International Association of Machinists and Aerospace Workers



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OFFICE OF THE INTERNATIONAL PRESIDENT

March 22, 2017

Dear Representative,

On behalf of the International Association of Machinists and Aerospace Workers (IAM), I strongly urge you to oppose the deeply flawed American Health Care Act (AHCA), also known as Trumpcare, because it leaves 24 million Americans without health care while rewarding the wealthy with large tax breaks. The non-partisan Congressional Budget Office reports that 14 million people would lose insurance in the next year alone and that premiums will increase by an average of 15 to 20 percent, with older Americans paying "substantially more."

The AHCA gives tax credits to the wealthy, yet taxes working families. The wealthy will have their taxes cut on investment income, but workers will have to pay increased costs on their health insurance due to the continuation of the so-called "Cadillac" tax. Employers are now planning to raise deductibles, co-pays, and increase out-of-pockets limits just to cover the costs of the 40 percent Cadillac tax imposed on employer provided health insurance. Meanwhile, the 400 highest-income taxpayers will receive tax cuts of about \$7 million each. Millionaires will also get more than \$50,000 in tax breaks and drug companies will get an outrageous \$25 billion tax cut.

Medicaid, which provides health care to seniors, children, people with disabilities, as well as working families, will be slashed by the AHCA. Medicaid expansion will be hit the hardest when taxes paid by the wealthy to finance the program are eliminated. States are projected to lose more than \$880 billion and will have to decide whether they want to use more of their own scarce resources or raise taxes to provide essential services. Long-term care costs for millions of retirees will be affected by cuts of nearly \$12 billion.

Obamacare provided vital subsidies to Americans to help with the purchase of health insurance. These subsidies were based on income, but under the AHCA, a subsidy is tied to a person's age. While seniors would receive a slightly more generous subsidy, insurance companies will now be allowed to charge older Americans five times more than what they charge younger people. This age tax will significantly increase premiums and make essential health care unaffordable for struggling seniors.

While Obamacare has some flaws that need to be addressed by Congress, Trumpcare takes America back to the days when health care was a privilege based on wealth. The IAM opposes the AHCA because all Americans should have quality, affordable health care. I urge you to **vote "NO" on the AHCA.**

If you have any questions, please contact IAM Legislative Director Hasan Solomon at 202-420-5902.

Sincerely,

Robert Martinez, Jr. International President