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United States Senate

WASHINGTON, DC 20510

September 28, 2010

The Honorable Harry Reid
Majority Leader
United States Senate
522 Hart Senate Office Building
Washington, DC 20515

The Honorable Max Baucus
Chairman, Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Majority Leader Reid and Chairman Baucus:

I write to express my strong support for immediate passage of legislation that would extend the Health Coverage Tax Credit (HCTC) provisions contained in the American Recovery and Reinvestment Act (ARRA).

As you are aware, the HCTC program makes health insurance more affordable for trade-affected workers, Pension Benefit Guaranty Corporation (PBGC) payees, and their families by covering a portion of their health insurance premiums. Historically, this program has covered 65 percent of health insurance premiums for qualified individuals and their families. Thanks to ARRA, this program now covers 80 percent of health insurance premiums. However, without action from Congress, the changes made as a result of ARRA will expire on December 31, 2010.

While our economy is slowly recovering, there is no question that Ohioans and other Americans continue to face significant economic challenges. Extending the enhanced HCTC is a common-sense strategy for preventing an increase in the number of uninsured Americans during this period of continued economic hardship. Such an extension is especially important because so many HCTC recipients are in their 50s or early 60s, an age cohort left particularly vulnerable in the absence of health coverage.

On September 16, 2010, Chairman Baucus introduced the Job Creation and Tax Cuts Act of 2010. I was pleased to see that this legislation included a one-year extension of the ARRA HCTC program, as this policy will significantly help many Ohioans who depend on this premium assistance for their health insurance.

However, I have heard from a number of Ohioans who are facing an insurance enrollment period in the very near future and these HCTC percentages will have a great impact on the health insurance choices they make for the coming year. It is my understanding that many Ohioans will have to decide about their health insurance plans by December 1, 2010, and they are anxious to know whether or not the ARRA HCTC percentages will be in place for next year.

For this reason, I urge immediate action on the Job Creation and Tax Cuts Act of 2010. Individuals eligible for the HCTC typically face steep financial challenges associated with the loss of a job or deep pension cuts. The economic crisis has compounded these challenges. It would be tragic if the timing of legislation to extend the enhanced HCTC forced Ohioans and others across the country to give up their current health insurance.

Thank you for your prompt consideration of this matter and please let me know if there is anything I can do to assist in quickly passing legislation to extend the ARRA HCTC provisions.

Sincerely,



Sherrod Brown
United States Senator