



January 17, 2003

United States Senate
Washington, DC 20515

RE: Position Papers on Health and Retirement Policy

Dear Senator:

America's private employer-sponsored benefits system is recognized throughout the world because of the quality of the coverage it provides and its flexibility to adapt to the ever-changing needs of businesses and their workers -- all on a purely voluntary basis. Yet, significant challenges remain such as the insufficient level of retirement savings by Americans and a lack of access to affordable health care. As explained in the attached position papers, the 108th Congress has an enormous opportunity to strengthen this system for employers and employees alike. Your leadership will also ensure that the private benefits system can provide retirement and health plan coverage to an even greater number of Americans.

In the 108th Congress, you will consider a range of high profile benefits issues. Congress can strengthen the employer-sponsored benefits system through appropriate action (as detailed in our attached position papers) on issues including: making permanent the retirement savings provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA), reforming Social Security and Medicare and including a provision for prescription drug coverage, providing broader health coverage for uninsured Americans, and new policies in regard to stock ownership, investment advice, and deferred compensation issues that arose in the aftermath of much-publicized corporate bankruptcies last year.

We have just completed a survey of our members on health and retirement policy issues. We think you will find the results interesting and important. The survey highlights are described on the attached documents.

We stand ready to assist you and your staff on these important issues. The American Benefits Council is the national trade association for companies concerned about federal legislation and regulations affecting all aspects of the employee benefits system. The Council's members, representing the entire spectrum of the private employee benefits community, either sponsor directly or provide services to health and retirement plans covering more than 100 million Americans. Additional assistance from the Council is available by contacting our policy staff: Lynn Dudley, Vice President & Senior Counsel, at ldudley@abcstaff.org; John Scott, Director, Retirement Policy, at jscott@abcstaff.org; Paul Dennett, Vice President, Health Policy, at pdennett@abcstaff.org; and Maria McCann Ghazal, Director, Health Policy, at mghazal@abcstaff.org. All four can be reached by phone at 202-289-6700.

Thank you.

Sincerely,

A handwritten signature in cursive script that reads "James A. Klein".

James A. Klein
President