Striking Michigan Blue Cross Blue Shield workers angered over UAW silence on contract talks

Kevin Reed, Jerry White
4 October 2023

Sign up for text message updates on the auto contract fight by texting AUTO to (866) 847-1086. Join the next online meeting of the Autoworkers Rank-and-File Committee Network to discuss uniting Big Three and Mack Trucks workers for an all-out strike across the auto industry. Register here to attend.

More than one thousand Blue Cross Blue Shield (BCBS) workers have been on strike in Michigan for three weeks. They took to the picket line in Detroit, Lansing and Grand Rapids, Michigan on September 13 to demand an end to pay tiers, significant increases in wages and benefits and an end to the replacement of jobs through outsourcing of services to contractors.

The striking BCBS workers are members of the UAW—working in the customer service, claims and maintenance departments of the $30+ billion corporation—and they have remained steadfast in their fight in the face of the intransigence of one of the largest health insurance companies in the state.

The BCBS of Michigan strike is part of a widening movement of workers across multiple industries in the US and around the world to win back concessions given up by their corporatist unions over many decades. Along with workers in the health care services industry, the auto industry and numerous other sectors of the economy, BCBS workers are calling for an expansion of the struggle and the unification of all sections of the working class.

While UAW President Shawn Fain has called out just a handful of autoworkers in factories and parts facilities, he has kept more than 125,000 autoworkers on the job for weeks after the September 15 contract expiration. Fain has similarly left the BCBS of Michigan workers isolated on the picket line with no information about the status of their struggle.

The top issue for BCBS workers is that the union has kept them in the dark about the ongoing contract talks. One striking worker with 15 years at BCBS told the WSWS, “We haven’t seen our negotiators. We assume that they are at the bargaining table but there is no communication. What are they asking for? What are we asking for? What are they denying us? We just don’t know.”

The veteran worker went on to discuss the replacement of full-time employees with contract workers, “Outsourcing is a huge issue. We used to be 5,000 strong here. The ratio of outside vendors is now something like 400 to every 150-200 UAW members. A lot of customer service jobs have been outsourced to the Philippines.”

The BCBS worker also expressed sympathy for the struggle of the workers in the Philippines, saying, “We have nothing against those workers, they have families to feed too, but the company wants cheaper labor. In the last five years, they have forced us to train these workers to eliminate our own jobs. “

Returning to the issue of the union leadership, specifically the participation of UAW officials on the BCBS board of directors. She said, “It is a conflict of interests that officials from the UAW and other unions are on the board of Blue Cross Blue Shield. In 2006, we asked them, ‘How does that work?’ We’re not allowed to take a second job at Aetna or some other competitor. How can officials that are supposed to represent us sit on management’s board?”

Sitting on BCBS board of directors—along with top executives from the auto giants and other international corporations—are top union officials, including

© World Socialist Web Site

International UAW official Renee Turner-Bailey, retired UAW International officers Susanne Mitchell, Sarah Doyle and Gerald Kariem, William Black of the Michigan Teamsters, Patrick Devlin of the Michigan Building Trades Council and Paula Herbart of the Michigan Education Association.

Significantly, also on the BCBS board of directors is Michigan AFL-CIO President Ronald Bieber, whose father, former UAW President Owen Bieber oversaw the sellout of the 1987 strike by UAW members at Blue Cross Blue Shield.

Another veteran worker said, “We’ve been working every day since the pandemic began. It’s like the autoworkers, they call us essential, and we have to work, while the executives work from home. But we want to know who is running the negotiations because we’re not hearing anything.”

Asked if she thought that all the autoworkers should strike at once, instead of the UAW President Shawn Fain’s pinprick “stand up strike” policy, she said, “Everyone wants to strike. We should all be out together.”

Another picketer said, “Right now is the time of the worker, everyone is fed up. … We want pay equality. It’s a fight right now whether you are union or not, workers across the board are fed up. See me as a person, value me as a person. I helped build your company.”

Another worker said, “There’s power in numbers. Everybody is striking. The casino workers are preparing to strike, 75,000 Kaiser employees, we need our money, quit playing with us. The cost-of-living is too high. I can’t afford to do anything.”

Workers are aware that the executives of BCBS of Michigan, which is listed as a not-for-profit “501(c)(4) public welfare organization,” have been paid enormous sums of money. CEO Daniel Loepp, for example, was paid $16.9 million in cash compensation in 2022, $13.8 million of which was a bonus and $1.3 million was his base salary.

This income was paid to Loepp despite the fact that BCBS of Michigan reported a decline in total revenue decline of 2.3 percent for the year and the company lost money on its investment portfolio and costs related to the sale of Advantasure, the company's health services arm.

While workers’ incomes have fallen drastically behind inflation, CEO Loepp said the company endured “tremendous volatility” in 2022 and, “despite these challenges,” the non-profit “maintained a strong and stable credit rating.”

One picketing worker said, “We have had a freeze on wages in the past four years and they don’t want to give us cost of living either. But you can give this man $16.9 million for one year. And the bonuses he gets is off the backs of the workers because we do the work.

The worker went on, “It’s insane and it’s utterly ridiculous that you go slave all these years for a health care company and when you retire, you don’t have any. … It’s just terrible, it’s greed. I don’t think any CEO of any company deserves that much money. And then Blue Cross has so many vice presidents, they need to release some that they are top heavy. How many VPs do you need to run a non-profit organization? That’s more profit, than it is ‘non.’”

BCBS workers should organize a rank-and-file strike committee to demand that all negotiations be livestreamed and overseen trusted workers elected by the ranks themselves. This committee should link up with the expanding Autoworker Rank-and-File Committees Network to coordinate joint pickets and demonstrations, and fight for an all-out strike by autoworkers to win inflation-busting raises, cost-of-living adjustments (COLA), abolish the two-tier system and restore fully paid pensions and retiree health benefits for all workers.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site