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November 15, 2013

The Honorable Pat Tiberi (OH-12)
U.S. House of Representatives
106 Cannon House Office Building
Washington, D.C. 20515

The Honorable Daniel Lipinski (IL-03)
U.S. House of Representatives
1717 Longworth House Office Building
Washington, D.C. 20515

Dear Representatives Tiberi and Lipinski:

On behalf of the Retail Industry Leaders Association (RILA), I write in support of your legislation (H.R. 3489) to modify the funding parameters for the transitional reinsurance program established under the Affordable Care Act (ACA).

RILA, the trade association of the world's largest and most innovative retail companies, product manufacturers, and service suppliers, promotes consumer choice and economic freedom through public policy and industry operational excellence. Our members provide millions of jobs and operate more than 100,000 stores, manufacturing facilities and distribution centers domestically and abroad. RILA members offer quality and affordable health care to their employees and dependents, and are leaders in benefits design by customizing plans to meet their workforces' specific needs.

Under the ACA, self-insured employers are required to pay a per-covered-life fee for the cost of the transitional reinsurance program in 2014, 2015 and 2016. In 2014, this fee is \$63 for each covered life. For large retailers who provide coverage to thousands of employees and their dependents, this fee will cost millions of dollars over this three-year period. This is a cost on top of those already incurred by complying with the numerous other employer requirements under the ACA. We appreciate that your legislation would eliminate this fee for self-insured employer plans and provide our retailers with relief from this ACA cost burden.

Again, thank you for introducing H.R. 3489. We look forward to continuing to work with you and your colleagues in Congress in a bi-partisan manner to enact changes to the ACA.

Sincerely,

Bill Hughes
Senior Vice President, Government Affairs