are enrolled in one of these MCOs are not impacted by the new rule. Still, union officials believe that if the emergency rule is made permanent it will entice employers to leave MCO insurers in search of cheaper premiums through PPO networks, thus forcing medical providers out of the workers' comp system.

“Injured workers already have a tough enough time finding doctors who will treat them,” said Bob Ship-rack, executive secretary of the Oregon State Building and Construction Trades Council, and one of the longest-serving members on the Oregon Workers' Compensation Division's Management-Labor Advisory Council. MLAC is comprised of five

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Even play looks like work

Josh Rinard, a journeyman lineman for Portland General Electric and a member of IBEW Local 125, tests his skills in the “hurt man rescue” at the 15th annual Pacific Northwest Lineman's Rodeo July 26 at PGE Linneman Station in Gresham. Competition pits journey-level and apprentice utility linemen and women from Oregon, Washington, Idaho and other western states in events such as the “hurt man rescue” and pole climb (with a raw egg). Contestants are timed and judged for safety, work practice, and equipment handling. IBEW Locals 125 of Portland and 659 of Medford, PGE, Pacific Power and Light, and Clark Public Utilities sponsor the event. (Photo by Nancy Harper)

Have a Great Labor Day!