

March 5, 2010

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

Dear Speaker Pelosi:

Many employers proudly offer part-time employees health insurance benefits and want to continue doing so after passage of comprehensive health care reform legislation. However, by mandating that businesses offer health benefits to part-time employees—even on a pro rata basis and penalize them with fines if they do not—many companies will face difficult choices between hiring new workers, decreasing the benefits available to full-time employees or increasing prices.

In industries with flexible and often seasonal work environments, employers commonly experience more than 100 percent staff turnover annually. If employers in high-turnover industries are required to offer coverage to part-time employees, company health care costs will increase by as much as 50 percent. Cost increases such as these are simply unsustainable. Congress must not take steps, no matter how well intentioned, that discourage job growth and creation in this current economy.

Further, part-time employees commonly have alternative access to insurance through another employer, a spouse or partner, students on their university or parents' health plans, or Medicare. For privacy reasons, employers will presumably have no way of knowing whether a part-time employee has secured coverage through another avenue, which could lead to a significant increase in expensive and unnecessary double coverage as well as unfair penalties upon employers.

Including part-time workers in any health care mandate will overburden employers by adding costly administrative obligations in already difficult times. For these reasons, we urge you to maintain a true part-time exclusion.

Sincerely,

American Benefits Council
American Hotel & Lodging Association
Association of Kentucky Fried Chicken Franchisees
Corporate Health Care Coalition
Food Marketing Institute
HR Policy Association
International Association of Amusement
Parks and Attractions
International Pizza Hut Franchise Holders Association
National Association of Convenience Stores

National Club Association
National Council of Chain Restaurants
National Restaurant Association
National Retail Federation
National Ski Areas Association
Pacific Maritime Association
Retail Industry Leaders Association
Taco Bell Franchisee Association
U.S. Chamber of Commerce
Western Growers Association