

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

JAMES P. HOFFA
General President

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C. THOMAS KEEGEL
General Secretary-Treasurer

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October 28, 2009

United States Senate
Washington, D.C. 20510

Dear Senator:

On behalf of the 1.4 million members of the International Brotherhood of Teamsters (IBT), we applaud the Senate for tackling much-needed health insurance reform. However, the Senate must reject any attempts to impose a new excise tax on insurance companies that offer comprehensive plans to workers.

We strongly oppose the provision passed by the Senate Finance Committee, S. 1796, America's Healthy Future Act of 2009, that would impose a new 40 percent excise tax on plans with a value of \$8,000 or over for individuals and \$21,000 or over for families. This tax would hit working middle-class families the hardest. While it would be imposed on insurance companies, the cost would be passed along to individuals and families who can least afford it. This proposed new tax would impact nearly 39 million households and 40 percent of health plans by 2019, according to reports.

Rather than a new burdensome excise tax, the Senate should consider other revenue raising options, following the lead of the health care proposals in the House that would impose a surtax on the wealthy. We know that health insurance reform can be paid for through cost-savings both inside and outside of the health care system without a new excise tax on insurance plans.

In addition, a final bill should include an employer mandate, insurance market reforms, such as a prohibition on insurance on companies being able to exclude a person from coverage based on pre-existing conditions, affordability provisions, and cost-control measures.

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We urge you to support real health insurance reform that does not penalize hardworking, middle-class families. If you have any questions, please contact, Lisa P. Kinard, Director of Federal Legislation and Regulation, at (202) 624-6890.

Sincerely,

A handwritten signature in black ink, reading "James P. Hoffa". The signature is written in a cursive style with a large, looping initial "J".

James P. Hoffa
General President