

# Blue Cross Michigan workers: Reject UAW-backed sellout agreement

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After striking Blue Cross/Blue Shield of Michigan workers have been kept in the dark for three months, the United Auto Workers bureaucracy is seeking to push through a proposed four-year agreement at ratification meetings on Tuesday. The deal, which was reached through the direct intervention of UAW President Shawn Fain on November 28, ignores the core demands which 1,300 workers have been fighting for since walking out on September 13.

To add insult to injury, the UAW is holding ratification meetings today for workers in Detroit, South Lyon, Lansing and Grand Rapids before they have even seen the full contract and the memoranda of agreement. Instead, officials from UAW Locals 1781, 2500, 2145 and 2256 have only given workers “highlights” of the deal, which deliberately conceal what concessions the UAW has agreed to behind their backs.

The giant health care insurer, which made \$32.8 billion in revenue in 2022, is trying to impose the costs of its failed investments and other business ventures on the backs of customer service, claims, billing and maintenance workers. At the same time, Blue Cross is under cost-cutting pressure from their biggest customers, the Big Three automakers and supplier companies, as well as lower-cost competitors.

Outside of a one-time signing bonus and annual “inflation protection bonuses,” the vast majority of workers will not see any increase in pay under the tentative agreement. The pathetic 5 percent raise for lower tier workers hired after 2012 barely keeps up with the official rate of inflation. At the end of the contract, workers will be poorer than they are today.

Over the last three years, real wages have only gone up by 0.06 percent, while basic necessities has risen sharply, including for groceries (25 percent); single

family homes (42 percent), rent (28 percent), electricity (25 percent) and car insurance (33 percent).

While shortening the outrageous 22-year wage progression period the UAW agreed to previously, workers will still have to wait five years to reach top pay under the new agreement. Whatever the sugar-coating, the UAW has sanctioned the continuation of the hated two-tier wage and benefit system. As for the vague language about protecting workers from outsourcing, this is not worth the paper it is written on.

Blue Cross management will use this contract to accelerate its attack on the jobs of BCBS workers even as it continues to hand multi-million dollar pay packages to CEO Daniel Loepp (2022 salary \$16.9 million) and other top executives. All of this is sanctioned by the UAW and other Michigan unions, whose officers sit on the board of directors of BCBS.

BCBS workers should reject this sellout agreement. At the same time, workers cannot have any confidence that the UAW bureaucracy will carry out a fair and democratic vote. To ensure the integrity of the ratification process, the rank and file should elect a committee of trusted workers to oversee the vote and the counting.

If the contract is defeated, the strike and negotiations cannot continue in the old way. Workers should remove the discredited negotiating committee and elect a new committee consisting of the most militant workers to draw up the non-negotiable demands of workers and outline a policy to win them.

As one BCBS worker told the *World Socialist Web Site*, “We want real wage increases and protection against inflation. We want to stop the outsourcing and end the punitive disciplinary system they use to get rid of us. We’ve been on strike for nearly 80 days and it has to be worth it. We gave up so much in 2009. The

casino workers didn't get what they want. The autoworkers didn't either. We are the frontline workers. We have to be able to support our families. We can't be poor and forced to work another job to survive. These corporations and CEOs are making billions."

Blue Cross workers must look closely at what has just happened to the GM, Ford and Stellantis workers. Two weeks after UAW President Fain claimed that the union had won a "historic contract" and "squeezed every last dime out of the companies," GM announced it was handing over \$10 billion in stock buybacks and larger dividend payments to its wealthy shareholders. This is more than the increase 48,500 GM workers will receive over the entire four-and-a-half year contract.

The auto bosses have made it clear whatever increased labor costs they incur will be more than made up by slashing jobs and pressuring suppliers, and insurers like Blue Cross, to drastically cut costs. Already electric vehicle workers at Ford Rouge face the elimination of their shift. Thousands of temporary part-time workers promised by the UAW to be converted to full-time are facing one hurdle after another and are likely to be laid off before they ever reach their rollover date.

Fain claims that "the membership is the highest authority in the union." But Fain and the rest of the UAW bureaucracy have run roughshod over the rights of the membership time and time again. Last month, the UAW president intervened to end a strike by 3,900 workers at Mack Trucks who had voted down one of Fain's "record" contracts by 73 percent. The UAW forced workers to vote on the same contract they rejected and told them they would be fired and replaced by strikebreakers if they voted it down again.

After selling out the Big Three and Mack Trucks workers, Fain also personally intervened behind Blue Cross workers' backs to reach a "verbal agreement" with Loepp, and then ordered an end to picketing even though BCBS workers were still on strike. Now, they are holding a rushed vote to ram this rotten contract down workers' throats.

In a recent interview with the *Detroit News*, Fain had the nerve to say, "This is a new day in the UAW. We didn't go out and browbeat people. We didn't twist arms. We didn't call up the leaderships and say get in the plant and beat up your membership and threaten

them and tell them we're going to close the plant and all those things that have happened in the past. We let the membership decide."

If the auto contract was "historic," why did 47 percent of GM production workers vote to reject it, along with thousands of Ford and Stellantis workers at some of the country's largest plants? Now the UAW bureaucracy is facing another revolt, with 1,300 workers at the Allison Transmission plant in Indianapolis, Indiana, voting 96.2 percent to reject a UAW-backed contract. Despite Allison workers voting 99 percent to strike, Fain is keeping these workers on the job, above all because President Biden needs the military tank transmissions they build to wage America's wars around the world.

BCBS workers have taken a courageous stand, fighting for nearly three months to win their demands, despite the efforts of the UAW bureaucracy to isolate their strike, keep them in the dark and starve them into submission on \$500 a week in strike pay. But workers did not make these sacrifices to accept another pro-company deal. If they reject it, they will send a powerful message to all workers. Whatever the outcome of the vote, however, it will be necessary for BCBS workers to join the growing network of autoworkers rank-and-file committees to transfer power and decision-making from the UAW apparatus to the workers themselves.

*For more information about joining a rank-and-file committee, fill out the form below.*



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