

# Detroit Free Press

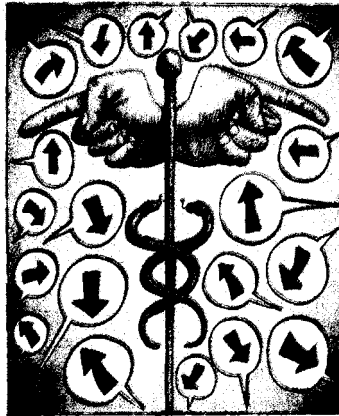
August 13, 2009

## Opposing points of view

### Health insurance reform for state workers and teachers

**"ANDY DILLON'S INSURANCE PLAN WOULD FREE OUR PUBLIC SCHOOLS FROM THE FINANCIAL SHACKLES OF MESSA. MONEY WOULD BE SAVED, LABOR RELATIONS WOULD IMPROVE."**

**KYLE OLSON**, vice president of Education Action Group



PAUL LACHINE/Special to the Free Press

**"SEVERING CONTRACTS ON A WHIM IS NO WAY TO DO BUSINESS. NOR IS UNDERCUTTING THE RIGHT OF WORKERS TO BARGAIN COLLECTIVELY. IT SMEARS OUR EDUCATORS."**

**JOHN FREEMAN**, Michigan director of Health Care for America Now!

# Yes, for students

## Plan would help schools avoid expensive coverage

By **KYLE OLSON**

**M**ichigan lawmakers should give House Speaker Andy Dillon's proposal to create a statewide health insurance plan for all public employees a hard look for one good reason: what it would do for Michigan's cash-strapped public schools.



**Kyle Olson**

By putting teachers and other school staff into a statewide insurance pool, the topic of health insurance would no longer be a point of discussion during teacher contract negotiations around the state. That alone would save our schools millions of dollars per year.

State law currently says health insurance must be a negotiable topic between school boards and labor

unions. For years, the Michigan Education Association has used this law to pressure school boards into purchasing employee health coverage from the Michigan Education Special Services Association (MESSA), an insurance carrier with close financial ties to the MEA.

The problem is that MESSA insurance is very expensive. In the past, when schools were in better financial shape, they could afford to pay the high MESSA premiums and keep their teachers happy. But now, with nearly every district in the state facing six- or seven-figure budget deficits, many school boards have been attempting to drop MESSA coverage in favor of less expensive plans.

But the MEA won't hear of that. In district after district, the union has fought to maintain MESSA coverage with

sidewalk protests, unruly behavior at school board meetings, threats to go on strike or to lead recall efforts against school board members who oppose MESSA.

In the Wayne-Westland district last fall, teachers actually walked out for four days to protect MESSA coverage.

In most districts, the protest tactics have been successful, and school boards have simply resigned themselves to the extra expense of MESSA coverage.

Why is the MEA so militant about keeping MESSA coverage in every district possible? Because MESSA contributes millions of dollars to the union every year.

According to state insurance records, MESSA has transferred more than \$10 million to the MEA over the past two years in the form of "marketing fees." In other words,

the MEA kicks up business for MESSA during school contract negotiations, and then gets a cut of the profit.

And MESSA has more than enough profits to share. According to state insurance records, it currently has fund reserves in excess of \$360 million. That's money that was extorted from our public schools by union negotiators who insist on MESSA insurance.

Dillon's insurance plan would end this legal form of extortion and free our public schools from the financial shackles of MESSA. Money would be saved, labor relations would improve, and our schools would be free to increase spending on their top priority: the students.

**KYLE OLSON IS VICE PRESIDENT OF THE MUSKOGON-BASED EDUCATION ACTION GROUP (EDUCATIONACTIONGROUP.ORG), A NONPROFIT ORGANIZATION ADVOCATING SPENDING REFORM IN PUBLIC SCHOOLS.**