

April 30, 2010

The Honorable Kathleen Sebelius
Secretary
Department of Health and Human
Services
200 Independence Avenue, SW
Washington, DC 20201

The Honorable Hilda Lucia Solis
Secretary
Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

The Honorable Timothy Geithner
Secretary
Department of Treasury
1500 Pennsylvania Avenue, NE
Washington, DC 20220

Dear Secretary Sebelius, Secretary Solis, and Secretary Geithner:

The undersigned organizations, representing employers and health plans, are committed to working with Congress, the Administration and federal regulatory agencies to implement the Patient Protection and Affordable Care Act (PPACA). Our members are working to make the necessary changes required to assure a smooth transition for the people they serve.

We recognize that the appropriate federal agencies are working diligently to quickly issue rules on many of the reforms in advance of their effective dates. However, given the September effective dates for the near-term requirements (e.g., no lifetime or annual limits, bans on cost-sharing for preventive services, dependent coverage changes, etc.) employers and health plans will be making coverage and policy decisions either in the absence of final regulations or with little time between the issuance of rules and the effective date of the new law. These changes include policy and contract revisions, IT system upgrades, modifications to employee benefit and marketing materials and development of employee and customer communications, just to name a few.

Given the amount of changes required, the uncertainty regarding the content of many pending rules, and the short time frame, we respectfully request that the applicable federal agencies provide affected entities with a good faith compliance standard as proposed in the attached document entitled, "Transition Period and

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Good Faith Compliance Standard under the PPACA Regulations.” We feel this standard, similar to those issued in the past, will provide the compliance environment to allow us to move forward in a spirit of partnership while we implement the numerous provisions of the law.

We greatly appreciate your consideration of this request and are pleased to meet with you to discuss our proposal in greater detail. Please let us know how we may be of assistance.

Thank you for your consideration of this important issue.

Sincerely,

American Benefits Council
Blue Cross Blue Shield Association
Healthcare Leadership Council
HR Policy Association
National Association of Health Underwriters
National Association of Manufacturers
National Association of Wholesaler-Distributors
National Business Group on Health
National Federation of Independent Business
National Retail Federation
National Small Business Association
Society for Human Resource Management
U.S. Chamber of Commerce