

A HOSTILE TAKEOVER

of Washington's public non-profit workers' compensation system

I-1082, financed by private insurance companies and the right-wing Building Industry Association of Washington, would privatize our public non-profit workers' compensation system. The insurance companies are spending millions to convince you that I-1082 will "save jobs." Here's the truth:

I-1082 privatization will drive up employers' costs. The same profit-minded insurance companies that gouge us on health insurance will do the same with workers' compensation. Rates will skyrocket for employers that want to stay in our public non-profit system because private insurers will cherry-pick low-risk employers from the system.

I-1082 privatization will kill jobs and lower wages. Ending worker contributions to the system, as I-1082 does, means a 25% rate hike for employers. Not only will this cost precious jobs amid a recession, employers will cut wages to try to make up the difference.

I-1082 privatization will add a profit motive to our public non-profit system. Wall Street-based insurance companies like AIG (America's biggest private workers' compensation insurer) are driven by



the bottom line, not by public service. They try to deny injured workers' claims and charge employers as much as they can get away with.

I-1082 privatization will force injured workers to fight the giant insurance companies for their benefits. These insurers routinely deny claims—just as they do for health insurance—

and they have deep pockets to drag out the legal process through endless appeals.

I-1082 privatization will lead to taxpayer bailouts to maintain employers' coverage and workers' benefits when insurance companies go bankrupt. This has repeatedly happened in California and other states—costing taxpayers billions—after insurers temporarily charged artificially low rates to try to gain market share and then failed, leaving the state to pick up the tab.

Independent studies show our public non-profit workers' compensation system has high benefits and low costs when compared to other states. No, it's not perfect and there are ways to improve it, but...

Do you really trust insurance companies to protect you and your family?



Initiative 1082: Don't sign it. Don't vote for it.

A message from the working women and men of the Washington State Labor Council. Learn more at www.wslc.org.