

Congress of the United States
Washington, DC 20515

November 6, 2013

Dear Speaker Boehner, Leader Cantor, Whip McCarthy, and Chairman Camp:

We are writing to share our strong support for repealing the health insurance tax (HIT) imposed by Section 9010 of the Patient Protection and Affordable Care Act.

The HIT, which begins next year, is the largest and potentially most damaging tax increase imposed by the President's health care law. The Joint Committee on Taxation estimates that the costs of this massive new sales tax on health insurers will amount to more than \$100 billion over the next decade, including \$8 billion in 2014, \$11.3 billion in 2015 and 2016, \$13.9 billion in 2017, and \$14.3 billion in 2018.

Despite the President's pledge that enactment of his bill would make health care more affordable, this tax will make health insurance more expensive for individuals, small business owners, seniors in Medicare Advantage, and lower-income individuals served by state Medicaid managed care plans. We support its complete repeal before it raises health care costs and results in the projected loss of anywhere between 146,000 and 262,000 jobs due to labor cutbacks and other cost-cutting measures.

The Congressional Budget Office has stated that the HIT will be "largely passed through to consumers in the form of higher premiums." Some studies predict the tax will increase premiums in the fully insured market by more than two percent next year and by as much as four percent over the next decade. Unless this tax is repealed, an average family will pay more than \$300 in higher premiums next year alone, and an average of \$5,080 more over the next decade.

The HIT also is expected to increase health care costs for Medicare beneficiaries. The cost of coverage for seniors in Medicare Advantage is expected to rise by as much as \$20 dollars per month next year and by \$42 dollars per month in 2023. Additionally, the average cost of Medicaid coverage for states that choose to utilize private sector Medicaid managed care plans is expected to increase by about \$1,523 per enrollee during that time. Republicans should be doing all we can to ensure that private sector alternatives to traditional Medicare and Medicaid are more affordable; unfortunately, this misguided tax has the exact opposite effect.

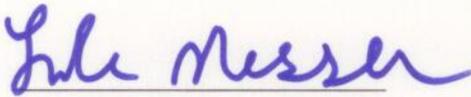
Representative Charles Boustany has introduced legislation (H.R. 763) that would repeal this tax. To date, there are 228 bipartisan cosponsors of this bill, including 35 of the 37 Republican freshmen. This significant support shows bipartisan consensus for passing this bill and repealing this harmful tax this year.

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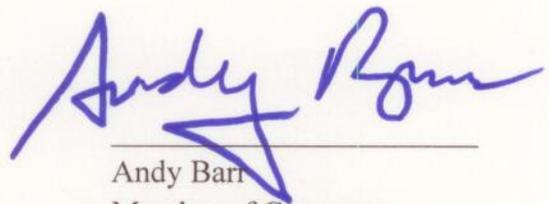
The HIT is bad tax policy, bad health policy, and bad economic policy. We should not tax health insurers and raise health care premiums simply to pay for the President's broken health care law. Common sense dictates that taxing health insurance won't improve its quality or make it more affordable; it just will make it more expensive, especially for those on fixed incomes who least can afford it.

Our constituents simply cannot afford to pay the higher health care costs this tax will impose. We therefore urge you to include a repeal of the HIT in any tax reform proposal considered in the House this year.

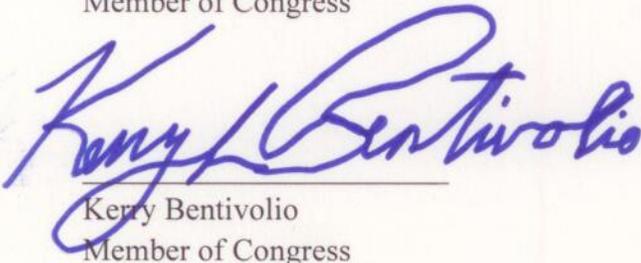
Sincerely,



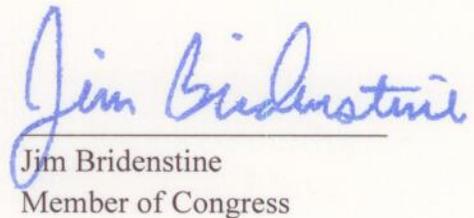
Luke Messer
Member of Congress



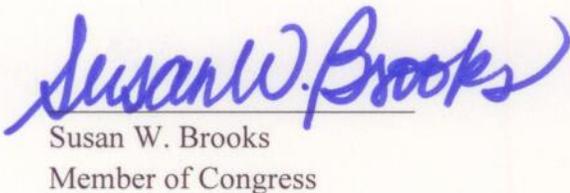
Andy Barr
Member of Congress



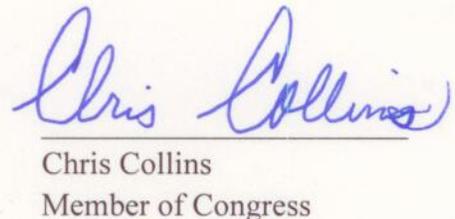
Kerry Bentivolio
Member of Congress



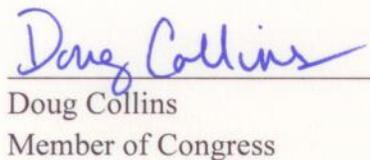
Jim Bridenstine
Member of Congress



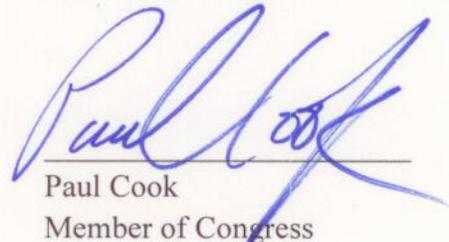
Susan W. Brooks
Member of Congress



Chris Collins
Member of Congress



Doug Collins
Member of Congress

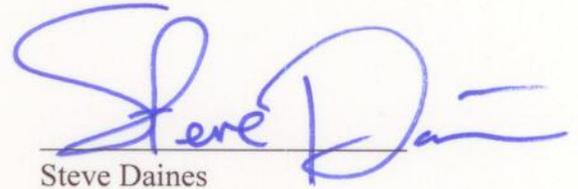


Paul Cook
Member of Congress

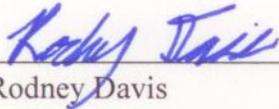
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Kevin Cramer
Member of Congress



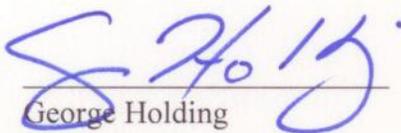
Steve Daines
Member of Congress



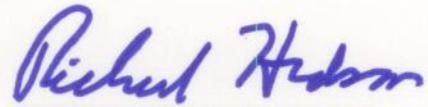
Rodney Davis
Member of Congress



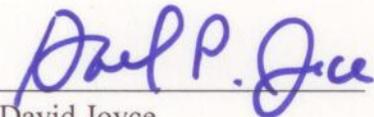
Ron DeSantis
Member of Congress



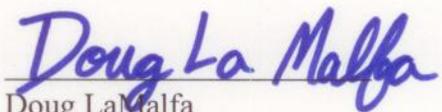
George Holding
Member of Congress



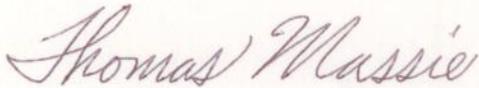
Richard Hudson
Member of Congress



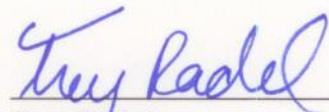
David Joyce
Member of Congress



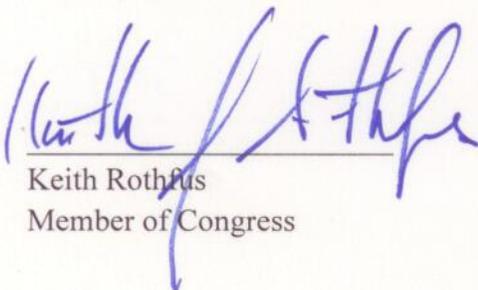
Doug LaMalfa
Member of Congress



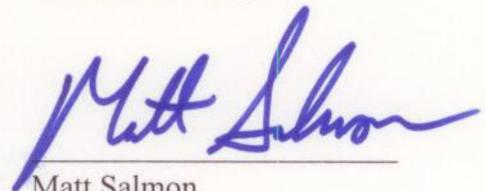
Thomas Massie
Member of Congress



Trey Radel
Member of Congress

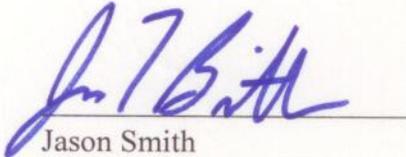


Keith Rothfus
Member of Congress



Matt Salmon
Member of Congress

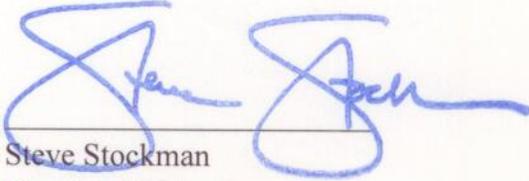
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Jason Smith
Member of Congress



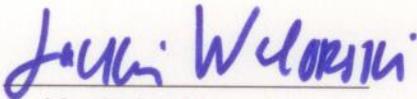
Chris Stewart
Member of Congress



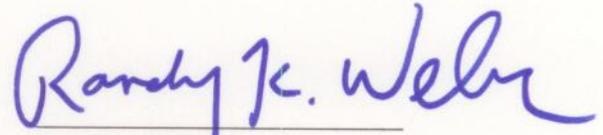
Steve Stockman
Member of Congress



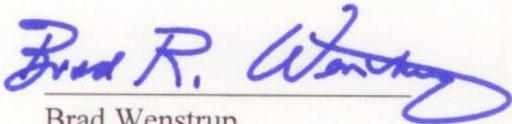
David Valadao
Member of Congress



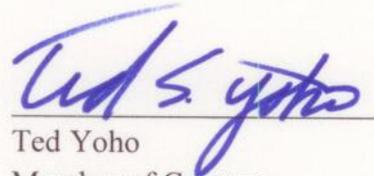
Jackie Walorski
Member of Congress



Randy Weber
Member of Congress



Brad Wenstrup
Member of Congress



Ted Yoho
Member of Congress