

July 16, 2009

The Honorable George Miller  
Chairman  
Committee on Education and Labor  
U.S. House of Representatives  
Washington, DC 20515

The Honorable John Kline  
Ranking Member  
Committee on Education and Labor  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman Miller and Ranking Member Kline:

We are writing to express serious concern over the inclusion of detrimental retiree health provisions in the substitute version of H.R. 3200, America's Affordable Health Choices Act of 2009. Section 165 of the bill would revise the Employee Retirement Income Security Act of 1974 (ERISA) to prohibit changes in the provision of retiree health benefits. This provision overrides one of the most important principles of ERISA and the employer-based system – the voluntary nature of employee benefits. Changing ERISA in this manner will erode the employer-based system that provides over 170 million people with access to quality, affordable health care.

Mandating benefits in this manner significantly increases both the cost and risk to the employer of voluntarily providing retiree health plans at all. These costs and risks will have to be paid for by reduced benefits, wages, or jobs.

We believe that the inclusion of this provision will delay the efforts to pass comprehensive health reform and urge you to remove it from the bill. There are other ways to reach our common goals that will not impact the healthcare benefits that workers receive today. Instead, Congress should focus its attention on addressing the underlying cost drivers within our health system by promoting health information technology, wellness and prevention, coordination of care, and value-based purchasing.

The members of the undersigned groups provide different types of health care benefits and we are all concerned about the threat that this bill poses to the ERISA framework that is the backbone of the American health care delivery system. Thank you for your consideration.

Sincerely,  
American Benefits Council  
Business Roundtable  
Corporate Health Care Coalition  
HR Policy Association  
National Association of Manufacturers  
National Business Group on Health  
National Coalition on Benefits  
National Retail Federation  
Society for Human Resource Management  
The ERISA Industry Committee  
U.S. Chamber of Commerce

cc: Members of the House Education and Labor Committee