



VIA HAND DELIVERY

November 23, 2009

The Honorable Harry Reid
United States Senate
Washington DC 20510

Dear Senator Reid:

On behalf of the 1.3 million members of the United Food and Commercial Workers International Union, I applaud your dedication and sustained hard work on health care reform. We are excited to see progress moving forward with the release of the Patient Protection and Affordable Care Act. We look forward to working with you as you and your colleagues work to improve and strengthen this bill in the U.S. Senate debate.

I know it has been a great challenge to find ways to fund health care reform and to contain costs in this bill. You are to be commended on your extensive outreach to your colleagues to find ways to address these formidable challenges. We have been impressed with the funding mechanisms developed by your colleagues in the U.S. House of Representatives, and look forward to your collaboration in finding the most progressive financing mechanisms available to maintain affordability for working families. Given all the other costs issues at play, if health care reform is not first and foremost affordable for American families, health care reform will not succeed.

With the requirement of all individuals to obtain coverage, affordability is a concern for the sustained future viability of health care reform and for basic American fairness. Senator, by including a public health insurance option in the Patient Protection and Affordable Care Act, you have moved to address affordability for working families in a significant way. The public health insurance option is a key mechanism for guaranteeing competition and cost containment.

We urge you to continue to explore more ways to build affordability provisions into the Patient Protection and Affordable Care Act and a strong Shared Responsibility provision that includes employers in a more comprehensive way. Without a requirement that employers provide decent health care coverage to all their workers, millions of workers will find themselves either offered coverage they cannot afford, or find themselves without coverage options. It is key that part-time workers, the vast

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majority of retail workers, are able to access meaningful health care coverage and protection from overwhelming costs. According to our calculations, workers at the largest retailer in the country would not incur any penalty for the bare-bones coverage it currently provides. This employer sets the bar so low that its competitors who currently provide good benefits will be at a competitive disadvantage and be forced to lower their benefits levels.

The U.S. Senate bill must protect working families from high premiums and excessive out-of-pocket costs. Financing mechanisms that increase costs borne by already stretched working families will only add to their financial burdens. Taxing so called "Cadillac" plans will only increase costs to working families.

Many working families rely on Flexible Spending Accounts (FSAs), Health Reimbursement Arrangements (HRAs), or other tax-advantaged accounts to manage their health care needs. Individuals with chronic conditions rely on FSAs to address their treatment regimes and afford their required prescriptions, co-pays and deductibles. Capping FSAs and not indexing the benefit will result in an immediate tax hit to working families. Indexing the \$2,500 cap to inflation (CPI) would mitigate that cost and improve affordability for working families.

We applaud your work to provide strong subsidies for working families who need help in affording health care coverage. This is essential to making health care reform affordable and sustainable. Particular attention was paid in the U.S. House of Representatives bill to providing very strong subsidy support for those at the lowest end of the income spectrum. I encourage the U.S. Senate place special attention to the needs of those most in need of assistance in our society and improve the subsidies available to those Americans.

I thank you for your consideration and for your service to the American people, and celebrate with you the historic introduction of the Patient Protection and Affordable Care Act. I look forward to continuing to work with you closely on this critically important issue.

With best wishes, I remain

Sincerely,

Joe Hansen
International President

Thanks for all your hard work on behalf of our country !!