

National Coalition on **BENEFITS**

The National Coalition on Benefits (NCB) is a coalition of national businesses and trade associations established to support the employer-sponsored health care system and ensure that companies can continue to provide health benefits in a uniform manner nationwide. NCB works with Congress and the Administration to ensure that federal and state health reform initiatives preserve, rather than erode, protections guaranteed by the 1974 Employee Retirement Income Security Act (ERISA).

Approximately 150 million Americans have health, retirement and other valuable benefits provided by their employers under a nationally uniform framework established by ERISA.

Current federal law preempts states from imposing regulations on employer-sponsored benefit plans. Because of the national uniformity provided by existing laws, employers are able to provide the same benefits on a nationwide basis, regulated by the United States Department of Labor. Under this construct, employees receive comprehensive and affordable plans sponsored by their companies. Preserving employers' ability to offer and maintain uniform and affordable benefit plans across state and local lines is key to preserving this employer-sponsored benefits system.

The NCB strongly supports protecting employers' ability to provide health coverage uniformly nationwide. This is the backbone of the employer-based health care system.

The Coalition opposes efforts to undercut ERISA through waivers, imposition of state fees or taxes or expansion of liability. New requirements should not erode the flexibility necessary for employers and employees to effectively manage health care costs as they seek affordable health care coverage.

The National Coalition on Benefits supports of the following principles:

- **Maintain the ability to uniformly offer employer-sponsored coverage nationally.** Uniformity in benefit design and administration results in lower costs through economies of scale, purchasing leverage and administrative efficiencies, and improves the application of best practices. Uniformity is especially important when employers provide benefits to employees and retirees who reside or work in multiple locations and states.
- **Employers must continue to have the flexibility to determine how to best meet the needs of their employees and retirees.** To ensure our employer-sponsored health care system is robust, affordable and appropriate, we must preserve flexibility for employers

to offer plans that are valued by their employees and make sense for their companies while also allowing access to innovative products and benefit options. Forcing large, multi-state employers to meet state-specific regulations will stifle innovation and raise costs, ultimately harming employees.

- **Any reforms to the current health and retirement benefits system must not undermine long-standing efforts to promote efficient and consistent employer-sponsored coverage.** Complexity, prescriptive rules and administrative duplication make benefits more costly and less affordable for employees and their dependents, reducing access to coverage. Simplification and predictability results in expanded coverage, lower costs and greater health and financial security for millions of Americans.
- **Federal and state initiatives must not adversely impact employer-sponsored coverage, including taxes and mandates on employer-sponsored benefits.** Employer-sponsored health care benefits are the foundation of America's health care system. Specific policy requirements and limitations should address specific problems, not harm employer-sponsored benefits. States should, and do, have a role in covering the uninsured; however, this flexibility must not impede the ability for businesses to provide employer-sponsored coverage in a uniform way nationwide. State-based benefit mandates and state taxes on employer-sponsored benefits, or the employers that provide them, will result in a patchwork of state requirements and regulations that will discourage employers from offering benefits. At the very least, these requirements make such benefits more expensive and cumbersome to deliver.

New federal and state proposals are threatening employer-sponsored coverage.

One of the major threats to employer-sponsored health insurance today is the 40 Percent Tax on employer-sponsored health benefits. Congress and the Administration must act to preserve the health care system on which the majority of Americans have come to rely.

The 40 Percent Tax on health care benefits, which was included in the *Affordable Care Act* and is scheduled to take effect in 2018, threatens employer-sponsored health care and ultimately will hurt American workers and businesses. America's employers are committed to offering high-quality, cost-effective health benefits to employees and their families, but need relief to ensure that workers are not negatively affected. **We urge the Administration and legislators to thoughtfully consider flexible implementation and legislative changes to protect employee benefits and mitigate the negative impact of the 40 Percent Tax on the employer-sponsored system and the over 150 million Americans that it covers.**

The NCB Steering Committee takes a coordinating role among national businesses and trade associations to promote and preserve the effective and efficient provision and uniform application of employer-sponsored coverage.

Members of the NCB Steering Committee include:

Associations

American Benefits Council
Business Roundtable
Corporate Health Care Coalition
The ERISA Industry Committee
HR Policy Association
National Association of Manufacturers
National Business Group on Health
National Retail Federation
National Rural Electric Cooperative Association
Retail Leaders Industry Association
U.S. Chamber of Commerce

Companies

AT&T
The Boeing Company
Caterpillar, Inc.
Delta Airlines
The Dow Chemical Company
Eastman Kodak Company
FCA US LLC (Fiat Chrysler Automobiles)
GE
General Motors
Honeywell
IBM
Lockheed Martin
Raytheon
UPS
Verizon
Walmart
Xerox Corporation