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### **Camp, Kline Request Cost Estimate of Extending Taxpayer Subsidies to Union Health Plans**

Washington, DC – Amid news reports the Administration is crafting new regulations to appease union critics of the health care law, House Ways and Means Committee Chairman Dave Camp (R-MI) and House Education and the Workforce Committee Chairman John Kline (R-MN) today requested the Congressional Budget Office (CBO) and Joint Committee on Taxation (JCT) estimate the taxpayer cost of providing premium tax credits to individuals participating in multiemployer health care plans, which overwhelmingly serve union members.

**Chairman Camp stated**, “In the more than three years since signing ObamaCare into law, President Obama has unilaterally granted waivers, special deals and delays to unions and other politically-favored friends. This special treatment is unfair to the American families and individuals who are burdened with higher health costs and losing the insurance they have and like as a result of this law.”

“Any regulatory scheme that extends taxpayer subsidies to union health plans would blatantly contradict the president’s health care law,” **said Chairman Kline**. “Union leaders supported the government takeover of health care, and if they want to protect workers from its destructive consequences they should work with Congress to repeal the law. Propping up a fatally flawed law through executive fiat exacerbates the pain and costs suffered by America’s families.”

**Background:** *The Patient Protection and Affordable Care Act (PPACA)* provides that only individuals who purchase insurance through a “qualified health plan” sold in health benefit exchanges are eligible for premium taxpayer credits. According to an analysis provided to the Education and the Workforce Committee by the nonpartisan Congressional Research Service (CRS), multiemployer health plans do not meet the definition of a “qualified health plan” and **“it seems unlikely that an individual who is enrolled in a multiemployer health plan would be eligible for a premium tax credit.”**

Faced with this reality, unions are increasingly voicing concerns with the health care law. Leaders with the International Brotherhood of Teamsters, United Food and Commercial Workers, and UNITE-HERE [wrote](http://blogs.wsj.com/corporate-intelligence/2013/07/12/union-letter-obamacare-will-destroy-the-very-health-and-wellbeing-of-workers/) (<http://blogs.wsj.com/corporate-intelligence/2013/07/12/union-letter-obamacare-will-destroy-the-very-health-and-wellbeing-of-workers/>) ObamaCare will “shatter” the “hard-earned health benefits” of union workers.

The International Brotherhood of Electrical Workers [believes](http://blogs.wsj.com/corporate-intelligence/2013/07/12/union-letter-obamacare-will-destroy-the-very-health-and-wellbeing-of-workers/) (<http://blogs.wsj.com/corporate-intelligence/2013/07/12/union-letter-obamacare-will-destroy-the-very-health-and-wellbeing-of-workers/>) “implementation of the [PPACA] is jeopardizing multiemployer plans and the individuals the plans cover.”

In response, *Inside Health Policy* [reports](http://insidehealthpolicy.com/201308272445151/Health-Daily-News/Daily-News/sources-administration-working-on-rules-to-address-unions-aca-concerns/menu-id-212.html) (<http://insidehealthpolicy.com/201308272445151/Health-Daily-News/Daily-News/sources-administration-working-on-rules-to-address-unions-aca-concerns/menu-id-212.html>) the Obama Administration is “working on regulations to address criticisms raised by unions

respond to these concerns without a change in the law approved by Congress. However, extending taxpayer subsidies to union health plans would lead to more federal spending. As Chairmen Camp and Kline note in their letter:

"According to the Department of Labor there are over 1,800 multiemployer plans that cover some 6.2 million individuals. While not all of these individuals would be eligible for premium tax credits due to income thresholds, potentially millions would qualify. Therefore, the implications for American taxpayers are significant."

To understand the potential costs, the Chairmen requested a response from CBO and JCT by September 19.

To read the letter from Chairmen Camp and Kline, click [here](#) (<http://waysandmeans.house.gov/uploadedfiles/campklinelettermultiemployer090413.pdf>).

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