



PARTNERSHIP FOR EMPLOYER-SPONSORED COVERAGE

February 19, 2019

The Honorable John Barrasso (WY)
U.S. Senate
307 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Cory Gardner (CO)
U.S. Senate
354 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Kyrsten Sinema (AZ)
U.S. Senate
825 Hart Senate Office Building
Washington, D.C. 20510

Dear Senators Barrasso, Gardner and Sinema:

On behalf of the Partnership for Employer-Sponsored Coverage, we write with our strong support for the *Jobs and Premium Protection Act, S. 80*, to repeal the health insurance tax (HIT) under Affordable Care Act (ACA). We appreciate your leadership on this important reform effort which impacts the over 181 million Americans covered through employment-based benefits plans.

The Partnership for Employer-Sponsored Coverage is committed to ensuring that employer-sponsored coverage is strengthened and remains a viable, affordable option for decades to come. Employer-sponsored coverage has been the backbone of our nation's health system for nearly eight decades. Employers have a vested interest in health care quality, value, and system viability.

For small and mid-size employers who disproportionately rely on coverage through the fully-insured market, in which an employer purchases a pre-designed plan from an insurance carrier, the HIT strikes a direct blow to their plan premiums. The HIT is a direct tax on fully-insured carriers which is passed along to the customer – small and mid-size businesses and the millions of hardworking Americans and their families that are enrolled in this type of employment-based coverage. The inclusion of the HIT was as an offset for other provisions of the ACA. The consequences of this tax levied on the fully-insured market mean higher premiums on employees and employers.

Thank you again for introducing S. 80. We look forward to continuing to work with you and your colleagues in a bipartisan manner to fully repeal the HIT.

Sincerely,

American Hotel & Lodging Association
American Rental Association
American Staffing Association
Associated Builders and Contractors, Inc.
Associated General Contractors of America
Auto Care Association
The Council of Insurance Agents & Brokers
Food Marketing Institute
HR Policy Association
International Franchise Association
National Association of Health Underwriters
National Association of Wholesaler-Distributors
National Restaurant Association
National Retail Federation
Retail Industry Leaders Association
Society of American Florists
Society for Human Resource Management