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Internal Revenue Service
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

Subject: Public Comment: Notice 2015-16, ACA Excise Tax on High Value Health Plans

As a certified insurance consulting agency we have concern over the likely damage the Affordable Care Act's Excise Tax on "high value health plans" will create in the employee benefit marketplace. It is our view the Excise Tax thresholds triggering the 40% tax are low enough that even modest health plans with reasonable member out of pocket expenses will be subject to tax in 2018 or soon thereafter. We ask that the IRS take steps to increase the tax threshold as well as modify the types of health care benefits covered by the tax.

As an agency based in the state of Connecticut with offices in New York we represent hundreds of employers and dozens of municipalities in the northeast. After detailed analysis of our clients' plans we concluded the majority of health plans sponsored by these employers will see significant costs increases if no adjustments are made to the current tax rules. We suggest the following adjustments

- Increase the current tax thresholds by 50% for both the Individual and Family thresholds
- Exempt employer and employee contributions towards Health Savings Accounts from the tax
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- Implement higher tax thresholds for insurance policies covering employees that reside in health insurance markets with higher health care costs than the national norm.
- Allow insurance carriers to deduct 100% of the cost of additional premium they will need to charge fully insured policyholders in order to pay the costs imposed by the ACA Excise Tax.

We hope the IRS will announce its final ruling on the Excise tax in a timely manner to avoid additional market confusion. Every single one of our agency's employer clients require the ability to project their health care costs over the next several years in order to successfully manage their business or organization. The current rules set forth in the ACA Excise tax make such near term and long term planning impossible.

Sincerely



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