

Assuring affordable health care coverage

Under the Qualified Economic Offer, Wisconsin teacher salaries lost 11 percent to inflation in the last decade as pay decreased to cover insurance costs. Teachers say their salaries are not keeping up with inflation as more compensation goes to health care.

One of the WEAC Board's principles regarding any health care reform includes **the necessity for strategies to be implemented that reduce and contain costs to assure affordable coverage for all individuals and employers.**

WEAC members have worked to contain health insurance costs, but skyrocketing premiums and other costs are becoming unsustainable. If the price of milk had risen at the same rate as medical services in the last four decades, a gallon today would cost you a whopping \$30.

To reduce health care costs, 98 percent of educators reported in a recent WEA Trust study that they moved to three-tiered drug cards, up from 43 percent just three years ago. Three-tiered drug cards increase out-of-pocket expenditures for high-cost drugs while steering participants to lower cost generic drugs.

The same study found that 47 percent of educators adopted the new Partners in Health "Wellness" program to help reduce preventable illnesses, which in turn lowers costs for care and treatment. Additionally, 60 percent of participants have also taken wellness surveys, which assist prevention and reduce costs.

At the same time WEAC members agree to cost savings, impacts are still being felt because of spiking costs. Salary gains are being reduced to below the rate of inflation to make up for rising costs, employee out-of-pocket expenses and premium shares are increasing and other bargaining goals are being sacrificed to make up for cost deficits.

As an example, in Oak Creek, health insurance premiums cost more than \$19,000 for a new teacher making less than \$34,000 a year. That means health insurance costs equate to about 56.6 percent of the teacher's salary. With health insurance rising at recent rates, by the time that teacher reaches retirement, health insurance premiums will reach more than \$135,000 while the teacher makes less than \$62,000 – a 222 percent ratio.

Studies show that for a new teacher, health insurance will cost more than salary in as few as 15 years from now.

To get involved in the informational campaign regarding health care, e-mail healthcare@weac.org for e-alerts and share your story by sending it to shareyourstory@weac.org.

For more information about health care reform, visit www.weac.org/healthcare.