



# Leadership Council of Aging Organizations

*William (Larry) Minnix, Jr., Chair*

March 2, 2012

Representative Rush Holt  
U.S. House of Representatives  
Washington, DC 20515

Representative Joe Courtney  
U.S. House of Representatives  
Washington, DC 20515

Dear Representatives Holt and Courtney:

The Leadership Council of Aging Organizations – a coalition of national not-for-profit organizations representing 60 million older Americans – supports H.R. 3887, which helps preserve the availability of health benefits for early retirees aged 55 to 64 and their families.

Early retirees often face difficulties obtaining insurance in the individual market due to age or chronic conditions that make coverage unaffordable and inaccessible. H.R. 3887 fully funds the Early Retiree Reinsurance Program (ERRP), which was created under the Affordable Care Act, to provide financial assistance to health plan sponsors that made coverage available to millions of early retirees and their families. Plan sponsors that provide early retiree coverage were reimbursed 80% of the cost for claims between \$15,000 and \$90,000 from the fall of 2010 through December 31, 2011. The funds were used to help keep health costs down for this group of retirees.

Unfortunately, the \$5 billion appropriated for this program, which was to last until 2014, was insufficient to meet the needs of employers nationwide. In keeping with fiscal prudence and the law, the Centers for Medicare and Medicaid Services was forced to stop accepting new claims as of January 1, 2012. This extremely popular program has benefitted more than 13 million people. H.R. 3887 will help bridge the gap until 2014, ensuring that early retirees can continue to get their much needed health benefits until the health insurance exchanges are operational.

We thank you on behalf of the retirees and older Americans we represent. We look forward to working with you towards the passage of this legislation.

Sincerely,

William L. Minnix, Jr.  
Chair, LCAO