Health care for 22,600 retired coal miners extended for one week

Samuel Davidson 1 May 2017

Health care benefits for 22,600 coal miners, which were set to expire on April 30, have been extended until May 5, as part of a short-term spending bill approved by Congress on Friday. This is the second time in six months that a temporary funding extension has been passed.

The US Congress is still considering the so-called Miners Protection Act, a bipartisan proposal that would partially bail out the near bankrupt United Mine Workers Health and Retirement Funds by transferring federal money set aside to clean up abandoned coal mine sites.

Many of the retirees facing the loss of medical coverage have worked 20, 30 or even 40 years mining coal. Some suffer from incurable diseases, such as black lung, or were injured on the job. A large number are not old enough to qualify for Medicare and would be forced to buy private insurance at rates approaching \$2,000 a month. Many who do qualify for Medicare cannot afford the extra copays or coinsurances necessary to treat their conditions.

The union-controlled UMW Health and Retirement Funds cover pensions and medical care benefits for 89,000 retired coal miners and their spouses. They also cover another 10,000 active or laid-off coal miners who have not yet retired.

The 22,600 retired miners who immediately face a cutoff worked for now bankrupt coal companies, including mining giant Peabody Energy and Patriot, which stopped paying into the fund. Six major coal producers have filed for bankruptcy since the global financial crash in 2008.

UMW officials along with several Democratic and Republican senators and congressmen from eastern coalproducing states are predicting passage of the Miners Protection Act before the new May 5 deadline, although that is far from certain.

Many Republican congressmen strongly oppose the measure, complaining it would lead to a government bailout of other pension plans. "Such action," Rachel Greszler from the right-wing Heritage Foundation said, "would set an incredibly dangerous precedent, opening the door to taxpayer bailouts of more than \$600 billion in unfunded union pensions, not to mention trillions of dollars in other unfunded public and non-union private pension liabilities across the country."

Many congressmen from western mining states like Wyoming and Montana also oppose the bill, which they see as a subsidy to eastern coal

Democrats and Republicans in West Virginia, Pennsylvania, Ohio, Kentucky and Illinois are concerned with the explosive political consequences of condemning tens of thousands of miners and their surviving spouses to an even earlier grave. They are working with the UMW to contain working-class opposition and force retired miners to look to the government, not the independent strength of the working class, to secure the benefits they worked a lifetime to obtain.

A temporary bailout would cost the government little if anything. The Senate bill, introduced in January by Senator Joe Manchin, Democrat of West Virginia, would transfer funds from the Abandoned Mine Lands Reclamation Fund into the UMW funds and reportedly keep them going for another decade. This would let off the hook the coal companies, which have used the bankruptcy courts to escape their obligations, and would also bail out the UMW bureaucracy, which has long used the funds as an investment vehicle and slush fund.

A new measure pushed by US Congressman Tim Murphy, Republican from near Pittsburgh, Pennsylvania, would cover the payments not just of bankrupt coal companies but also highly profitable ones. This would be a bonanza to Consol Energy, formally Consolidated Coal, which has moved heavily into gas drilling. The Republican congressman has received over \$70,000 in contributions from high-ranking employees of Consol, which is headquartered in Murphy's district, and \$353,039 in total from the energy industry.

Senate leader Mitch McConnell, Republican from Kentucky, has opposed the current version of the bill and it has been stuck in the finance committee since it was introduced in January. For the first time, however, McConnell tweeted on Friday that he supported finding a solution for health care for the 23,000 miners and their families, although not for pensions.

According to reports, McConnell's plan, which has not been officially presented, would extend only the health benefits for another 20 months, but not provide any funding for pension benefits.

The UMW pension fund, which has seen corporate contributions reduced by more than two-thirds over the last few years, is expected to completely run out of money soon. If it is dumped into the government's Pension Benefit Guaranty Corporation, benefits would be cut by 20 percent and eliminated for everyone under 65. The PBGC does not insure health benefits at all.

Speaking at a Capitol Hill press conference on Wednesday, alongside US Senators Joe Manchin III (Democrat-West Virginia), Shelly Moore Capito (Republican-West Virginia), Sherrod Brown (Democrat-Ohio), and Democratic and Republican state representatives from West Virginia, Pennsylvania and Illinois, UMW President Cecil E. Roberts urged passage of the plan.

Roberts specifically praised McConnell, signaling that the UMW could very well back a bailout plan that excluded pensions. Last month, Roberts told a local West Virginia radio station that there was a great deal of congressional "push back" on a pension bailout.

During his remarks, the UMW president framed the issue in nationalist terms. "This is the most patriotic people in the country. I don't care where they are from—coal miners are patriots, they have gone to every war, World War One, Two, Korea, Vietnam, and now the Mideast. We have stood for this nation and all we're doing now is asking this nation to stand with us."

Such jingoistic and nationalist bluster is aimed at concealing what the long and bitter experience of miners has demonstrated again and again. The United States is not some mythical land where workers and capitalist exploiters blissfully share the same "national" interests. Pensions and health care benefits were won through mass struggles in which miners fought pitched battles against the violent resistance of the coal operators, their hired gun thugs and bought-and-paid for politicians, courts and police. Patriotism and nationalism has long been used to blind workers and tie them hand-and-foot to their "own" ruling class. It is a historical fact, however, that the miners were only major section of the American working class that defied the Roosevelt administration during World War II, when hundreds of thousands of miners carried out wildcat strikes against the coal bosses, who were making record profits from wartime production while starving the miners and jacking up prices at company controlled stores by 124 percent.

After the war, the miners again defied President Truman, who seized the mines and threatened to fire striking miners as "federal employees" in 1946. It was during this struggle that miners forced the coal companies to finance the health and pension funds, with a tax on every ton of coal produced by workers.

Fearing that the destruction of health and pension benefits could provoke a social explosion the UMW could not contain, Roberts & Co. are promoting nationalism and a sickly dependency on the government to save miners' retirement benefits. At the same time, the UMW is marching in lockstep with the Trump administration, which is promoting the lie that workers in China, Mexico and other countries are "stealing" US workers' jobs and livelihoods.

The UMW has hailed Trump's promise to "bring back coal" by gutting environmental, safety and other supposedly "job-killing" regulations and corporate taxes—measures that will only assure more miners' lives and communities are sacrificed for profit.

The near bankruptcy of the UMW health and retirement funds is the result of the collapse of coal production, the wave of bankruptcies and the collusion of the UMW, which is opposed to any serious struggle, above all one that challenges the private ownership of the mining industry by the global energy giants and Wall Street.



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