

December 2, 2009

The Honorable Senator Arlen Specter  
711 Hart Building  
Washington, DC 20510

Dear Senator Specter,

I write to you as an actuary who has written and reviewed numerous health care reform issue briefs for the American Academy of Actuaries. These issue briefs have been shared with Congressional staffers as they consider the impact changes to our existing system will have on the uninsured, the private insurance industry, and the budget. You can see many of these issue briefs by reviewing the Discover section of our website at [www.navben.us/Discover.php](http://www.navben.us/Discover.php).

Health care is incredibly personal for every American citizen and too important to change our existing system with a simple majority. Rather, I believe that we should and can find a compromise that will work for all Americans. I believe this change is closer than we think. I encourage you to consider a very simple change that works within our current employer-sponsored system, allows individuals to make their own decisions, and reduces the price tag for reforming health care.

The 401(k) revolutionized the U.S. pension system without replacing our employer-sponsored retirement benefit system. With the 401(k), employees gained greater control over their retirement assets, gained a retirement plan that is 100% funded all the time, benefited from full portability as they moved from one job to another, and benefited from automatic enrollment so as to assure their lifetime security. You have the opportunity to do the same for health care. With a small addition to the proposed health care reform bill, I believe you can achieve a health care system that remains employer-sponsored, automatically enrolls employees upon their hiring, is fully funded, significantly reduces the uninsured population, and I expect will receive widespread support. The addition would clarify the existing tax code on a point that many believe does not require clarification. It would assure that employer-sponsored health care receives the full advantages of Sections 104, 105, and 106 of the tax code. And, as an actuary, I believe that the clarification should lead the CBO to reduce their estimates for future government provided health care subsidies and increase the prospects for President Obama to sign health care reform into law.

I welcome the opportunity to discuss this concept with you at your earliest convenience.

Sincerely,

Tim Luedtke, FSA, MAAA, FCA, CFA  
Navigator Benefit Solutions LLC