



July 15, 2019

The Honorable Nancy Pelosi  
Speaker of the House of Representatives  
The United States House of Representatives

**RE: H.R. 748, The Middle Class Health Benefits Tax Repeal Act of 2019**

Dear Madame Speaker:

On behalf of The Council of Insurance Agents and Brokers (“The Council”), I write to express our members’ strong support for H.R. 748, The Middle Class Health Benefits Tax Repeal Act of 2019. The legislation repeals the looming “Cadillac Tax” that undermines the employer sponsored insurance market. The “Cadillac tax” is a 40% tax on the value of employer-sponsored health coverage that exceeds certain benefit thresholds – estimated to be \$11,100 for self-only coverage and \$29,750 for family coverage in 2022. We thank Congressman Joe Courtney and Mike Kelly for their leadership on this important issue, and urge members of the House of Representatives to support H.R. 748.

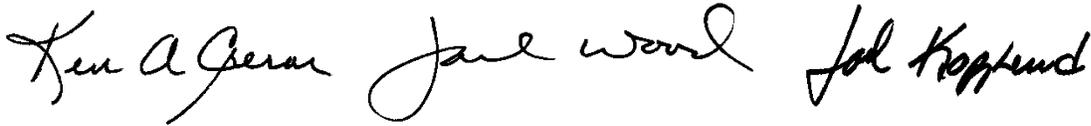
By way of background, The Council represents the largest and most successful employee benefits and property/casualty agencies and brokerage firms. Council member firms annually place more than \$300 billion in commercial insurance business in the United States and abroad. Council members conduct business in some 30,000 locations and employ upwards of 350,000 people worldwide. In addition, Council members specialize in a wide range of insurance products and risk management services for business, industry, government, and the public.

The “Cadillac Tax,” has been delayed twice by Congress to protect Americans from its harmful impact. But the latest implementation date of 2022 continues to cause an adverse effect on the affordability and quality of health coverage available to employees and their families. The Kaiser Family Foundation notes that deductibles have risen 89% since 2010, while wage growth has remained comparatively flat.

The tax was intended to impact Americans with “gold-plated” plans, but the reality is that very modest plans covering low- and moderate-income working families will trigger the tax. More than 181 million Americans – including retirees, low- and moderate-income families, public-sector employees, small business owners, nonprofit workers and the self-employed – currently depend on employer-provided health coverage. Employer provided coverage covers more Americans than Medicare and Medicaid combined. This tax has real and harmful consequences – Americans cannot afford to pay more for their health care.

Thank you again for your continued efforts to address these important issues. If you have any questions or would like more information, please contact Joel Kopperud at 202-661-4311 or [joel.kopperud@ciab.com](mailto:joel.kopperud@ciab.com).

Best,

Three handwritten signatures in black ink are arranged horizontally. From left to right: Ken Crerar, Joel Wood, and Joel Kopperud. The signatures are fluid and cursive.

Ken Crerar  
President and CEO

Joel Wood  
Senior Vice President  
Government Affairs

Joel Kopperud  
Vice President  
Government Affairs