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November 4, 2019

United States Senate
Washington, DC 20510

Dear Senator:

On behalf of our 3 million members and the 50 million students they serve, we urge you to cosponsor and support the Middle Class Health Benefits Tax Repeal Act (S. 684), which passed the House with overwhelming bipartisan support and has 62 bipartisan cosponsors in the Senate. While this is heartening, nothing can happen without the final step: a vote on the Senate floor.

Under the Affordable Care Act, the portion of the cost of employer-sponsored health plans above specified thresholds—an estimated \$11,200 for individuals and \$30,150 for families—will be taxed at the rate of 40 percent starting in 2022. We support repeal because:

- The tax would take money out of the pockets of educators who have accepted lower wages in return for decent health care coverage—just when there’s growing recognition among lawmakers and the American people that educators deserve better compensation. Moreover, educators would be among those hit hardest by the tax as noted in an analysis published in [Health Affairs](#).
- The tax applies equally to plans for lower- and higher-income employees, as well as retirees, regardless of whether they live in areas with unusually high health care costs.
- The tax is far likelier to hit plans due to factors beyond employees’ control—their age, gender, and location—than because of the benefits provided.
- Initially, the [Kaiser Family Foundation](#) estimates, the tax would affect 21 percent of employers who provide health coverage—31 percent when workers’ voluntary contributions to Flexible Spending Accounts are taken into account as the law requires.
- Over time, more and more workers would be subject to the tax since health care costs continue to rise at a faster rate than inflation.

Educators are already struggling to make ends meet—they cannot afford to pay even more for health care. Please cosponsor and support the Middle Class Health Benefits Tax Repeal Act (S. 684).

Sincerely,

Marc Egan
Director of Government Relations
National Education Association