

Dr. Roe



March 10, 2011

The Honorable Phil Roe
Chairman
Subcommittee on Health, Employment, Labor
and Pensions
House Committee on Education and the Workforce
2181 Rayburn House Office Building
Washington, DC 20515

The Honorable Robert Andrews
Ranking Member
Subcommittee on Health, Employment, Labor
and Pensions
House Committee on Education and the Workforce
2101 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Roe and Ranking Member Andrews:

On behalf of Associated Builders and Contractors (ABC), a national association with 75 chapters representing more than 23,000 merit shop construction and construction-related firms with nearly two million employees, I am writing in regard to the subcommittee hearing on, "The Pressures of Rising Costs on Employer Provided Health Care."

Throughout the health care reform debate, ABC advocated for policies that would reduce the cost of health care for employers and their employees. ABC called on Congress to advance common-sense proposals that would address the skyrocketing costs of health insurance, especially for employer-sponsored plans, and the rapidly rising number of uninsured Americans.

Unfortunately, the massive and complex health care law, known as the "Patient Protection and Affordable Care Act" or PPACA, fails to address the core problem facing small businesses: the rising costs of health care. It is unfathomable that our elected leaders imposed new costly mandates and taxes on employers at a time of record high unemployment. Such actions demonstrate a fundamental failure of the federal government to understand the needs of small businesses. As a result, numerous provisions in the health care law will have a direct negative impact on ABC members, including:

- Higher insurance costs due to new mandated benefits
- New taxes on small business health insurance policies
- Prohibitions on HSAs, FSAs and HRAs that limit employer and employee flexibility
- An employer mandate that encourages job cuts
- New taxes, fees and mandates specifically targeted at the small business community

Additionally, ABC has expressed concerns about the regulatory burdens imposed by the massive health care law. The outcomes of many of the health care related federal rulemakings are currently unclear. This has created an environment of uncertainty in our industry that makes it difficult for firms to adequately plan for the future.

Providing quality health care benefits is a top priority for ABC and its member companies. ABC urges Congress to move forward with legislative proposals that will provide employers and their employees with health care solutions that are both practical and affordable.

ABC believes medical malpractice reform should be included in any true health care reform package. By enacting medical malpractice reform we will see a dramatic decrease in the cost of health insurance for the American public. ABC also strongly supports the inclusion of Small Business Health Plans (SBHPs) and expanding access to Health Savings Accounts (HSAs). Further, the unique nature of construction work demands that benefits be portable in order to reflect the reality of the industry workforce.

We appreciate your attention to this important matter and look forward to working with you on common-sense health care initiatives.

Sincerely,

A handwritten signature in black ink, appearing to read "Corinne M. Stevens", with a stylized flourish at the end.

Corinne M. Stevens
Senior Director, Legislative Affairs