

Contact Info: AP ARTICLE

Link to article: <http://www.chicagotribune.com/business/ct-drug-prices-concern-20151028-story.html>

Email Subject: Letter to the Editor

Hi,

I'm submitting the following letter on behalf of the CEO of the National Association of Health Underwriters, Janet Trautwein. Is there any chance you might be able to run it?

Best,
Kelly

Kelly Loussedes
National Association of Health Underwriters
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Dear Editor,

A recent article reported that "only 30 percent of people" rank repealing the "Cadillac tax" on employer-sponsored health plans as a major priority ("Drug prices top Americans' list of health care concerns," October 30). That number will jump as consumers learn how much the tax will cost them.

In 2018, nearly half of plans will be subject to the 40 percent tax, not just those with a high level of benefits. By 2026, it's estimated that 94 percent of employers will trigger the tax.¹

If employers respond to the tax by reducing benefits and increasing wages an equivalent amount, the average worker will pay \$1,050 more in taxes annually. But after all the other compliance costs associated with the Affordable Care Act, it's unlikely that employers will compensate for Cadillac-induced cuts in benefits with raises. Consequently, the tax could cause workers to lose more than \$6,000 annually in total compensation.²

Sincerely,

Janet Trautwein
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National Association of Health Underwriters
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¹ <http://www.businessinsurance.com/article/20150812/NEWS03/150819947/1254>

² <http://www.fightthe40.com/resources/studies.cfm#workers>