

From: t.luedtke@navben.us
Sent: 03/20/2010 10:07 AM
To: 'joe.sestak@mail.house.gov'
Cc: 'adam.axler@mail.house.gov'
Subject: Health Care and 401(h)

Dear Congressman Sestak:

We wrote yesterday with a proposed 402 amendment. Where such an amendment is not feasible within the current process, we ask that you request the Office of Management and Budget to provide a separate tax expenditure accounting for 401(h) expenditures and for the remainder of the pension expense. Today, we believe these expenditures are reported together. We recommend this action to capture the 401(h) expense associated with I.R.C. Section 420 transfers that are prompted by the Pension Protection Act (PPA). PPA temporarily enhanced 420 transfers until year-end 2013.

We believe that reporting this information will provide the transparency necessary to effectively evaluate past and future actions regarding retiree health care proposals. Retiree health care and long-term care may one day present future problems where employees resist leaving their jobs due to the need to continue their health insurance.

Thank you for your consideration of this matter.

Sincerely,

Tim Luedtke, Principal and Consulting Actuary
Navigator Benefit Solutions, LLC
610.296.3062

bcc: Congressman Holden
Congressman Carney