

Jay Timmons

Executive Vice President

September 28, 2010

United States Senate
Washington, DC 20510

Dear Senators:

The National Association of Manufacturers (NAM), the nation's largest industrial trade association representing small and large manufacturers in every industrial sector and in all 50 states, urges you to support S.J. Res. 39, a "resolution of disapproval" sponsored by Senator Enzi (R-WY) and aimed at preventing the Department of Health and Human Services (HHS) from implementing its proposed Grandfather Rule.

The vast majority of American manufacturers, including 97 percent of NAM member companies, voluntarily offers health benefits to their employees. Our members support proposals that reduce soaring health costs, improve the efficiency of the current system and enhance the quality of care.

Conversely, manufacturers oppose proposals that make it more expensive or more difficult to offer health benefits to their workers. Unfortunately, the Grandfather Rule proposed by HHS limits the ability of manufacturers to tailor their health plans to meet the needs of their workforce. This will lead to higher health care costs due to restrictions on changes made to cost-sharing, employer contributions and other routine tools businesses use to lower costs.

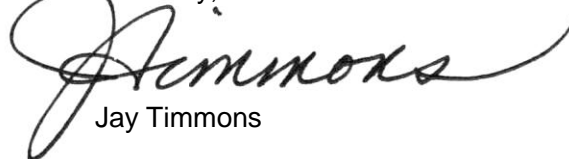
For example, losing grandfather status will impose additional mandates on manufacturers, such as a burdensome claims appeals process, additional transparency requirements and additional reporting requirements.

When our economy is still struggling and unemployment is far too high, it is not the right time to place more burdens on America's job creators. The NAM opposes the Grandfather Rule and urges your support of S.J. Res. 39.

The NAM's Key Vote Advisory Committee has indicated that votes on S.J. Res. 39, including potential procedural motions, may be considered for designation as Key Manufacturing Votes in the 111th Congress.

Thank you for your consideration.

Sincerely,



Jay Timmons