

November 29, 2018

The Honorable Mitch McConnell Majority Leader United States Senate

The Honorable Paul D. Ryan Speaker U.S. House of Representatives The Honorable Charles E. Schumer Minority Leader United States Senate

The Honorable Nancy Pelosi Minority Leader U.S. House of Representatives

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Ryan, and Minority Leader Pelosi,

As members of the <u>Stop The HIT Coalition</u>, we applaud your previous bipartisan efforts to suspend the Health Insurance Tax (HIT) for calendar years 2017 and 2019. These prior suspensions of the HIT have made health insurance premiums more affordable for millions of small business owners, seniors, and consumers. In order to provide continued stability and affordability, Congress must act now to continue this relief to 2020. Please take immediate action to delay the HIT before it drives up the cost of coverage for middle-class Americans in 2020 and beyond.

Actuaries assert that in 2020 alone, the HIT will increase the cost of coverage for millions of Americans by imposing more than <u>\$16 billion</u> in additional premiums for their health insurance. Specifically, according to a report by Oliver Wyman, hardworking families are expected to pay an additional <u>\$480</u> in 2020 as a result of this tax. Even more concerning is the impact of the HIT for those who can least afford it. Individuals making between <u>\$10,000 - \$50,000</u> will shoulder a disproportionate burden of this highly flawed and misguided tax.

Extending relief by suspending the tax for 2020 would help protect the nation's 29 million small businesses, their employees, and the self-employed from greater instability, uncertainty, and higher costs. By continuing the HIT suspension, Congress would build on the continued promise to prioritize reforms that deliver affordable healthcare for American families. This is a promise that Republicans and Democrats alike have supported; pieces of legislation to repeal or suspend the HIT have received bipartisan, bicameral support since 2013 and were signed into law by both President Obama and President Trump.

We appreciate the continued bipartisan leadership in the House from Representatives Kristi Noem (R-SD), Kyrsten Sinema (D-AZ), Ami Bera (D-CA) and Jackie Walorski (R-IN) and in the Senate from Senators John Barrasso (R-WY), Cory Gardner (R-CO) and Heidi Heitkamp (D-ND). We applaud their collective support to introduce and advance HIT relief legislation and urge members of the House and Senate to immediately enact legislation to protect American workers and their families. Small businesses are counting on you to provide relief now. Don't leave them holding the bill.

Sincerely,

American Hotel & Lodging Association American Rental Association Associated Builders and Contractors Associated General Contractors Auto Care Association Independent Electrical Contractors National Association of Convenience Stores National Association of Health Underwriters National Association of Manufacturers National Association of Wholesaler-Distributors National Community Pharmacists Association National Club Association National Federation of Independent Business National Lumber & Building Material Dealers Association National Restaurant Association National Roofing Contractors Association National Small Business Association Retail Industry Leaders Association U.S. Chamber of Commerce