

National
Coalition on

BENEFITS

July 23, 2018

The Honorable Paul Ryan
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Leaders Ryan and Pelosi:

As the House prepares to consider health care legislation to increase access to affordable health insurance options, improve health savings accounts, and repeal taxes that drive up the cost of health care, we encourage Congress to also take immediate action on the 40 percent “Cadillac Tax”. While we appreciate Congressional actions to provide relief from many of the taxes enacted as part of the Affordable Care Act, the National Coalition on Benefits (NCB) urges you to also fully repeal the damaging “Cadillac Tax” on employer-sponsored health care benefits set to go into effect in 2022.

While the excise tax is only intended to target high-value plans, it will strongly affect even more modest plans that provide health care coverage to middle income employees and their families. Absent repeal, the Cadillac tax will penalize older workers, women, families, and part-time workers when implemented. Congress must act to prevent taxing employer-sponsored health benefits covering 178 million Americans according to recent surveys estimates. Further, unless the Cadillac tax is repealed it will slow private sector health care innovation and erode the value of the employer-sponsored health care benefits. Ultimately, employees will be negatively impacted by the changes in plan design that could even cause some employees to decline employer-provided health care. The National Coalition on Benefits strongly urges Congress to repeal the tax this year.

The NCB is comprised of industry trade associations representing large and small businesses, as well as employers with operations and employees in all 50 states. The Coalition has long supported legislation and efforts to ensure that all Americans have access to affordable health insurance coverage. NCB looks forward to working with you and the entire Congress as you consider proposals to achieve our shared goals and objectives for the U.S. health care system: lower costs, improved access, greater transparency and higher quality.

Sincerely,

The National Coalition on Benefits