

Medicare proposal: Tried-and-failed 'zombie'

(AFL-CIO President Richard Trumka has issued the following statement regarding U.S. Rep. Paul Ryan's and U.S. Sen. Ron Wyden's plan under which Medicare would subsidize premiums charged by private insurers.)

The Ryan-Wyden proposal cripples Medicare in order to give the Republican Party a political boost and to earn Sen. Wyden praise from powerful people who care more about the appearance of bipartisanship and insurance industry profits than the health of America's seniors.

The basic idea is to have private for-profit insurance companies compete

with traditional Medicare. But we already know this does not work since Medicare is more cost-effective than private plans and for-profit insurance companies "compete" by cherry-picking healthier patients and making it harder for their sicker patients to get the care they need.

This zombie idea has already been tried and has already failed. We tried it before with Medicare Advantage, which failed to reduce costs or deliver quality care. Medicare Advantage's costs were 13 percent higher than traditional Medicare.

Rep. Ryan spent 2011 on the defensive, defending his politically deadly

proposal to replace traditional Medicare with vouchers for private insurance. The Congressional Budget Office already found that plan would increase overall health care costs by \$34 trillion over 75 years and increase out-of-pocket costs by \$6,000 per senior per year.

Ryan-Wyden is not about cost containment, and even its authors admit that vouchers would not be more cost-effective than traditional Medicare. So as a fallback they propose a budget cap, but they neglect to provide the necessary details about how their fail-safe mechanism would work or who would pay the price for failure.

The Ryan-Wyden plan betrays a fundamental misdiagnosis of the problem of health care cost growth. We agree that if America fails to bring health care cost growth under control, health care costs will eventually bankrupt families, private businesses, state governments, and the federal government.

But Medicare, which is more cost-effective than private insurance, is not the problem, it is the solution to runaway health care costs. It is the height of irony that the Ryan-Wyden plan destabilizes the most effective tool we have to control health care cost growth, which is Medicare. Under Ryan-Wyden, private for-profit insurance

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companies will cherry pick the healthiest seniors and stick Medicare with sicker and more costly seniors, driving up costs for Medicare, fragmenting and destabilizing the Medicare risk pool, and leaving traditional Medicare to wither on the vine.

In the end, the answer to the problem of health care cost growth is for more people to use Medicare, not fewer. The Ryan-Wyden zombie proposal takes us in exactly the wrong direction.

Unions step up big time to help those less fortunate

To The Editor:

In recent years, United Ways throughout Oregon and Southwest Washington have used the slogan "Live United" to encourage individuals and organizations to invest in their communities, reach out to people in need, and volunteer time and energy for the greater good. It's a tall order when workers have been, and continue to be, crushed by unemployment — up to 40 percent in some local trades — as we enter yet another year of slim prospects for jobs at a family living wage with benefits.

Knowing that the 2011 winter holidays would be challenging, Labor's

Community Service Agency braced, setting aside extra funds in advance for its November-December programs. When the tidal wave of referrals for help with Thanksgiving meals came in, it tripled the number of families receiving assistance and washed out the budget. Certainly the need in December would be equal or even greater with the need for more funds, toys, and volunteers. How would we meet it?

The call went out to the labor community, through the Northwest Oregon and Southwest Washington central labor councils; the Northwest Labor Press, union local grapevines, and word-of-mouth.

Labor's immediate and generous response was a tidal wave all its own. The results were incredible: Over \$10,000 in contributions to provide holiday dinners for 250 families — more than 1,000 lives enriched by labor's actions with the holiday dinner program alone.

Some 1,200 toys and resources to put on the biggest and best toy party yet, with lunch, goodies, pictures with Santa, and toys galore. Hundreds of volunteers from labor unions across the board with the common goal of making the holidays brighter for unemployed families.

Our labor community makes a compelling statement about living united. It

is what we do, how we respond and operate, every day. I am proud to stand beside you, to work with and for you, and to share your Live United spirit with community members in need.

On behalf of everyone served in 2011, and the brothers and sisters Labor's Community Service Agency will continue to serve, thank you. It is an honor to have labor's trust, support, and partnership, and I look forward to what we will accomplish together in 2012.

In thanks and solidarity.

Vickie Burns
Executive Director
LCSA-Portland

Thought for the New Year

Ten thousand times has the labor movement stumbled and fallen and bruised itself, and risen again;

been seized by the throat and choked and clubbed into insensibility;

enjoined by courts, assaulted by thugs, charged by the militia, shot down by regulars;

traded by the press, frowned upon by public opinion, deceived by politicians, threatened by priests;

repudiated by renegades, preyed upon by grafters, infested by spies, deserted by cowards, betrayed by traitors, bled by leeches, and sold out by leaders;

but notwithstanding all this, and all these, it is today the most vital and potential power this planet has ever known;

and its historic mission of emancipating the workers of the world from the thralldom of the ages is as certain of ultimate realization as is the setting of the sun.

(Editor's Note: This is an excerpt from "An Ideal Labor Press," written in May 1904 by Eugene V. Debs. It was submitted by Ed Barnes, a retired business manager of IBEW Local 48 and member of the Oregon Labor Press Publishing Association board of directors.)

PITY THE 1 PERCENT! Billionaires bemoan criticism by 'imbeciles'

By ADELE STAN

It's tough these days being a member of the top 1 percent, what with all the complaints about the widening income gap and tax breaks for billionaires, not to mention the demands of the 99 percent for a little accountability.

"It feels lonely..." said John A. Allison IV, former CEO of BB&T, one of the nation's top 10 banks, to Bloomberg News.

Or, as billionaire Tom Golisano, founder of Paychex Inc., so delicately put it, according to Bloomberg: "If I hear a politician use the term 'paying your fair share' one more time, I'm going to vomit." Golisano, who turned 70 last month, celebrated the birthday with girlfriend Monica Seles, the former tennis star who won nine Grand Slam singles titles.

Even Jamie Dimond, the J.P. Morgan Chase CEO who took home a cool \$23 million last year, and John Paulson, the billionaire hedge fund manager, have publicly bemoaned their targeting by Occupy Wall Street and other detractors.

So what's a lonely, nauseous billionaire to do? Organize!

Enter the so-called Job Creators Alliance (JCA), a sort of one-stop mes-

saging operation, complete with a speakers bureau and media booking operation for those underappreciated fat cats. The group's 17 featured business leaders say they aim to "shape the national agenda," according to the JCA website.

Among the alliance's founding members is Bernie Marcus, co-founder of Home Depot, who still seems to need a little work on his messaging. Asked by Bloomberg reporter Max Abelson whether he was concerned about becoming the target of protesters, Marcus replied: "Who gives a crap about some imbecile? Are you kidding me?"

One of the burning issues on that agenda is the 1 percent's disdain for a section of the Dodd-Frank bill that requires publicly-traded corporations to disclose the ratio between their CEO's compensation and the median pay package given employees. BB&T's Allison, who still sits on the bank's board and is one of the 17 JCA-appointed "spokes-billionaires" for the 1 percent, complained to Bloomberg that the rule was "an attack on the very productive."

This definition of productivity must include small business foreclosures and employee layoffs. BB&T, which took

\$3.1 billion in bailout funds (since repaid), announced late in December that it was eliminating an unspecified number of positions, lending an Orwellian bent to his role in the purported Job Creators Alliance.

Excessive CEO pay is now seen as one of the key drivers of the housing bubble that led to the crashing of the economy in 2008. AFL-CIO President Richard Trumka noted at a conference on the topic last month that the average CEO of the top 500 corporations listed by Standard & Poor's now collects 343 times the amount in compensation as the median paycheck received by his or her workers.

A scroll through the JCA website found several links to the billionaires Charles and David Koch, the anti-labor siblings who run Koch Industries, the second-largest privately held company in the United States. Bernie Marcus' business partner, Ken Langone, attended at least two of the brothers' secret retreats for wealthy political donors, according to reporting by ThinkProgress. Art Pope, one of the JCA 17, is vice chair of the Americans For Prosperity Foundation, which is chaired by David Koch. Pope also sits on the board of Americans For Pros-

perity, the foundation's sibling organization.

Two JCA staff have Koch connections, as well. JCA President Jeanette Goodman and message team member Lee Habeeb previously worked for the National Center for Policy Analysis, a right-wing, climate-change-denying think tank funded by the Kochs.

(Editor's Note: Adele Stand writes for the AFL-CIONow news blog.)

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