International Association of Machinists and Aerospace Workers



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OFFICE OF THE INTERNATIONAL PRESIDENT

November 20, 2015

Dear Senator,

On behalf of the International Association of Machinists and Aerospace Workers, I urge you to sign on as a co-sponsor to Sen. Heller and Sen. Heinrich's bipartisan bill, S. 2045 that calls for the full repeal of the 40% excise tax on health benefit plans, otherwise known as the "Cadillac Tax" under the Affordable Care Act.

This proposed tax will affect working class families and not high cost "Cadillac" plans as it was originally targeted. The excise tax that is scheduled to go into effect in 2018 will be imposed on plans that exceed individual coverage costs of more \$10,200 and more than \$27,500 for family coverage.

As a result, the IAM is beginning to see changes at the bargaining table. Many employers have threatened to lower the value of the health coverage they offer, to avoid paying the tax. Some employers are planning to increase out-of-pocket limits, co-pays, and deductibles to pay for the tax, thus, making workers the "pay-for" for this bill.

Working class families would like to see their health care plan costs reduced not increased, and the excise tax will either reduce the quality of their plans or increase the amount individuals or families will have to pay to keep their current health coverage. Keeping your current medical health plan was a promise made under the ACA.

The Machinists Union fully supports Sen. Heller and Sen. Heinrich's bill to repeal the 40% excise tax and urges you to co-sponsor the bill. To sign on to the legislation, please contact Louis Agnello at 202-224-5521 or via email at louis\_agnello@heinrich.senate.gov.

If you have any questions, please contact IAM Legislative Director Hasan Solomon at 301-967-4575.

Sincerely,

R. Thomas Buffenbarger International President

R. Thomas Byfkulærger