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Link to article: <https://www.bostonglobe.com/news/politics/2015/10/20/obama-clinton-fight-over-tax-cadillac-health-plans/dTvop9wPpREq2630vsdUFL/story.html>

Email Subject: Letter to the Editor

Hi,

I'm submitting the following letter on behalf of the CEO of the National Association of Health Underwriters, Janet Trautwein. Is there any chance you might be able to run it?

Best,
Kelly

Kelly Loussedes
National Association of Health Underwriters
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Dear Editor,

A recent article reported that the "Cadillac tax" on generous employer-sponsored health plans "is expected to generate \$87 billion in revenue over the first eight years" ("Tax on 'Cadillac' health plans splits leaders," October 21). But that estimate relies on some extremely questionable assumptions.

The Cadillac tax will require employers to pay a non-deductible 40 percent levy on the value of any individual plan beyond \$10,200 and any family plan beyond \$27,500. The Congressional Budget Office projects that the Cadillac tax itself will raise just 25 percent of that \$87 billion.

The other 75 percent is supposed to come from higher income-tax receipts; the CBO assumes that employers will react to the Cadillac tax by cutting benefits and increasing wages that the IRS can then tax. According to Rep. Joe Courtney, D-Conn., "That is a very unstable analysis."

Sincerely,

Janet Trautwein
Executive Vice President and CEO
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