

November 4, 2009

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, D. C. 20515

The Honorable John A. Boehner  
House Minority Leader  
U.S. House of Representatives  
Washington, D. C. 20515

Dear Madam Speaker and Minority Leader Boehner:

We are writing to express our opposition to the Affordable Health Care for America Act. The legislation falls short of the bipartisan goal of controlling costs and jeopardizes employer-sponsored coverage which now serves more than 160 million Americans.

The employer community is united in the belief that the reform effort must begin to reduce healthcare costs. We need affordable health insurance options for employees. Employers have been supportive of reform for some time now, as health care costs have continued to rise much faster than the rate of inflation.

Evidence abounds that as much as one-third of health care spending may be unnecessary. This is why the employer community has been so proactively engaged in the reform effort. Unfortunately, we do not believe the House bill, taken as a whole, achieves meaningful, long-term control of U.S. health care costs and therefore urge all members of the House of Representatives to oppose the legislation.

The employer community has consistently expressed our concerns about the House legislation on four core issues. Regrettably, the Affordable Health Care for America Act has failed to address our recommendations with regard to:

1. ERISA
2. Employer Mandates
3. The Public Plan
4. Minimum Benefits Package

### **ERISA**

For several years, the employer community has made clear that ERISA is a critical cornerstone in the employment-based system. Specifically, the House bill includes provisions that apply state law remedies to health insurance coverage purchased by employers in a health insurance exchange, override employers' contracts for retiree health benefits that will make costs increase, and require all employer-sponsored health coverage to meet detailed federal requirements that will increase administrative costs and divert resources away from direct medical care.

### **Employer Mandate**

The business community does not support an employer-mandate to offer and pay for coverage. A "pay or play" employer mandate imposes many costly requirements so that those who might

prefer to offer coverage to their workers may “pay” rather than “play.” This would affect many workers’ current coverage and remove the current involvement of the employer in innovating and getting greater value as purchasers of health care services. Also, employee populations vary greatly and care should be taken to provide flexibility in enrollment in employer-sponsored plans.

### **The Public Plan**

A public plan, particularly combined with the impact of Medicare, Medicaid, and other public plans, will not operate on a level playing field and compete fairly if the government acts as both a payer and a regulator. The public plan’s unfair competitive position, both by its size and regulatory authority, will merely shift costs to the private sector and to all Americans covered by private plans. Soon there would be tremendous pressure for the new public plan to pay below market rates, just as we have seen in Medicare and Medicaid, even if initially the public plan is directed to pay “negotiated” rates. This would result in enormous cost-shifts to private payers, undercut market-based insurance reforms, and reduce innovation in our health care system.

### **Minimum Benefits Package**

The legislation would impose minimum benefit requirements on plans that we offer. This would force many employers to curtail other valuable benefits because of the need to comply with costly administrative and benefit mandates. Employers want the flexibility to tailor a plan to meet the needs of the company’s workforce.

While we oppose this legislation, we do look forward to continuing to work with you on achieving responsible and practical health care reform legislation and on getting the fundamentals right for all Americans. Working together, we can achieve positive reform that bends the cost curve and expands access and quality for all Americans.

Sincerely,

48HourPrint.com  
4T Total Lawn, Inc.  
ACE Clearwater Enterprises  
Administrative Billing Solutions, Inc.  
Advance Auto Parts  
Advance Food Company, Inc.  
Advanced Diabetic Solutions  
Aetna - Florida Small Group  
Aetna - Small Group, Southeast Region  
AIM Engineering, LLC  
Air Logistics Corporation  
Airpoint, LLC  
Alabama Health Underwriters Association  
Alamo Cement Company  
Alcatel-Lucent  
Al-Jon Mfg, LLC  
Allegiance Benefit Plan Management, Inc.  
Alliance Bank  
Alliance Legal Counsel P.C.  
Allied PhotoChemical, Inc.  
Allison A Moise DDS, LLC  
Alto Imaging Technologies, Inc.  
American Apparel & Footwear Association

American Architectural Manufacturers Association  
American Bakers Association  
American Benefits Council  
American Council of Engineering Companies  
American Electric Power  
American Family Insurance  
American Hotel & Lodging Association  
American Petroleum Institute  
American Rental Association  
American Staffing Association  
American Wire Producers Association  
Ameritas Group  
Amor Sign Studios, Inc.  
Anderson's Wheelchair, Inc.  
Argyle Chamber of Commerce  
Ariel Corporation  
Arizona-New Mexico Cable Communications Association  
Arkansas State Chamber of Commerce/Associated Industries of Arkansas  
Ascension Roofing and Sheet Metal  
Associated Builders and Contractors  
Associated Builders and Contractors, Inc. - Central Florida  
Associated Financial Group  
Association of Washington Business  
Assurant, Inc.  
AT&T  
Atlanta Pizza, LLC  
Atlas Machine and Supply, Inc.  
AutoNation, Inc.  
Awkard & Associates  
Baco Exterminating Services, LLC  
Ball Corporation  
Banner & Witcoff, Ltd.  
Beaver Dam Chamber of Commerce  
Begnaud Manufacturing  
Benefit Professionals, Inc.  
Best Buy Co., Inc.  
Bishop-Wisecarver Corporation  
Blue Cross Blue Shield of North Dakota  
Bonness, Inc.  
BrandsMart USA  
Bremer Family Venture, Inc.  
Brick Industry Association  
Bridgeport Regional Business Council  
Brooks Manufacturing Co.  
Buckner Companies  
Business Council of Alabama  
Business Roundtable  
Capform, Inc.  
Capital Financial Group  
Caradine Home Inspections  
Caterpillar, Inc.  
Centennial Bolt, Inc.

CEV Multimedia, Ltd.  
CFO Jordan Construction  
CFRA Alabama, LLC  
Choice Communications  
CIGNA  
Clark & Associates of Nevada, Inc.  
Clean Control Corporation  
ClearView Inspections  
Cleveland Tubing, Inc.  
Click Bond, Inc.  
Clover Electronics  
Coastal Agency  
Coastal QSR, LLC  
Coldwell Banker, Princeton  
Colonial Transportation, LLC  
ColorSources, Inc.  
Columbia University  
Commercial Testing Laboratory, Inc.  
Community Care Managed Healthcare Plans of Oklahoma  
Constangy, Brooks & Smith, LLP  
Con-Tech Plastics  
Corporate Health Care Coalition  
Crossfire Equipment & Construction  
Crown Risk Management, LLC  
Cuisine Solutions  
Currie Associates, Inc.  
D&M Metal Products  
Daniells, Phillips, Vaughan & Bock  
Dawlen Corporation  
Deere & Company  
Deseret Mutual Benefit Administrators  
Detroit Regional Chamber  
Diakon Logistics  
Diamond Casting & Machine Co.  
Dicksons, Inc.  
Digital-The Fruffth Group  
Digitrax, Inc.  
Don Shroul Insurance Agency, LLC  
Drummond Company, Inc.  
Durcon Incorporated  
Dymax Corporation  
Dytran Instruments, Inc.  
Eastman Kodak Company  
EATEL  
EBS Advisors, Inc.  
ECS Corporate Services  
Eldeco, Inc.  
Electramatic, Inc.  
Electro Chemical Engineering & Manufacturing Co.  
Elford, Inc.  
Ellwood Group, Inc.  
Emerson Electric

Emporia-Greenville Chamber of Commerce  
Engineered Systems  
Engineering Services Network, Inc.  
Epic Engineering  
Erie Molded Plastics, Inc.  
Executive Management Services, Inc.  
Express Employment Professionals  
Faces DaySpa  
Falcon Plastics, Inc.  
Federal Engineered Systems, LLC  
Financial Executives International  
Findley Davies, Inc.  
Finest Grains  
Fisher Barton, Inc.  
Florida Chamber of Commerce  
Form Grove Manufacturing Company  
Fredon Corporation  
Freescale Semiconductor, Inc.  
French Oil Mill Machinery Co.  
GeoLogics  
Georgia Machine Works  
Glas-Col, LLC  
Glier's Meats, Inc.  
Goodrich Corporation  
Great Plains Energy  
Greater Raleigh Chamber of Commerce  
Green Bay Area Chamber of Commerce  
Green River Cabins, LLC  
Growers Choice Insurance  
GTC Technology, Inc.  
Hanna Enterprises, Ltd.  
Hannay Reels  
Harris Corporation  
Harrisburg Regional Chamber & CREDC  
Help Me Move...and More, LLC  
Helton Builders, Inc.  
Henry Brick Company, Inc.  
Herold Precision Metals, LLC.  
Hialeah Metal Spinning, Inc.  
Hiler Industries, Inc.  
Hilton Woodcliff Lake  
Hinson Management, Inc.  
Hinton Burdick CPA's & Advisors  
Holland & Associates  
Hopkins Pontiac GMC  
HR Policy Association  
HRA Services, Inc.  
HSBC North America  
Hudapack Metal Treating, Inc.  
Hwy 29 Markets  
Imperial Industries, Inc.  
Independent Electrical Contractors

Independent Lubricant Manufacturers Association  
Indiana Chamber of Commerce  
Indiana Manufacturers Association  
Industrial Fasteners Institute  
Infinite Group, Inc.  
Ingram Industries, Inc.  
Insurance Solutions  
International Association of Refrigerated Warehouses  
International Franchise Association  
International Sign Association  
Iowa Realty  
Iroquois Title Company  
J.C. Penney Company  
Jefferson Chamber of Commerce  
Jeffrey Wolk and Co.  
Jeld-Wen, Inc.  
Jessup Engineering, Inc.  
Johnson City Chamber of Commerce  
Johnstone Supply  
Kedron, Inc.  
Kelly-Moore Paint Co., Inc.  
Kinsail Corporation  
Kitchen Cabinet Manufacturers Association  
Kiva Plastics, Inc.  
Koller Enterprises, Inc.  
Lafarge North America  
Land O'Lakes, Inc.  
Larson Waste, Inc.  
Lee's Service  
Liberty Mutual Group  
Lile International Companies  
Lipsky Financial Group, Inc.  
Lockton Companies, LLC  
Loksafe, Inc.  
Lord Corporation  
Loudoun County (Virginia) Chamber of Commerce  
Louisiana Business Group on Health  
M.I. Industries/Nature's Variety  
Magnolia-Columbia County Chamber of Commerce  
Maine Chamber of Commerce  
Maintain 2 Gain Property Solutions  
Marathon Oil Corporation  
Marlin Steel Wire Products, LLC  
Marshalltown Area Chamber of Commerce  
Maryland Chamber of Commerce  
Master Marine, Inc.  
McGill Smith Punshon, Inc.  
McNaughton & Gunn, Inc.  
MeadWestvaco Corporation  
Melron Corporation  
Metal Products Company  
Metals Service Center Institute

MetroWest Chamber of Commerce  
Micropub Systems International, Inc.  
Midwest Minerals, Inc.  
Miller Wire Works, Inc.  
MindShare Strategies, Inc.  
Miner Institute  
Minnesota Chamber of Commerce  
Missouri Chamber of Commerce and Industry  
Mobile Area Chamber of Commerce  
Modern Technology Solutions, Inc.  
Montoya PR  
Motor & Equipment Manufacturers Association  
Murphy Business & Financial Corporation  
Mutual of Omaha  
National Association of Health Underwriters  
National Association of Manufacturers  
National Association of Wholesaler-Distributors  
National Automobile Dealers Association  
National Coalition on Benefits  
National Council of Chain Restaurants  
National Ready Mixed Concrete Association  
National Retail Federation  
National Roofing Contractors Associations  
National Rural Electric Cooperative Association  
National Teachers Associates Life Insurance Company  
Net Results in CAD, Inc.  
New Castle Hotels & Resorts  
Nordic Group of Companies Ltd.  
North Carolina Chamber  
North Coast Education Services  
North Dakota Chamber of Commerce  
North Marine, LLC  
North Myrtle Beach Chamber of Commerce  
Northeast Pennsylvania Manufacturers and Employers Association  
Northwest Asphalt, Inc.  
Northwood Construction, Inc.  
Nursery and Landscape Association  
Nu-Way Industries, Inc.  
NYCO Minerals, Inc.  
O.F. Mossberg & Sons, Inc.  
OBC Publishing Company, Inc.  
OBrien Enterprises  
Ohio Chamber of Commerce  
Oil-Dri Corporation of America  
Orlando Regional Chamber of Commerce  
Oshkosh Chamber of Commerce  
Pacific Northwest Transportation Services, Inc.  
Pacific Plastics & Engineering  
PAL Employer Services  
Palm Coast Pizza Restaurants, LLC  
Panhandle Pizza, LLC  
Paper and Chemical

Paul, Hastings, Janofsky & Walker, LLP  
Payment Options  
PC Management, LLC  
Pennsylvania Chamber of Business and Industry  
Permac Industries  
Personnel Management, Inc.  
Phoenix Closures, Inc.  
Phoenix Electric Mfg. Co.  
Physician Surgery Center, LLC  
Pine Hall Brick Company, Inc.  
Pistol Creek Company  
Plumb Supply Company  
Porta-King Building Systems  
Power Curbers, Inc.  
PowerNotebooks.com  
PPG Industries  
Premier Source  
Premier Staffing Services  
Pretzels, Inc.  
Prims, Ltd.  
Prizer Point Marina & Resort  
Professional Resource Options, Inc.  
Prometheus Investment Management, LLC  
PSC Real Estate, LLC  
Pyramid Services, Inc.  
Quality Float Works, Inc.  
Radix Wire Company  
Ratner Companies  
RealexEEC  
Renew Design Group, Inc.  
Restaurant Real Estate Holdings, LLC  
Retail Industry Leaders Association  
Reuther Mold & Manufacturing Co.  
Richards Benefits & Financial Services  
Rick Olson and Company  
Robi Sales  
Rockwell Automation  
Rogers - Lowell Area Chamber of Commerce  
Rohm Insurance Agency  
Ronnie Martin Realty, Inc.  
Sandmeyer Steel Company  
Sanford Fogg  
Santa Clara Chamber of Commerce & Convention-Visitors Bureau  
Savannah Court of Brandon  
Schatz Bearing Corporation  
Schuylkill Chamber of Commerce  
Schweitzer Engineering Laboratories, Inc.  
Sears Holdings Corporation  
Securitas Security Services USA, Inc.  
Self-Insurance Institute of America (SIIA)  
Seven & Associates  
Sheraton Tarrytown

Sherwood-Templeton Coal Company, Inc.  
Shoals Chamber of Commerce  
Signal Metal Industries, Inc.  
Sikama International  
Smurfit-Stone Container Corporation  
Society for Human Resource Management  
Society of American Florists  
Society of Chemical Manufacturers & Affiliates  
Solers, Inc.  
South Alabama Commercial Laundry  
South Beach QSR, LLC  
South Bend Modern Molding, Inc.  
South Carolina Chamber of Commerce  
South Carolina Pizza Restaurants, LLC  
South Cove Ventures, LLC  
Southeast QSR, LLC  
Southeast Sunshine Travel, LLC  
Southwest Area Manufacturers Association  
Spectra Energy  
SPI: The Plastics Industry Trade Association  
Sports Spine & Industrial, Inc .  
St. Tammany West Chamber of Commerce  
Star Leasing Co.  
Stone Ledge Manor  
Strike Holdings, LLC  
Strongwell Corporation  
Summerbreeze Publications  
Sunshine Travel America, LLC  
Surgery Center of Kalamazoo  
Swanson Industries, Inc.  
Systems Management & Research, Inc.  
Tablecraft International, Inc.  
Tablecraft Products Company  
Task Force Tips, Inc.  
TeamBTS, Inc.  
Technical Materials, Inc.  
Technology Service Corporation  
Teknor, Inc.  
Telect, Inc.  
Templeton Coal Company, Inc.  
Tendon Manufacturing, Inc.  
Tennessee Chamber of Commerce & Industry  
Texas Association of Business  
The Baldwin Group, Inc.  
The Bay Agency  
The Black & Decker Corporation  
The Business Council of New York State, Inc.  
The Carpet and Rug Institute  
The Cicotte Law Firm, LLC  
The Dow Chemical Company  
The Dupps Company  
The ERISA Industry Committee

The Lee Company  
The Libman Company  
The Salt Institute  
The Vollrath Co., LLC  
The Will-Burt Company  
THOR Investment Management, Inc.  
Tom Hundley Heating & Cooling, LLC  
Top Prospects  
TradeSource, Inc.  
Tramco, Inc.  
Trissential  
Trueblood Studios, Inc.  
Tusco Display  
Tyco International  
Tyler Construction Group  
U.S. Chamber of Commerce  
United Parcel Service, Inc.  
United States Steel Corporation  
Universal Avionics  
Universal Health Network  
Utah Manufacturers Association  
ValMedia Designs  
Vangent, Inc.  
Vantage Outsourcing  
Verizon Communications  
Vermeer Corporation  
Virginia Chamber of Commerce  
Volcano Communications Company  
Vrabec Enterprises, Inc.  
Wallis Stucco & Plastering  
Weller Auto Parts, Inc.  
WellPoint, Inc.  
Westfield Group  
Wichser Services  
Windway Capital Corporation  
Wire Belt Company of America  
Wisconsin Manufacturers & Commerce  
Wisconsin Petroleum Inc.  
Wise Design, Inc.  
Wood Machinery Manufacturers of America (WMMA)  
Xerox Corporation  
X-Ray Sales & Service Co.  
Zebra Technologies Corporation

cc: U.S. House of Representatives