

START OVER!

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January 16, 2012

The Honorable Dave Camp, Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

We understand that later this week the Committee on Ways and Means will consider H.R. 1173, *Fiscal Responsibility and Retirement Security Act*, legislation to repeal the Community Living Assistance Service and Supports (CLASS) Act which was enacted as part of the Patient Protection and Affordable Care Act (PL 111-48). On behalf of Start Over!, a coalition of more than 250 trade associations representing employers of all sizes across the entire span of the U.S. economy, we write in strong support of H.R. 1173 and to urge that the committee favorably report this important legislation to the full House.

As well intentioned as the CLASS Act is, it is irrationally designed as an insurance program and a budgetary “train wreck” waiting to happen that may only be avoided by its complete repeal. To underscore this point, the Chairman of the Senate Budget Committee, Senator Kent Conrad (D-ND), referred to CLASS as “a Ponzi scheme of the first order, the kind of thing that Bernie Madoff would have been proud of” and the Administration’s Chief Medicare Actuary acknowledged the “very serious risk that the problem of adverse selection will make the CLASS program unsustainable”. More recently, Health and Human Services Secretary Kathleen Sebelius seemed to acquiesce to the reality that CLASS is unworkable as constructed when she cancelled the department’s implementation effort and told the Congress, “Despite our best analytical efforts, I do not see a viable path forward for CLASS implementation at this time.”

The fundamental flaws of the CLASS Act are not going to magically disappear, and under the circumstances there does not seem to be any rational argument for leaving the CLASS Act in place. For this reason, we believe the *Fiscal Responsibility and Retirement Security Act* is worthy of broad bipartisan support and again urge all Members of the Committee on Ways and Means to vote in favor of H.R. 1173 at markup later this week.

On behalf of the members of Start Over!, thank you for your consideration of our views.

Sincerely,

THE START OVER COALITION MANAGEMENT COMMITTEE:

(see next page)

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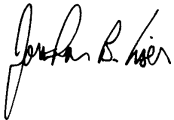
Geoffrey Burr, Vice President-Government Affairs
Associated Builders and Contractors



Stephen E. Sandherr, Chief Executive Officer
Associated General Contractors




Thayer Long, Executive Vice President & CEO
Independent Electrical Contractors



Jon Eisen, Senior Vice President-Government Relations
International Foodservice Distributors Association

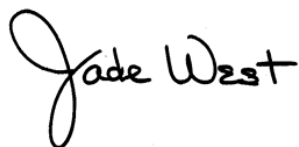


Stephen J. Caldeira, President & Chief Executive Officer
International Franchise Association



Jay Timmons, President
National Association of Manufacturers

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Jade West, Senior Vice President-Government Relations
National Association of Wholesaler-Distributors



Dan Danner, President & CEO
National Federation of Independent Business



David French, Senior Vice President-Government Relations
National Retail Federation



Karen Kerrigan, President & CEO
Small Business & Entrepreneurship Council



R. Bruce Josten, Executive Vice President-Government Affairs
U.S. Chamber of Commerce

cc: All Members of the Committee on Ways and Means