

# House Bill 4572 Introduced by Representative Johnson (R)

## **The Bill:**

House Bill 4572 would create the “Public Employer Health Insurance Cap Act “.

## **The Talking Points:**

- **Interferes with Collective Bargaining and Ignores Total Compensation**

HB 4572 interferes with collective bargaining. Dollars spent on health care are worth more than wages because they are exempt from FICA and other taxes. As a result, union and employer bargainers choose to compensate workers by offering workers a lower cost share on health care premiums instead of paying wage increases; a win-win for employer and worker. HB 4572 will stop this creative bargaining.

- **Hurting the Lowest Paid Workers**

This would be financially devastating for Michigan families. Placing caps on health care insurance will leave many Michigan workers with inadequate coverage for medical bills and increased financial risk. Some workers will be forced to drop their insurance, or end up on state aid. HB 4572 hurts the lowest paid workers the most!

- **Does Not Control Health Care Costs**

The bill doesn't lower health care costs; it only passes costs on to workers. At the current pace of increase in health care insurance, workers will no longer be able to afford their health insurance. Legislators should fix problems, not pass them on to someone else. A better approach is to work together to control the actual health care cost drivers.

**Bargaining representatives have a genuine interest in keeping the cost of health insurance as low as possible as this frees up money to offset the costs of other benefits or concessions. House Bill 4572 is bad policy, and will have unintended consequences.**

**Passing the Buck Doesn't Fix the Problem!**