

NATIONAL COORDINATING COMMITTEE FOR MULTIEmployER PLANS

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July 17, 2009

The Honorable George Miller
Chairman
Committee on Education and Labor
U.S. House of Representatives
2181 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Charles B. Rangel
Chairman
Committee on Ways and Means
U.S. House of Representatives
1102 Longworth House Office Building
Washington, D.C. 20515

The Honorable Henry A. Waxman
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, D.C. 20515

Greetings:

On behalf of the millions of American workers and families who depend on joint labor-management, collectively bargained, multiemployer health and welfare trust funds for their medical and other health benefits, I am writing to lend the NCCMP's support for H.R. 3200, *America's Affordable Health Choices Act of 2009*, and to urge that the Committees approve the measure expeditiously.

Health care is a matter of great personal importance to each and every America man, woman and child. Achieving a high quality, affordable and universally available health care system is a matter of great importance to our Nation. Yet, for many decades, the obvious need for national, systemic reform has gone unaddressed in Washington, and the health care system's cost, access and quality problems have been allowed to fester to crisis level, endangering us all. We congratulate you for your leadership in breaking the stalemate, and taking bold action to address the health care system crisis.

H.R. 3200 contains key elements for effective reform. For example, building on the employment-based system that covers more than 160 million Americans, the bill would require more employers to assume significant responsibility for their employees' health insurance coverage. At present, irresponsible employers that do not provide employee health coverage are unfairly shifting the cost of health care for their employees and employees' families to our health and welfare trust funds, participating workers, and contributing employers. At least 20% of our trust funds' health care costs are attributable to unfair cost-shifting for individuals not even covered by the funds. The bill's employer and individual responsibility mandates will significantly reduce this unfair competition and cost-shifting, and help to contain overall health care system costs.

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The bill's provision for a federal regulatory system for health plans is also important to the multiemployer health and welfare trust fund community. Nationally uniform regulation, as provided under the Employee Retirement Income Security Act, is essential for the survival of multiemployer health and welfare trust funds, many of which cover workers and families in multiple States. Regulation by fifty States' duplicative and conflicting laws would be virtually impossible and would, in any event, greatly inflate fund costs at the expense of the workers who bear the full cost of the trust funds. There is no source of revenue to offset higher health and welfare fund costs than the covered workers' pay.

We are also pleased that the bill provides for creation of a reinsurance program for pre-Medicare retirees. In industries such as building and construction, the effects of years of hard physical labor force many workers into retirement before the age of Medicare eligibility. Affordable health plan coverage for these retirees is a need that must be addressed by reform, and the bill does so.

The three Committees have done an extraordinary job in producing a joint bill that is even better than the earlier Discussion Draft. We expect that progress will continue apace, and we look forward to continuing to work with the Congress through final enactment of national health care system reform that is right and good for the Nation, including the millions of workers and families in the multiemployer health and welfare fund community.

Respectfully,



Mark H. Ayers
Chairman

cc All Committee Members