

The Professionals Guild of Ohio



PGO UNION NEWS

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of Ohio

P.O. Box 7139
Columbus, Ohio 43205

Questions or comments can
be directed to the Executive
Director.

E-Mail:

cmason@professionalsguild.org

Website:

www.professionalsguild.org

Like us on Facebook

Phone:

614-258-4401 or
800-331-5428

Fax:

614-258-4465

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Strongsville Teachers on Strike

Three hundred eighty-five teachers are on strike in Strongsville, a suburb of Cleveland. Striking teachers have lost their trust in the school board. Two years ago, teachers agreed to two million dollars of concessions. Later, the board broke its promises to pass a 9.9 million dollar operating levy and change the health care insurance provider to a consortium. According to the Strongsville Education Association, the board put a levy on the ballot, but then campaigned against it and asked voters to vote "NO"!

The board is proposing wage freezes for three more years, to increase the school year, to increase employee health insurance premium contributions, and to eliminate the retirement pick up. Teachers, however, are unwilling to take another three years of declining compensation in exchange for more work.

Students from the high school walked out of classes on March 22 in support of the striking teachers. As the strike enters its fourth week, 6,200 students are without their regular teachers. Teachers are demanding that the board engage in good faith bargaining with a focus on providing the best education for the students.

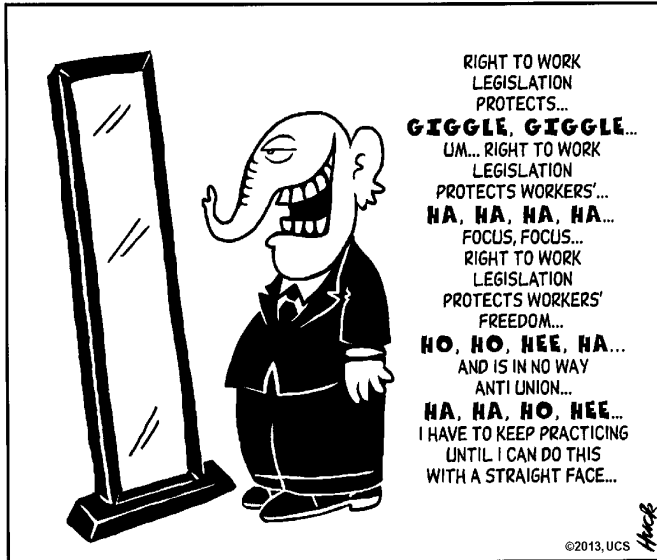
New Hampshire Rejects Right to Work

New Hampshire's legislature defeated a right to work bill in February, the third time in three years it has foiled attempts by mainly Republican legislators to pass the law. The opponents of right to work cited the lower wages and sub-par benefits workers earn in states that have right to work laws as their primary reasons for voting against the bill. New Hampshire is economically better-off than most of the rest of the country and even Republican law makers argued against the bill saying it was not needed.

Right to Work In Ohio

Although Ohio voters solidly defeated Senate Bill 5, an anti-union organization is now trying to undermine unions by promoting so called "right to work" legislation. The misnamed "Ohio for Workplace Freedom" is collecting signatures in an attempt to put right to work on the ballot. Currently they have less than one third the required signatures.

It is worth noting that this is just another attempt to undermine workers by undermining their unions. If the majority of employees in a workplace do not want to pay for union



representation all they have to do is ask for an election and remove the union. However, basic fairness tells us that if people want to continue receiving representation then they should pay for what they are receiving and *everyone* receiving the representation should share equally in its cost.

Unions are required by law to represent all the employees, so it is only fair that all the employees receiving benefits should pay for them. Finally, it is worth noting that the current law does not allow the union to require non-members to pay. It simply allows the employer to agree to make paying for union representation a condition of employment, just like employers make many other things conditions of employment. If the employer does not agree, the union cannot make non-members pay for the services they receive from their union.

The Kasich Budget

By Amelia Woodward, Esq., PGO Field Representative

Governor Kasich unveiled his proposal for a state budget last month. Since then, the budget bill has received criticism from groups traditionally supportive of Kasich's economic policies. The Ohio Chamber of Commerce, a strong supporter of Senate Bill 5 and reliable Kasich supporter, has called the budget proposal "an unhealthy shift of the tax burden to employers."

While businesses may be critical of the budget proposal, progressive groups have been slightly more accepting of some of its provisions. The proposal

includes an expansion of Medicaid that would provide an estimated 275,000 working poor people with access to health care. It also would decrease state income tax on middle income earners (those earning between \$40,000 to \$80,000) from 4.109 percent to 3.287 percent by 2016. The budget would also restore millions more dollars to the educational system, but the total amount budgeted for education would still fall short of what was provided before Kasich slashed it two years ago.

One of the most controversial provisions of the budget proposal is the expansion of the sales tax. The proposal would require service oriented commerce to pay taxes on services that are currently exempt. Some of the types of services affected include hair stylists, accounting, legal, dating services and others. The proposal also calls for a decrease in the state sales tax from 5.5percent to 5 percent.

While the move to expand Medicaid will have a positive effect on Ohioans, other provisions in the budget bill have yet to be tested and may have a detrimental affect on the growth Ohio so desperately needs.

Politics over People: The Medicaid "Debate"

By John Campbell-Orde, Esq., PGO General Counsel

Among many other things, Obamacare extends health insurance to many working class and poor families by expanding Medicaid. Under Obamacare, people earning up to 133 percent of the federal poverty line will soon be eligible for Medicaid. There is one important question mark, however. As everyone knows, the Supreme Court heard a challenge to Obamacare. While generally upholding the law, the court did say that states could not be forced to expand Medicaid by the federal government. Consequently, while the law originally had attempted to require states to expand Medicaid, it currently expands Medicaid only in those states that wish to expand it.

There is no good reason for any state government to refuse to expand Medicaid. Expanding Medicaid provides health insurance to citizens *in that state*. Crucially, the expansion provides the health insurance coverage at very little cost to the state. For the first three years, the states pay nothing.

That’s right—they would get *free* health insurance for thousands upon thousands of their citizens. Over time states will start picking up a small portion of the cost, but not more than 10 percent, with the federal government paying at least 90 percent of the cost to insure those citizens. Thus, by spending one dollar the states can get ten dollars invested in their citizens and their state economies.

Beyond the huge benefit to the citizens who currently lack health insurance because they cannot afford it, expanding Medicaid stimulates state economies by bringing billions in federal money into the states that choose to expand Medicaid. So, whatever some politicians think about Obamacare in general, expanding Medicaid is a “no brainer” for governors and other state politicians, right? Well, shockingly some politicians who are happy to give lavish tax breaks to companies to possibly increase investment in their states are opposing expanding Medicaid. They are doing this even though that means keeping their own citizens from obtaining health insurance at virtually no cost and also means losing billions in investment in their states that would flow to business over the years. This decision-making represents politics at its worst.

Fortunately, however, most governors, including Kasich, realize the huge advantage to their citizens and their state economies and are pushing to expand Medicaid. However, many politicians in his party are willing to hurt people they represent and the state they live in just to make a political point. Call your state representative today and urge them to support Medicaid expansion in Ohio. You can look up your representative on the internet or call PGO.

Red Cross Negotiations

The American Red Cross and the United Food and Commercial Workers (UFCW) Local 1059 are negotiating a first contract. As part of its campaign to get a decent contract, the Union has called for a boycott of Central Ohio Red Cross blood drives. This effort has paid-off. According to Mark Flu-harty, the UFCW Local 1059 Secretary Treasurer, the parties are now making progress at the bargaining table. Once an agreement is reached, unions will resume their support of the American Red Cross efforts in Central Ohio.

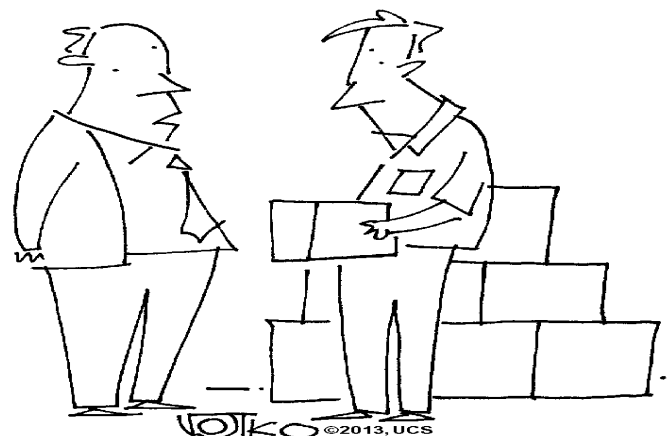
The Minimum Wage Fight

By Amelia Woodward, Esq., PGO Field Representative

It’s sad that people in America in the 21st century must work two and three low wage jobs just to afford the basic necessities. But, this is the reality for far too many. America, we can do better!

Last month, President Obama proposed to increase the federal minimum wage, currently at \$7.25 an hour, to \$9.00 an hour. His proposal comes on the heels of several fights in states across the country agitating and winning increases to the minimum wage. New York is considering an incremental increase to the minimum wage to \$9.00 an hour by the end of 2015. Minnesota has a current minimum wage of \$6.15 an hour for workers employed by large businesses exempted under federal law that earn less than \$500,000 per year; legislators have proposed to increase it to \$10.55 by 2015.

Minimum wage was established in 1938 as a means to stop the "freedom to contract" principle large businesses used to exploit labor by paying sub-par wages for often dangerous work. Since then, increases to the minimum wage have been fought in states and at the federal level. But now the fight is not just how much the minimum wage increase should be, but whether the minimum wage is necessary at all. As more politicians tout “trickle-down” economic policies to spur job growth and due to the austerity measures that went into effect when Congress failed to reach a deal on the budget, we may not see the increase to the minimum wage that many Americans need to help achieve their American Dream.



“Define livable before I commit to giving you a livable wage.”

**Obamacare:
Full Steam Ahead**

By John Campbell-Orde, Esq., PGO General Counsel

The Supreme Court ruling upholding the legality of the Affordable Care Act, or “Obamacare,” and the reelection of President Obama have ensured that Obamacare will continue to move towards full implementation. Several important changes have already become law and some important changes are set to become effective next January.

By its terms, Obamacare is being phased into effect. Some parts went into effect upon passage. In 2010, several important provisions became effective. Among them were provisions ensuring that children cannot be denied coverage because they are already sick; provisions stopping insurance companies from charging patients for certain preventative care; provisions prohibiting insurance companies in many instances from imposing “lifetime maximums” on the amount of coverage people can receive; and provisions requiring insurance companies to carry children up to 26 years old on their parents plans.

Other important provisions became effective the following year. In 2011, provisions went in effect requiring that insurance companies spend 80-85 percent of their money actually paying for benefits to their customers. Some additional provisions went in effect in 2012 and 2013 as well. In 2013, there were some small tax increases to pay for the benefits provided by the law. However, these increases do not apply to most Americans and are very small.

Next year the remaining provisions of the law, including several core features, will go into effect. In 2014, the health care exchanges will be fully implemented and individuals will be able to shop for health insurance through a national exchange where insurance companies compete against each other on a national (rather than on a state) level. The exchanges will have a standardized rating system for insurance plans so consumers can easily see the quality of the plans on the exchange and assess which plan would best meet their needs in terms of coverage and price. Many people who do not qualify for Medicaid under its new expanded terms, but who still have difficulty paying for health insurance, will receive subsidies from the federal government that



“We offer a free hospital plan if, of course, you can find a free hospital.”

will help them buy insurance on the exchanges. While Ohio has decided not to create its own state-run exchange, the federal government will create one specifically for Ohio.

Medicaid will also be expanded to cover more people who cannot afford health insurance. The federal government will pay nearly all the cost in expanding Medicaid to cover more people should states choose to do so. The individual mandate will go into effect as well, requiring that everyone who can afford health insurance purchase it (similar to the car insurance requirement most people are familiar with). This will coincide with the requirement that all medium and large employers offer insurance to employees working thirty or more hours per week on average. Employers who do not do so will be required to pay a penalty for each employee not covered. Similarly, those individuals who can afford health insurance but choose not to purchase it will be required to pay a tax penalty.

Federal subsidies will be offered to many Americans to help them purchase health insurance. In 2014, insurance companies also will no longer be able to impose annual limits on insurance benefits (therefore nobody will be kicked off their insurance because they got sick). Some provisions will continue go into effect after 2014, but very few.

PGO Executive Board Meeting

The next meeting of the PGO Executive Board will begin at 10:30 a.m. on April 20, 2013, at the Montgomery County Children Services offices located at 3304 N. Main Street in Dayton, Ohio. The Nominations Committee will meet following the regular meeting to nominate officers for the 2013 election.