

NATIONAL COALITION ON BENEFITS

Sept 17, 2019

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Chuck Schumer
Democratic Leader
United States Senate
Washington, DC 20510

Dear Majority Leader McConnell and Democratic Leader Schumer:

The National Coalition on Benefits (NCB), a coalition of businesses and associations committed to protecting the ability of employers to provide uniform employee health benefits across the country, strongly supports legislation to permanently repeal the Affordable Care Act's "Cadillac tax," a 40 percent excise tax imposed on employee health benefits above a certain threshold.

Agreement on health care legislation has proven difficult in recent years; however, virtually every lawmaker agrees the Cadillac tax should be repealed. Given the House's overwhelming 419-6 vote in July to repeal the tax, we urge the Senate to follow suit by the end of the year and eliminate this threat to working families' health benefits.

Employers strongly support the full repeal of the Cadillac tax because its implementation inevitably forces the reduction of employee benefits. Employers devise benefit plans two years in advance of the actual plan year. As a result, employers are being forced now to reduce employee benefits in order to avoid the impending reach of the Cadillac tax. Furthermore, millions of hard-working Americans are facing higher premiums and out-of-pocket costs as a direct result of employers taking steps to avoid this tax.

We look forward to working with you and other policymakers to ensure the Cadillac tax is repealed permanently.

Sincerely,

National Coalition on Benefits

cc: Members of the United States Senate