



January 28, 2019

The Honorable Cory Gardner
354 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Gardner:

On behalf of the Healthcare Leadership Council (HLC), I am writing to express our strong support for S. 172, the “Health Insurance Tax Relief Act.” Thank you for introducing this important legislation that would delay the health insurance tax (HIT) until after 2021.

HLC is a coalition of chief executives from all disciplines within American healthcare. It is the exclusive forum for the nation’s healthcare leaders to jointly develop policies, plans, and programs to achieve their vision of a 21st century healthcare system that makes affordable high-quality care accessible to all Americans. Members of HLC – hospitals, academic health centers, health plans, pharmaceutical companies, medical device manufacturers, laboratories, biotech firms, health product distributors, post-acute care providers, home care providers, and information technology companies – advocate for measures to increase the quality and efficiency of healthcare through a patient-centered approach.

Like you, HLC supports giving Americans access to affordable healthcare. The health insurance tax was delayed by previous legislation, but the suspension will elapse at the end of 2019. As health insurers are finalizing their rates for 2020, Congress must act soon to eliminate these counterproductive taxes altogether or, at the very least, extend their suspensions.

An [analysis](#) by Oliver Wyman documented the impact of the health insurance tax, if activated by the end of 2019. Americans with virtually any form of health insurance will see a premium increase. For example, families in either the large or small group markets would see their annual premiums rise by more than \$450. An individual in the non-group market would pay nearly \$200 more. This tax does not only impact people in

the health insurance exchange. Medicare Advantage enrollees would experience an average premium jump of \$241.

HLC strongly believes that to protect those consumers, Congress needs to delay or repeal the HIT now. This repeal or delay must be included in the next legislative vehicle being considered by Congress before it is too late to change premium rates for 2020.

Thank you again for your work on S. 172 and your efforts to protect consumers from unaffordable premiums. HLC looks forward to continuing to collaborate with you on this important issue. If you have any questions, please do not hesitate to contact Debbie Witchey at (202) 449-3435 or dwitchey@hlc.org.

Sincerely,



Mary R. Grealy
President

cc:

The Honorable John Barrasso
The Honorable Tom Cotton
The Honorable James Inhofe
The Honorable Doug Jones
The Honorable Tim Scott
The Honorable Jeanne Shaheen
The Honorable Kyrsten Sinema