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**INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA – UAW**

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December 13, 2007

*TO:* Members of the House Health Policy Committee

*FROM:* Nadine Nosal, Legislative Coordinator, UAW MI CAP

*SUBJECT:* House Bills No. 5527 and 5529 – Mandated Health Care Coverage for Certain Treatments Related to Autism Spectrum Disorder

The International Union, UAW represents over 400,000 active and retired members and their families in both the private and public sectors throughout Michigan.

Affordable health benefits are a significant concern for all UAW members. State imposed mandates on what benefits are covered in a health benefit package (in this case treatments for autism spectrum disorder) make health care coverage increasingly difficult for employers to provide and working families to afford. Mandates also run counter to the negotiation process a union engages in with the employer regarding health care benefits. It is for these reasons we are opposed to House Bills No. 5527 and 5529.

The UAW recognizes the value of certain treatments needed by the populations included under autism spectrum disorder and negotiates to have them covered wherever we are able in our members' benefit package. We, however, need to have the continued flexibility to negotiate for our membership the coverage they need at prices they can afford to pay rather than having this dictated by State law.

Containing health care costs while maintaining and improving coverage is always a priority issue in each of the many labor agreements negotiated by the UAW. In these tough economic times any action on the part of the State to require any form of mandated health care coverage will further complicate already difficult bargaining situations.

State imposed health care mandates can undermine efforts to improve health care cost, quality and access because they:

-Interfere with the collective bargaining process;
-Deny purchasers the opportunity to select coverage that best meets their needs;
-Impede the carrier's ability to design integrated health care packages; and
-Add cost without necessarily adding value.

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Often the only way to fund the additional costs caused by state mandates is by cutting back somewhere else. For our members that could mean increasing co-pays or deductibles, reducing prescription benefits, lowering wage increases or foregoing a more desired coverage option such as long term care insurance or retirement increases. It is through the negotiation process with employers that unions and their members make these tough decisions. The collective bargaining process allows unions to place more emphasis on one area over another depending on the particular priorities and needs set forth by the union's membership. As long as employers and employees pay for health care benefits negotiated through union contracts, business and labor should be able to decide what coverage they want to purchase and from which providers.

The UAW is not opposed to treatments related to autism spectrum disorder. We **are opposed to any state imposed health insurance mandates (i.e., House Bills No. 5527 and 5529)** because they impact our freedom to bargain on behalf of our membership and ultimately restricts the members' right to choose, through their collective vote, what their benefit package will be.

We ask you to oppose House Bills No. 5527 and 5529 or any other mandated health care coverage bill that comes before this committee.

Thank you.

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cc: Richard Long