

The Council for Affordable Health Insurance



February 1, 2005

The Honorable Steve King
U.S. House of Representatives
1432 Longworth House Office Building
Washington, D.C. 20515

Dear Rep. King:

On behalf of the Council for Affordable Health Insurance (CAHI), we are writing to express our strong support for H.R. 37, the Health Insurance Affordability Act of 2005. This legislation would allow small business owners, employees and individuals who have a high-deductible health plan with a Health Savings Account (HSA) to deduct 100 percent of the premiums from their individual taxes. CAHI was organized in 1992 as a research and advocacy organization devoted to positive, market-based health care reforms that preserve freedom of choice for individuals and encourage a competitive health insurance market.

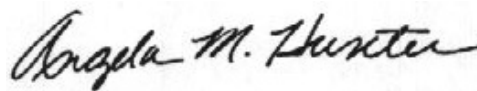
Under current tax law, corporations who insure employees with group health plans are allowed to deduct premium taxes. The high-deductible health plan tax deduction under the Health Insurance Affordability Act would be available to all Americans with a health savings account regardless of whether the individual itemizes or not. This legislation begins to address the rising cost of health care by leveling the tax playing field for individuals and small business owners.

Any step Congress can take to make insurance more affordable will result in fewer people going without health insurance. We salute you for introducing this legislation and pledge our assistance to working for the bills' passage.

Sincerely,



Merrill Matthews
Director



Angela M. Hunter
Director of Federal Affairs