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Vice President

Infrastructure, Innovation and Human Resources Policy

March 13, 2017

United States House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the National Association of Manufacturers (NAM), the largest manufacturing association in the United States representing 14,000 manufacturers in every industrial sector and in all 50 states, I am writing to express support for key provisions of H. Res. 154, The Budget Reconciliation Legislative Recommendations to Repeal and Replace Obamacare.

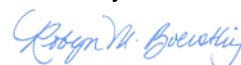
Manufacturers strongly support the repeal of the Patient Protection and Affordable Care Act (ACA) signed into law in 2010. The ACA has made it more difficult and costly to provide health care to employees. In a recent NAM survey, nearly one-third of respondents reported premium increases of at least 10 percent annually. Additionally, manufacturers consistently rank rising health care premiums as a top primary business challenge according to the past several NAM Outlook Surveys conducted each quarter.

Manufacturers strongly support reducing the burden of the employer mandate and repeal of the medical device tax, the 3.8 percent net investment tax, the health insurance tax and the innovation tax. Although the Cadillac tax is delayed until 2025, manufacturers are hopeful that this onerous tax can be fully repealed as the legislative process proceeds. In addition, we are pleased that the package did not modify the tax treatment for employer-sponsored health care. These critical changes will help employers contain rising health care costs and provide much-needed predictability so that manufacturers can continue providing quality health care to employees.

Manufacturers historically have led the business community in offering health benefits to their employees and are committed to continuing this tradition in the future. The reconciliation package takes a significant step towards reducing excessive taxes to ensure that manufacturers can continue to provide these benefits.

The NAM believes legislative actions taken last week are a strong first step towards reforming a broken health care system. It is important that Congress continue this momentum to chart a new course and unlock the stranglehold of the ACA on manufacturers.

Sincerely,



Robyn M. Boerstling