



TOWN OF DOUGLAS

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Senator Richard T. Moore
Room 312D
State House
Boston, MA 02133

March 16, 2010

Dear Senator Moore,

On behalf of the citizens of Douglas we urge you to support reform legislation which would give municipalities some level of control over soaring health insurance premiums. This vital reform would give local officials the same power the state has in shaping employee health plans, and save taxpayers across the Commonwealth up to \$100 million a year.

This legislation would simply 'level the playing field' between state and local governments by removing the requirement that municipal officials must collectively bargain plan design changes. Towns such as Douglas are locked into overly expensive health plans because they cannot gain the required union approval to implement cost-savings, while the state has exempted itself from this mandate, and routinely implements basic decisions on health insurance outside of collective bargaining, such as increasing co-pays and deductibles to lower the cost of their plans. We urge you to vote to end this double standard by giving cities and towns the same authority to design health insurance plans outside of collective bargaining. This one reform is the most effective way to provide us with immediate fiscal relief, and is urgently overdue.

We just received word that the Legislature may cut an additional 4% from Local Aid in Fiscal Year 2011. For the Town of Douglas, this equates to approximately \$375,000. There can be no doubt that we are in a severe fiscal crisis, and health insurance reform offers meaningful savings and relief that taxpayers deserve.

We fail to understand the rationale for continuing to allow municipal unions to retain a special veto power over any and all health plan changes. This veto power is costing the taxpayers of Douglas hundreds of thousands of dollars a year, and forcing cuts in essential municipal and school services. The Town of Douglas expended considerable time and resources last winter in negotiating with municipal and school unions in an attempt to make some rather small changes in our health insurance plan design. Although several unions agreed to the change, we were ultimately unable to make any changes since the union leadership of the Douglas Teachers Association was reluctant to even discuss the matter with school and town officials, and then summarily rejected all of the town's proposals relating the health insurance plan design.

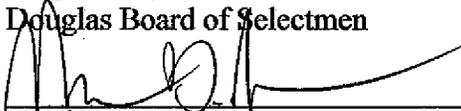
It is time that the legislature act to assist communities such as Douglas that have been blocked by the Chapter 32B bargaining mandate, and are trapped in old, outdated plans that are far too costly.

We join the Massachusetts Municipal Association in its support of House 2509 which would save taxpayers money, protect municipal union jobs, guarantee equity with state employee health benefits, and still leave municipal unions with more bargaining power than state unions.

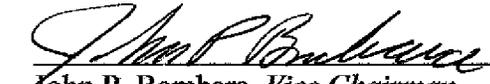
Communities are facing a true fiscal crisis. We need your assistance in this critical matter. This is the time to pass plan design reform – further delay will only serve to hurt our taxpayers and our municipal employees.

Thank you.

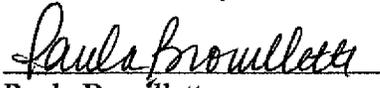
Respectfully,
Douglas Board of Selectmen



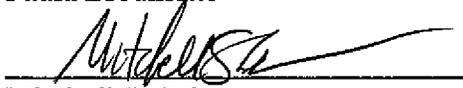
Michael D. Hughes, *Chairman*



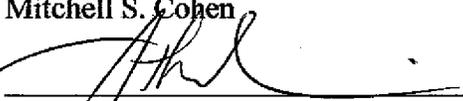
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