



# AIR LINE PILOTS ASSOCIATION INTERNATIONAL

THE WORLD'S LARGEST PILOTS UNION • WWW.ALPA.ORG

1625 Massachusetts Avenue, N.W. • Washington, D.C. 20036 • 703-689-2270 • 888-FLY-ALPA

September 23, 2015

Dear Senator:

On behalf of the 53,000 professional pilots represented by the Air Line Pilots Association, International (ALPA) we request that you cosponsor S. 2045 to repeal the excise tax on high cost employer-sponsored health coverage. Introduced by Senators Dean Heller (R-NV) and Martin Heinrich (D-NM), S. 2045 would repeal the 40 percent excise tax on health care plans that have been arbitrarily determined to be "too rich." The excise tax is scheduled to take effect in 2018, but the effects of the tax are already being felt by union and non-union workers alike.

Many employers are preparing for the introduction of the excise tax by increasing copays, deductibles, and out-of-pocket maximums in their health insurance plans. The excise tax will further erode the benefits of health insurance plans and drive out-of-pocket costs up for professional pilots and other workers. Not only is this unsustainable, it also increases the likelihood that workers forego needed care because they can't afford it. Studies show that such cost increases lead to more and longer hospital visits.

The economic theory that employers will increase wages to offset the effect of the excise tax is simply not a reality. Instead, we are seeing market-driven wage packages and increased health insurance costs.

S. 2045 is a common-sense, bipartisan, and bicameral approach to addressing the excise tax. Companion legislation introduced in the House of Representatives by Representative Joe Courtney (H.R. 2050) has nearly 150 bipartisan cosponsors.

ALPA pilots are growing increasingly concerned about their future under the excise tax, and we urge you to pass repeal legislation expeditiously. Thank you for your consideration. Please don't hesitate to contact me if I can be a resource for you.

Sincerely,

Timothy G. Canoll, President