



July 15, 2019

U.S. House of Representatives  
Washington, D.C. 20515

Dear Representative,

On behalf of the 1.7 million members of the American Federation of Teachers, I urge you to vote YES on H.R. 748, the Middle Class Health Benefits Tax Repeal Act.

The AFT has always opposed the 40 percent excise tax on high-quality healthcare plans, included in the Affordable Care Act, which will negatively impact families that have worked for, and earned, strong healthcare coverage. We have been gratified that Congress has pushed back the implementation date of this tax in the past. It is clear, however, that full repeal of this excise tax is needed to prevent employers from using the threat of the tax as a cudgel to demand reduced benefits or coverage from educators, nurses, bus drivers, social workers and other AFT members.

The AFT strongly supports the ACA's expansion of health insurance, as well as the act's consumer protections and emphasis on preventive care. We know firsthand that having affordable, high-quality health insurance is a key component to upward mobility and a sustainable middle class. Under current law, the number of insured Americans is higher than ever before; that includes the large number of contingent workers we represent, who make up an increasing share of today's workforce.

The ACA was intended to help ensure that we all have access to high-quality healthcare without depleting our paychecks and compromising our ability to save for the future. The excise tax, rather than expanding high-quality healthcare, would do the opposite. If the 40 percent excise tax on the cost of employer-sponsored health insurance plans is implemented, working families will be hurt.

Some analysts argue that this tax will lead employers and employees to seek out "more efficient" plans and perhaps to an increase in wages. However, we have not seen an increase in wages and remain concerned that workers will be moved to high-deductible/co-pay health plans as a result of this tax. The cost curve will not bend; costs will simply be shifted over to those lower- and middle-income workers already struggling because of stagnant wages. This will lead to more workers forgoing necessary care or going into debt to pay for the high out-of-pocket costs.

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The **American Federation of Teachers** is a union of professionals that champions fairness; democracy; economic opportunity; and high-quality public education, healthcare and public services for our students, their families and our communities. We are committed to advancing these principles through community engagement, organizing, collective bargaining and political activism, and especially through the work our members do.

American Federation  
of Teachers, AFL-CIO

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AFT Teachers  
AFT PSRP  
AFT Higher Education  
AFT Public Employees  
AFT Nurses and Health  
Professionals

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In addition to having the potential to shift costs to working families, the excise tax will disproportionately affect older workers and women. This is of particular concern to the AFT, as a substantial number of our members are female, and many live in high-cost regions. Congress did recognize the obvious impact on women and older workers by trying to mitigate it with the “age and gender adjustment” provisions in the law. However, these provisions are insufficient, and implementation of the tax would almost certainly lead to higher healthcare costs for these groups.

There is near-universal agreement between employers and employees that the excise tax is bad policy for American workers, and must be repealed. That is why more than 360 members of the House have co-sponsored this much-needed, bipartisan legislation. I urge you to join them and vote YES on H.R. 748.

Finally, I want to thank Rep. Joe Courtney, who introduced H.R. 748, for his relentless efforts and commitment to repealing this counterproductive tax. His determination and leadership on this issue have been remarkable, and our members appreciate his dedication.

Thank you for considering our views on this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Randi Weingarten". The signature is fluid and cursive, with a prominent initial "R" and "W".

Randi Weingarten  
President

RW : emc opeiu#2 afl-cio