



Robyn Boerstling

Vice President

Infrastructure, Innovation and Human Resources Policy

July 16, 2019

United States House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the National Association of Manufacturers (NAM), the largest manufacturing association in the United States representing 14,000 manufacturers in every industrial sector and in all 50 states, I am writing to urge you to support the Middle Class Health Benefits Tax Repeal Act of 2019 (H.R. 748) introduced by Representatives Joe Courtney (D-CT) and Mike Kelly (R-PA).

Manufacturers consistently rank the rising cost of health care as a primary business challenge in the NAM's Quarterly Outlook Survey. Despite the challenge, approximately 98 percent of NAM members continue to provide health insurance to employees. The manufacturing industry is committed to providing quality health benefits to employees to maintain a healthy workforce, attract and retain talent and because it is the right thing to do. Many are leading new health benefit initiatives to provide quality care that reduces growing health benefits costs. Additionally, manufacturers oppose applying heavy federal tax burdens on employers' and workers' health bills.

H.R. 748 would permanently repeal the 40 percent tax-hike on "high-cost" health benefits, commonly referred to as the Cadillac Tax. While this tax was initially intended to impact high-cost employer-sponsored health care plans, it is expected to burden a broad cross-section of small and large employers across the country and to discourage employer innovations that are improving benefits for manufacturing workers. Manufacturers have been forced to begin plan preparations even though the tax is scheduled to go into effect in 2022. Fully repealing the Cadillac tax, health insurance tax and medical device tax remain top health care priorities for manufacturers.

The NAM urges strong support for H.R. 748 and appreciates ongoing efforts to eliminate the looming threat of health care taxes on manufacturers. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads 'Robyn M. Boerstling'. The signature is written in a cursive, flowing style.

Robyn M. Boerstling