



INTERNATIONAL FEDERATION OF PROFESSIONAL & TECHNICAL ENGINEERS AFL-CIO & CLC

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Dear Senator,

The International Federation of Professional and Technical Engineers (IFPTE), on behalf of and 90,000 thousand working families we represent across America, is asking you to oppose the Senate health care bill as an unconscionable retreat from America's moral responsibility to its elderly and most vulnerable citizens, and as an ominous precursor to an all-out assault on Medicare and Social Security. The working people across America are looking to the Senate to save them from this grave threat to their health and to their financial security and that of their family.

This week's expected consideration of Senate legislation aims to provide a huge tax giveaway to corporate CEOs, while leaving tens of millions of our most vulnerable citizens without health insurance. The content of the legislation and its overwhelming negative impact is on par to the so-called American Health Care Act of 2017 (HR 1628), which unfortunately narrowly passed the House last month, and which enacts draconian cuts to Affordable Care Act (ACA) protections, including neutralizing the key protection for those citizens with pre-existing conditions, and allows for the termination of the Medicaid expansion to states that has provided millions of our most vulnerable citizens health coverage. While the Senate bill provides for a longer-term phase out of the Medicaid expansion, the impact will ultimately be nearly identical – it would leave 22 million people without health care coverage.

The Senate legislation would turn the Medicaid program from a federally-funded defined benefit program administered by states to a defined contribution program, resulting in drastic cuts to federal Medicaid dollars to state governments. Specifically, the Senate bill will end the guarantee that the federal government provide a share of funding to states for their Medicaid costs, replacing it with a per capita cap that will end up significantly decreasing federal Medicaid dollars to states. This decrease is even deeper than what is called for in the House passed bill, as it uses the Consumer Price Index for all urban consumers (CPI-U), versus the medical inflationary index included in the House bill. This small, but impactful difference will result in even larger cuts than the Medicaid cuts called for in the House bill.

Thus, factors associated with an aging population, increasing health care utilization, and prescription drug costs, just to name a few, would be irrelevant when it comes to any corresponding increase in Medicaid dollars. Those types of considerations and the associated increased demand and costs would fall solely on the states to absorb without any additional Medicaid assistance from the federal government. The associated flooding of emergency rooms by Americans who cannot pay for their health care would also drive the closing of hospitals, especially in rural areas. Moreover, it would lead the cannibalization of State and Local government services to make up for the Medicaid shortfall, leading to the loss of public sector jobs.

This bill also maintains a 40% excise tax on employer provided benefits for working Americans (the Cadillac tax), while at the same time providing massive tax breaks for the wealthiest wage earners. Specifically, the top 0.1% of wage earners in the United States earning an average of \$3.75 million a year will see an average annual tax cut of \$165,090.

While there exists a litany of other problems with this bill, it is important to point out the flawed process by which this bill is being considered this week. The bill will come to the Senate floor without a single hearing or mark-up. It was crafted solely by a handful of Senators from the majority party, without any input at all from the minority. This is a reckless and irresponsible manner by which to consider any bill, particularly one that will literally have life and death repercussions for millions of Americans.

Lastly, this bill eliminates the essential benefits requirement and allows for lifetime caps on non-essential services. For example, in States that waive the rule on a requirement for health insurance to pay for prescription drugs, insurance companies can simply refuse to cover costly drugs, or implement a lifetime cap on how much they will pay to cover or treat a patient's condition. This would impact people with cancer, diabetes, and even those who were pregnant eventually eliminating critical coverage for pre-existing conditions.

The Senate bill would leave millions of Americans without health coverage, would end the Medicaid program as we know it, would lead to the loss of state and local government jobs, including for those dedicated souls providing and supporting medical care, and would shift nearly a trillion dollars from millions of poor and working Americans currently receiving subsidies and/or support to get them access to health care into the pockets of the rich and powerful.

IFPTE urges you to oppose this bill. After the attempt to move backwards is soundly rejected, Congress should then move forward with legislation to reform the shortcomings of Obamacare and enhance its sustainability while preserving its lifesaving expansion of access to healthcare for tens of millions of citizens who were previously forgotten and yet deserve nothing less than full and complete affordable health care.

If you have any questions, please contact IFPTE legislative director, Matt Biggs at (202) 239-4880.

Sincerely,



Gregory J. Junemann,
President